

Terms of Reference (TOR)

Financial Audit of the Project "Introduction of Social Entrepreneurship as a Key to Competitive Youth and Strengthened Vocational Schools in Georgia"

1. Introduction

The objective of the Non-Governmental Organization Economic Development and Empowerment Center (EDEC) is to improve access to financial resources for small and medium-sized enterprises (SMEs), encourage the use of modern technologies, create a supportive ecosystem for business development, and stimulate inclusive economic growth.

The Economic Development and Empowerment Center, in partnership with ChildFund Deutschland E.V. (Germany) and with financial support from the German Federal Ministry for Economic Cooperation and Development (BMZ), is implementing the project "Introduction of Social Entrepreneurship as a Key to Competitive Youth and Strengthened Vocational Schools in Georgia". The 30-month project aims to strengthen the entrepreneurial and social skills of young people in Georgia and motivate them to become active in the field of social entrepreneurship by introducing the concept of social student companies at vocational schools and using it in the educational process at 4 pilot educational institutions in 2 pilot regions (Imeretia and Inner Kartlia).

This initiative involves cooperation with the Social Enterprise Alliance (SEA). The national umbrella organization for social enterprises in Georgia, which oversees the quality assessment and certification of educational materials. Additionally, the project works in close cooperation with the National Center for Education Quality Enhancement (NCEQE) to secure official authorization and approval of the developed content.

The project aims to promote vocational schools and contribute to their recognition. To achieve this, a range of targeted activities will be implemented. These include training opportunities for teachers of the vocational schools and the establishment of social student companies.

In addition, the social labs established at the pilot vocational schools will serve as creative spaces for developing ideas and fostering collaboration among students, civil society organizations, and local businesses, helping to embed the concept of social entrepreneurship at the local and regional levels.

Project Activities:

- Kick-off meeting
- Selection of four pilot vocational schools in the target regions of Imeretia and Inner Kartlia
- Comprehensive update of the existing EDEC training program in social entrepreneurship, corresponding certification by the Alliance of Georgian Social Enterprises (SEA), and submission for authorization to the National Center for Education Quality Assurance (NCEQE) for a nationwide dissemination of the course in SE at vocational schools
- 6 Information days on social entrepreneurship and expansion of cooperation for 180 stakeholders from the education sector, the private sector, local media, NGOs, government institutions and authorities
- 5-day training course for 20 vocational school teachers in the field of social entrepreneurship
- Establishment and operation of business incubators and test labs for the development of social student companies at 4 pilot schools
- 4-month training in social entrepreneurship for 120 vocational school students
- 10 information events for 1,500 pupils and 50 secondary school teachers in 2 pilot regions
- 24 information events on social student companies at vocational schools and in municipalities nationwide, conducted by 12 teachers from the second training phase
- Information and promotion campaign on the topic of social student companies
- Grants for student company ideas and the establishment of 10 social student companies with the help of mentors and experts

The Economic Development and Empowerment Center invites outside companies to submit proposals for the provision of audit services. The audit must be conducted by an external independent auditor(s) in accordance with the Annex to these Terms of Reference and Annex #1; #1.1. The given Annexes are an integral part of these Terms of Reference. The selection of the audit firm is made by the Economic Development and Empowerment Center and is subject to approval by ChildFund Deutschland E.V. (Germany).

2. Objective of the Terms of Reference (TOR)

To conduct a financial audit of the project, "Introduction of Social Entrepreneurship as a Key to Competitive Youth and Strengthened Vocational Schools in Georgia" in accordance with internationally recognized audit standards requirements and Annex #1; Annex #1.1.

3. Specific Assignment

To perform the financial audit of the project's financial report in accordance with internationally recognized auditing standards, norms, and requirements (Annex #1; Annex #1.1).

The audit must include the following audit and control measures:

- Verification of the accuracy and completeness of the accounting records.
- Examination of the financial report, which must show all project-related income and expenditures, and for which it must be confirmed that receipts account for all income and expenditures.
- Verification of the management of funds allocated by the project (includes: project funds transferred to the project partner in the current budget year or throughout the project duration; verification of whether the funds were properly used to implement the planned project objectives and activities).
- Verification of the efficiency (effective utilization) of financial resources and expenditures.
- Verification of personnel costs and social security contributions to ensure they comply with local standards, are legally in force in the relevant project country, and, above all, comply with contracts and legally stipulated contributions.
- Expression of an opinion in the audit report regarding the financial report, as well as the organization's fulfillment of its obligations under the cooperation agreement (grant agreement) and the use of project funds.

3.1. Report Preparation – The report must be prepared in the format defined by the standard, in accordance with Annex #1; Annex #1.1.

The auditor must prepare the Audit Certificates and a Letter to Management according to the sample provided in Annex 1.1. For this purpose, the Organization will provide them with all necessary documentation (project application, project agreement, including the financial plan and any changes to the funding plan, and all records).

4. Methodology

4.1. Group and/or individual meetings, consultation.

4.2. Permanent communication with the contact person and project team designated by the Organization.

5. Deliverables

5.1. Financial Audit Report, prepared in accordance with internationally recognized standards and requirements (Annex #1; Annex #1.1).

6. Special Requirements

Only a certified audit company may submit a proposal.

Interested companies must apply in English, including the following information:

- Name, identification code, legal/actual address.
- CVs of the expert and any other members of the evaluation team.
- Portfolio, information on experience in auditing similar organizations and/or projects (including information on project content, donor, project budget, and project country).
- Detailed Service Plan (description of the proposed methodology, approach, and deadlines, including the total number of planned working days, including the number and duration of field visits).
- Suggestions and recommendations to the Terms of Reference, if necessary.

Offers not containing the above-stated documents and information and arriving after the deadline cannot be considered. Only shortlisted candidates will be contacted.

The selection will be made by the Project Team, who will only contact the shortlisted contestants for an interview.

Selection Criteria:

Criterion	Points
Experience	40 points
Detailed Service Plan	35 points
Strong writing and communication skills in English and Georgian	25 points
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The proposal must be submitted (in English) from October 13 to October 17, 2025, 18:00, to the address: admin@edec.ge. Please indicate "proposal for Audit Services" in the subject line.

7. Duration of Service Delivery: October 2025 – April 2026

8. Contact Information:

For any clarification regarding the tender documentation, please contact:

Contact Person: Irma Dzneladze

Phone: 551620562

Email: finance@edec.ge

Economic Development and Empowerment Center