# SPP Annual monitoring template

Complete Annual monitoring includes the following aspects:

* Monitoring meeting with your Programme Officer
* Narrative results summary, submitted in writing (see template below)
* Narrative financial report, submitted in writing (see template below)
* Financial outcome, signed by two authorised signatories, reported in Civis according to ForumCiv’s instructions
* Audit of the Swedish organization, signed by the auditor, which includes:
  + ISA 805 report
  + ISRS 4400 report
  + Management Letter (Please note that if the auditor does not have any observations, this needs to be explicitly stated in the audit report, otherwise a Management Letter is required).
* A Management Response from the organization that answers to the issues raised in the Management Letter, signed by two authorised signatories
* Annex to report – Information on partners in subsequent step
* Organization documents of the Swedish organization:\*
* Latest approved annual meeting minutes, signed according to general practice (commonly signed by two persons and adjusted by two persons).
* Extracts from minutes that show the organization’s elected authorised signatories, signed according to general practice (commonly signed by two persons and adjusted by two persons).
* Latest approved activity report, signed by the departing board.
* Latest approved annual report including income statement and balance report, signed by the departing board.
* Latest auditors' report, signed and dated by the auditor.
* Organization statutes.
* OPTIONAL – Operational plan. (Note that you are not required to report against the Operational Plan that is part of the agreement (not applicable to LPF), but you can attach it to the report if you wish.)

**\*** If the latest approved organization documents have been submitted to ForumCiv, you do not need to submit them again. You see your latest organizational documents in the folder 01 Organizational documents on your Organization page.

**Note that after the report is submitted, any potential updates to the financial outcome requires new signatures from two authorised signatories and the auditor.**

## Monitoring meeting

The annual monitoring process consists of a **dialogue with your Programme Officer**. The dialogue focuses on discussing progress and learning/adaptations during the past year. The template below outlines the areas of interest and questions that will be touched upon in the dialogue.

You are free to submit via email to the Programme Officer any videos, photos, or other material that you see as relevant for the implementation period during or after the meeting.

Please note that your Programme Officer may ask for completions and clarifications afterward.

## To submit in writing

A brief narrative results summary and a narrative financial report (see template below) will have to be submitted in writing.

Please note that your Programme Officer may ask for completions and clarifications afterward.

## Reporting deadline

Your annual report deadline is for submitting the written parts of the annual monitoring report: the financial outcome, the audit, and organizational documents of the Swedish organization. The monitoring meeting is held in close connection to the deadline.

After the monitoring meeting has been carried out and the financial reporting has been approved, your Programme Officer may make a new assessment to support agreement changes for greater flexibility.

# Reporting instructions

**Flexibility in reporting**

The reporting in the Swedish Partnership Programme departs from a few broad areas of interest, see template below. The purpose of these broad areas is to ensure relevance of the reporting for the programme while, hopefully, allowing you to use your own reporting system and avoid double-work. Please note that you cannot use your own templates for the narrative financial report questions.

To complement the reporting, you may also submit videos, photos, or other material to your Programme Officer via email.

If your initiative includes multiple partners, you can give an account of results/progress per partner OR at an aggregated level. If at an aggregated level, describe your method for aggregating the results.

**Assessing the change**

Taking the time to thoroughly assess the change, progress and results you have achieved or not achieved is essential to the reporting, and in planning your future initiative. This assessment should be a joint process done together by the partners and result in an account of change made in the initiative. The assessment should relate to the long-term goals of the local organization, reflect on the effectiveness of the initiative, and the internal and external conditions that were critical for achieving the objectives of the initiative. In cases with multiple partners, the account of progress can be per partner or at an aggregated level.

**Describing the change**

Trust-based reporting goes hand in hand with transparency and mutual accountability. For this purpose, the accounts of progress in the reporting should be objective and verifiable and demonstrate a logic and plausible link between the initiative and the progress achieved.

**Reflect on lessons learned**

Implementing a rights-based initiative is inherently complex and bound to face challenges as it should seek to, in some way, change the current conditions for how power and resources are distributed. The Swedish Partnership Programme strongly encourages you to share your reflections on challenges, lessons learned, assumptions and adaptations etc. and how you managed these in your initiative. This will support you in improving and adapting your future work.

## Reporting the financial outcome

The financial outcome demonstrates how you have used the funds over the last year. The financial outcome must be reported under the Finance tab on the Initaitive page in Civis. After you have done so, you will be able to generate a pdf that you should sign and submit together with the report.

Consider the following when filling in your financial outcome:

* The financial outcome should consist of the actual exact costs in the initiative, meaning that you should not round off, except to the closest single SEK (e.g. 5783,85 SEK = 5784). The reported costs must be able to be verified by supporting documentation.
* The total outcome for administration in Sweden should not be more than the total amount for administration in Sweden in the latest agreed budget. The administration in Sweden is also reported in the narrative report.
* The total outcome of the own contribution cannot be less than 5% of the total outcome of the budgeted operational expenses. This means that the own contribution can differ in percentage across years and that over- and underspending of the overall budget will lead to the own contribution being higher or lower compared to the total amount of own contribution in the latest agreed budget. The own contribution is also reported in the narrative report. Note that any additional funds included in the financial report must follow the agreement conditions for own contribution.

## Audit report

All funds received from ForumCiv must be audited by an external authorised and independent auditor. This means that the Swedish organization and all local organizations must do their own audits for all the funds. The Swedish organization is responsible for the local auditor being an external authorised and independent. The Swedish organization is responsible for approving the local audit.

A complete audit report includes an ISA 800/805 report, an ISRS 4400 report and a Management Letter provided by and signed by the auditor. In addition to the reports from the auditor you shall also submit a Management Response. The purposes of the Management Response are to express your position in relation to the Management Letter and to describe the actions planned to address weaknesses and discrepancies. If the auditor considers that no observations or weaknesses have been identified, this shall be clearly stated in any of the audit reports.

**Checklist – Is the audit complete?**

* Are all of the audit reports signed by the auditor?
* Is the initiative number correct?
* Are the dates of the audited period correct?
* Are the total costs (incl. own financing administration costs in Sweden) from the financial report included and correct?
* The auditor must submit an ISA 800/805. It should include an opinion as to the initiative’s finances have been has been reported correctly. Does the ISA 800/805 include a statement whether anything has obstructed the auditor’s opinion?
* The auditor must submit an ISRS 4400. Are all points included? Are the auditor’s remarks understandable?
* The auditor must issue a Management letter to your organisation that include all remarks from the audit. The auditor must also state in the management letter whether previous year’s audit remarks have been addressed. If there are not remarks from the audit and the previous year’s audit, this must be clearly stated in any of the audit report. Does the auditor follow-up on any previous audit remarks in the Management letter?
* You must present a Management response to all remarks in the Management letter. It should include your standpoint and action plan for each remark. If there are no remarks in the Management letter you do not have to issue a response.

Remember that although an auditor is contracted, it is the responsibility of your organisations to make sure that the audits are complete and according to instructions. Make sure that you and your auditor discuss and solve any mistakes or misunderstandings before the report is finalised.

**Follow-up on audit findings**

ForumCiv have the responsibility to follow-up on audit findings in the report submitted by partners. The Swedish organization in turn has the same responsibility toward its Partners in subsequent step (see Paragraph 8 in the Agreement and Paragraph 8d in ForumCiv’s audit instructions).

The follow-up of audit findings is done to manage risks as well as to learn more about partners and the support they may need. The follow-up should have a constructive approach that considers the relationship amongst partners while fulfilling the responsibilities according to the agreement.

How ForumCiv follow-up and audit finding is dependent on the finding itself. It may be in the form of an email, a brief call or a meeting including or not including request for verification or supporting material.

The monitoring or final report memo shared after the report assessment will state the number of audit findings that will be followed-up by ForumCiv and when.

# Dialogue Template

To help you prepare for the dialogue, these areas of interest and questions will be touched upon.

**Assessing and developing Organizational Capacity**

How have your respective organizations’ programmatic, administrative, and financial capacities changed to achieve the goal(s) of the initiative, if any? What factors contributed to the changes? What lessons have you learned in relation to your organizational capacity and what adjustments/adaptations have this led to?

* + - 1. **Assessing the Initiative**

How has the initiative progressed towards its goal(s)? What factors contributed to the changes? What lessons have you learned in relation to the implementation strategy, and what adjustments/adaptations have this led to? How have you worked with risk management, Do-No-Harm, and anti-corruption? Did any non-compliance occur in relation to the operations during the year?

* + - 1. **Assessing and developing the Partnership**

How have you worked toward an effective, strategic, and equitable partnership during the year? What factors enabled this work? What lessons have you learned in relation to the partnership, and what adjustments/adaptations have this led to? How can ForumCiv improve to be a better partner going forward? How have you interpreted the flexibility within the programme? What changes, positive and negative, have this led to within the partnership?

# To Submit in Writing

## Results summary of the initiative.

Use the questions below to write a short results summary of the initiative, max 500 words.

* *What was the goal(s) of the initiative?*
* *What changes has the initiative led to?*
* *When was the initiative implemented?*
* *Who were the target group(s)?*
* *What kind of methods and activities were implemented?*
* *How was the goal fulfilment follow-ed up and evaluated?*

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| *Write here [max 500 words]* |

## Narrative Financial Report

All questions below must be answered.

* + - 1. **Budget monitoring**
  1. How has the budget planning and monitoring been carried out in the partnership(s)?
  2. How has the Swedish organization’s budget planning and monitoring been carried out?
  3. What lessons have you learned in relation to budget planning and monitoring and what adjustments or adaptations has this led to?

1. **Financial outcome**
2. What has the administration grant in Sweden been used for?
3. How was the own contribution raised?
4. What was the outcome of the Swedish organization’s operational costs that directly benefitted the local organization(s) in SEK?
5. List all purchased equipment with cost price of 50.000 SEK/unit or more.
6. Have there been any budget deviations of 10% or more? Have you informed ForumCiv of these deviations in advance? If so, state the date(s) of approval. If no, list the deviations.
7. Analyse deviations in the outcome of wage costs at the local organization(s). Were there any common causes, patterns or trends?

Fill in the total sums for the local organization(s) unused grant, interest gains and exchange rate effects (when the budgeted income in a local currency is more or less than the actual amount received in local currency) for the reported period:

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| Unused grant | Amount carried over | Repaid to Swedish Organization |
| Interest gains | Amount carried over | Repaid to Swedish Organization |
| Exchange rate effects | Amount carried over | Repaid to Swedish Organization |

1. **Transfers**
   1. How has the Swedish organization confirmed the actual exchange rate in the financial report of the local partner(s)?
   2. If alternative funds transfer been approved in the initiative, list all transferred amounts and payment dates.
      1. How have payments been monitored and followed up?
      2. How have identified risks related to the transfer method changed?
      3. What new risks have you identified?
2. **Procurement**
   1. List all purchases of products and services for a total amount of 50,000 SEK/year or more, excluding VAT?
   2. Describe how the procurements were carried out.

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| Procurement principles need to be followed as regulated in ForumCiv’s General Conditions. The principles also apply when you procure the same product more than once for a total cost of 50,000 SEK or more, excluding VAT. For example, several flight tickets from the same travel agency on different occasions or an external evaluator who evaluates the initiative several times. |

1. **Local audit(s)**
   1. Have all funds transferred to local organization(s) been audited?
   2. Has the audit(s) been performed in accordance with ForumCiv’s latest audit instruction?
   3. Does any local audit cover a period longer than 12 months? If so, state the date of approval from ForumCiv.
   4. Has the auditor(s) submitted an audit report in accordance with ISA 805, an ISRS 4400 report, and a separate management letter if applicable?
   5. Was the local auditor(s) external, independent and qualified?

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| Contracted auditors must be external and independent to the organization that is being audited. This means that the auditor cannot have any interest that can affect the audit. The conclusions of the audit could be questioned if there is any doubt as to the independence of the auditor.  A membership in IFAC means that the auditor or audit firm is being monitored by IFAC which is a form of quality assurance. It is not required for the auditor to be a member of IFAC. However, the auditor should follow the International Standards of Auditing, ISA, which is a standard set by IFAC. |

* 1. Have funding been transferred from the local organization(s) to a Partner in subsequent step? If so, were the funds audited and regulated in an agreement between the local organization and their partner? Did the agreement and audit instructions follow the terms and conditions set out in the agreement between the local organization and the Swedish organization?
  2. Has the Swedish organization approved or been informed of the contracted local auditor(s) in advance?
  3. Has the Swedish organization assessed the report(s) submitted by the local auditor(s)?

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| The Swedish organization must make sure that ForumCiv’s latest audit instruction have been communicated and followed by contracted local auditors. The Swedish organization must assess the content of the audit report and act on the information in the report. |

* 1. Analyse the audit process. Were there any noticeable patterns and trends in the audit observations? Are there any lessons learned?
  2. List all the significant observations from the local audit(s) and the Swedish organization’s assessment of them.

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| The auditor(s) should mention if observations are significant. You can also mention observations that you consider significant, although not mentioned by the auditor. Remember to include significant observations from audits in all subsequent step, i.e. in the case a local organization have transferred funds to another organization. |

1. **Swedish audit**
   1. Has the audit been performed in accordance with ForumCiv’s latest audit instruction?
   2. Has the auditor submitted an audit report in accordance with ISA 805, an ISRS 4400 report, and a separate management letter?
   3. If applicable, have the Swedish organization submitted a management response that address the observations and recommendations from the auditor?
2. **Routines and principles**

The questions below must be answered if this is the first or only reporting of your initiative OR if there have been updates to any of the routines and principles based on your previous answers. Otherwise you must answer N/A.

* 1. What is the routine for approval of budget changes within the partnership(s)?
  2. Describe the routine for the Swedish organization’s approval of budget changes resulting from exchange rate effects (when the budgeted income in a local currency is more or less than the actual amount received in local currency).
  3. What principle for managing currency exchanges have been used during the initiative?

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| The principle for managing currency exchanges should be reasonable, used systematically and follow applicable accounting standards. The description of the principle can be used by the auditor to assess if the management of currency exchanges have followed the routine. |

* 1. How does the Swedish organization confirm all currency exchanges?
  2. What bookkeeping principle has been applied for the initiative (accounting on a cash basis or earnings basis)?

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| Cash basis accounting recognises income and expense **when** they are received or paid out. For example, an invoice is booked as an expense when it is paid, not when the invoice is received.  Earning basis or the accruals concept of accounting requires that income and expense be recognised in the accounting periods to which they relate. For example, an invoice is being booked as a debt when it is received by the organization, and this debt is removed when the invoice is paid. So even if the invoice is not paid directly, it is considered an expense directly. |

* 1. How does the Swedish organization book payments to partner organizations and repayments from partner organization? When does the cost for partner support occur in the Swedish organizations bookkeeping system?
  2. Describe the Swedish organization’s routine for following-up the local organization(s)’s actions and progress on observations and recommendations from the local audit(s).
  3. How does the Swedish organization screen partners in subsequent step and suppliers to ensure that such parties are not subject to the European Union’s financial sanctions list of persons, groups and organisations (EU Sanctions list)?

**Your Programme Officer may contact you in case completions or clarifications are needed.**