# SPP Annual monitoring template

# Reporting instructions

## Overview of report components

* 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 (not applicable to LPF). Note that you are not required to report on the Operational Plan that is part of the agreement, 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 can see your latest organizational documents in the folder 01 Organizational documents on your Organization page in Civis.

**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.

Local partner organizations should be invited to the monitoring meetings to a feasible extent. Your analysis of the areas and questions above should depart from a joint process that include all involved local partner organizations. In turn, it is the responsibility of the Swedish organization to synthesize the reporting and ensure that it is representative of the initiative, regardless of who participate in the meeting.

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.

The meeting may be recorded to complement the notes and support analysis afterward.

Please note that your Programme Officer may ask for completions and clarifications afterward. If the meeting has led to updates of prior assessments, you may also be asked to validate the notes.

## 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.

## 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 Initiative 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 in Civis:

* 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 should be written as 5784). It must be possible to verify the reported costs by supporting documentation, such as invoices and receipts.
* The total outcome for administration in Sweden is not allowed to be higher than the amount in the latest approved budget.
* The total outcome of the own contribution cannot be less than the required percentage of the total outcome of the operational expenses: 5% for 2023, 7,5% for 2024 and 10% for 2025. This means that if you underspend your budget, you can lower your own contribution and if you overspend your budget, you must increase your own contribution. If you put in more than the required own contribution for one year, you are allowed to reduce it a following year within the same initiative. As long as the total own contribution meets the requirement for the initiative as a whole. Also, note that any additional funds included in the financial report must follow the agreement conditions regarding own contribution.
* In the text box with the heading Notes to financial report you should enter explanatory notes necessary for transparent financial reporting. This includes but is not limited to the accounting principles applied for the financial report, and the principle applied for managing currency exchanges.

## Audit report

All funds received from ForumCiv must be audited by an external authorised and independent auditor according to ForumCiv’s audit instruction. This means that the Swedish organization and all local partner organizations must have audits done along with each annual and final reports.

The Swedish organization is responsible for assuring that the local audit is done according to ForumCiv’s audit instruction by an external authorised and independent auditor. The Swedish organization is also responsible for assessing the local audit reports and follow-up on any audit findings.

A complete audit report should include 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 purpose of the Management Response is to express your position in relation to the Management Letter and to describe the actions planned, or taken, to address the findings and weaknesses.

Remember that it is the responsibility of you and your local partner organization(s) to make sure that the audit reports are complete and according to ForumCiv’s audit instruction. Make sure to discuss and solve any mistakes or misunderstandings before the report is finalized.

## 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. ForumCiv’s grant and the own contribution) from the financial report included and correct?
* ISA 800/805:
  + Does it include an opinion as to whether the initiative’s finances have been reported correctly?
  + Does it include a statement whether anything has obstructed the auditor’s opinion?
* ISRS 4400:
  + Are all points included? (Note that point 7-9 are mandatory for organizations that forward funds to another partner.)
  + Are the auditor’s comments comprehensive and understandable?
  + Applicable the final year: Has the auditor specified the correct unspent fund balance, and the amount that shall be repaid to ForumCiv?
* Management Letter:
  + Has the auditor issued a Management Letter that include all findings and weaknesses from the audit?
  + Has the auditor made recommendations to address the identified findings and weaknesses? Have the recommendations been presented in a priority order and with a risk classification?
  + Has the auditor followed up on any previous audit findings and weaknesses?
  + Has the auditor stated whether previous year’s audit findings and weaknesses have been addressed?
  + (Note that if there are no findings or weaknesses from the audit or the previous year’s audit, this must be clearly stated in any of the audit reports.)
* Management Response:
  + Have you (or the local partner organization) presented a Management Response that addresses all findings and weaknesses in the Management Letter?
  + Does it include your (or the local partner organization’s) standpoint and action plan for each finding in the Management Letter?
  + (Note that if there are no findings in the Management Letter, a Management Response is not mandatory.)

## Follow-up on audit findings

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

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 on an 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. ForumCiv’s decision-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 followed up and evaluated?*

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| Write here [max 500 words] |

## Narrative financial report

All questions below must be answered.

### **Budget monitoring**

What lessons have you learned in relation to budget planning and monitoring and what adjustments or adaptations has this led to?

### **Local partner(s)’ grant, gains, and effects**

Fill in the table below summarizing your local partner(s) unused grant, interest gains, exchange rate effects and exchange rate gains/losses for the reported year/period. All amounts should be stated in SEK.

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| **Unused grant** at the local partner(s)  SEK | Amount carried over to the following year\*  SEK | Amount repaid to the Swedish organization  SEK |

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| **Interest** gained at the local partner(s)  SEK | Amount carried over to the following year\*  SEK | Amount repaid to the Swedish organization  SEK |

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| **Exchange rate effects** at the local partner(s) *(write (-) if negative)*  SEK | Amount used during the reported period  SEK | Amount carried over to the following year\*  SEK | Amount repaid to the Swedish organization  SEK |

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| **Exchange rate gains/losses balance** at the local partner(s) *(write (-) if a loss)*  SEK | Amount repaid to the Swedish organization  SEK |

*\*Only applicable in the annual monitoring report.*

### **Key figure**

* 1. How much of your (the Swedish organization’s) operational costs do you estimate directly benefitted your partner organization(s) (in SEK)?
  2. Describe how you calculated this key figure.

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| Operational costs that directly benefit the local partner(s) are costs that increase their capacity or benefit their operations. It could be costs for staff discussing how to address observations in an audit report, staff arranging/participating in workshops for local partners and their target groups, staff involved in discussing how local advocacy can be done, staff involved in facilitating networking for local partners. It could be costs for travels doing activities as above. It could be costs improving the security for local partners or members/staff/target groups. |

### **Administration grant in Sweden**

What has the administration grant in Sweden been used for?

### **Own contribution**

How have you raised the own contribution?

### **Budget deviations**

1. Have there been any budget deviations of 10% or more compared to the latest approved budget?
2. Have you informed ForumCiv of these deviations in advance? If so, state the date(s) of approval. If no, list the deviations.
3. Analyse deviations in wage costs at the local organization(s). Were there any common causes, patterns or trends?

### **Transfer of unused funds** (*Only applicable in annual monitoring report)*

1. Do you plan to use any of the closing balance from the reported year, during the current year (within the same initiative)? – If yes, answer the questions b to c below.
2. State the sum (in SEK) that you have applied / will apply to use.
3. Have you sent a budget update request to the responsible ForumCiv Programme Officer?

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| To apply to use unused fund balance in an ongoing initiative, send a budget update request in which you include the entire sum that you intend to use.  If you do not plan to use (a part of, or the entire) unspent fund balance or if ForumCiv rejects your application, you must repay the sum to ForumCiv along with your annual report.  Repayments are made to ForumCiv’s bankgiro 5359-2218. In the message line, state the intervention number and the applicable amounts concerning repayment of funds, exchange rate gains and interest. |

### **Alternative payment methods**

1. Have you transferred funds to partner(s) through an alternative payment method? - If yes, answer questions b to d below.
2. List all transferred amounts with respective alternative payment method, payment dates, and name of partner(s).
3. How have you monitored and followed up the payments?
4. Describe how you have worked with identifying and managing risks related to the alternative payment method. What new risks have you identified? What lessons have you learned?

### **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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| Purchases made within the initiative must follow “ForumCiv’s principles for purchase and procurement”.  A purchase or several purchases from the same provider totalling an amount of 50,000 SEK/year or more (excluding VAT) require tendering as described in the principles. For example, several flight tickets from the same travel agency on different occasions or an external evaluator who evaluates the initiative several times must be procured according to the principles. |

### **Purchase of equipment**

1. Have you purchased any equipment with cost price 50,000 SEK/unit or more? – If yes, answer questions b to d below.
2. List all purchased equipment with cost price of 50,000 SEK/unit or more.
3. Have the purchases been pre-approved by ForumCiv?
4. Applicable for final reporting only: Have you filled out the “Form for transfer of ownership of assets”? Submit this form to ForumCiv.

### **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. Do the audit report(s) include the following:

* An independent auditor’s report in accordance with ISA 800/805.
* An “Agreed-upon procedures report” according to ISRS 4400 (Revised)
* A Management Letter.

1. 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 your partner to another partner in subsequent step? If so, were the funds regulated in an agreement between your partner organization and their partner? Did the agreement follow the terms and conditions set out in the agreement between you and your partner organization? Were the funds audited according to ForumCiv’s audit instruction?
2. Have you approved or been informed of the contracted local auditor(s) in advance?
3. Have you 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 your 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 also include significant observations from audits in all subsequent steps, i.e. in the case your partner organization has transferred funds to another organization within the initiative. |

### **Swedish audit**

1. Has the audit been performed in accordance with ForumCiv’s latest audit instruction?
2. Does the audit report include the following:

* An independent auditor’s report in accordance with ISA 800/805.
* An “Agreed-upon procedures report” according to ISRS 4400 (Revised)
* A Management Letter.

1. If applicable, have you submitted a Management Response that addresses the observations and recommendations from the auditor?

### **Routines and principles**

* 1. Budget changes

1. Describe your routine for approval of budget changes within your partnership(s)
2. Describe your routine for how you approve your partner(s)’ budget changes resulting from exchange rate effects (when the actual amount received in local currency is less or more than the budgeted income in a local currency, due to exchange rate fluctuation).
   1. Currency exchange rate management
3. Describe your routine for confirming and documenting actual currency exchange rates and received amounts in local currency after transferring funds to your partner(s).
4. Describe how you calculate the exchange rate effects that occur at your partner(s)
5. Describe the method used for converting your partner(s) actual costs in local currency into SEK. For example, is the “Weighted Average Rate” or the “First in, First out”-method used?
6. 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.  Please refer to ForumCiv’s [Guidelines for exchange rate management](https://www.forumciv.org/sites/default/files/2023-11/Guidelines%20for%20exchange%20rate%20management.pdf) for definition of concepts, guidelines and rules around exchange rate management in ForumCiv-funded initiatives. |

* 1. Bookkeeping

1. What bookkeeping principle have you used in the initiative (accrual-based, cash-based, modified cash-based)
2. How do you book payments to partner organizations and repayments from partner organizations? When does the cost for partner support occur in your (the Swedish organization’s) bookkeeping system?

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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 booked as a debt when it is received, 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. Follow-up on local audit findings

Describe your routine for following-up your partner organization(s)’s actions and progress on observations and recommendations from the local audit(s).

* 1. EU sanctions list

1. Describe your routine regarding screening 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)?
2. How do you document your screenings and findings?

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| All Swedish organizations and local partners must review partners in subsequent steps as well as suppliers funded by the Grant, to ensure that they are not on the EU Sanctions List. It is also important to document the screening in terms of which date was screening was done, which partners/suppliers were screened, and the results of the screening. |

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