

These guidelines describe Save the Children Norway's minimum requirements concerning financial management, and could be enclosed as an attachment to the agreement of cooperation between Save the Children Norway and a partner.

The partner is responsible for utilising Save the Children Norway funds in accordance with the agreement. However, Save the Children Norway shall not impose its specially designed PAR-system on the partner.

The partner's responsibilities include

- establishing adequate internal control routines
- establishing adequate control routines in order to monitor costs
- establishing adequate financial reporting routines
- following up financial reports and explaining budget deviations
- reporting to Save the Children Norway according to the agreement of cooperation

Budget

The budget should be specified in accordance with the annual plan. Administrative expenditure and programme expenditure should be shown separately.

Accounts

- The accounts must be kept in accordance with the country's Accounting Act (or, if not applicable, in accordance with the International Accounting Standards).
- The same account codes must be applied for budgeting and for accounting.
- The various projects should be shown separately in the accounts if the agreement covers several projects.
- Income from other donors must be specified in the accounts.

Monthly financial reports

The partner's monthly financial reports should show accumulated expenditure and income, as compared to the budget. These reports shall be used actively by the partner as a means for monitoring the activities.

Periodic financial reports to Save the Children Norway

Periodic financial reports shall be submitted to Save the Children Norway according to the agreement. It should show accumulated expenditure and income, together with estimates for the whole year, as compared to the budget. Deviations must be explained.

These reports should also be tools for the partner in the monitoring of activities.

Annual financial report

The annual financial report shall consist of

- annual report from the governing body of the partner organisation
- income and expenditure account for the year
- balance sheet for the year
- explanatory notes

Guidelines for financial management for Save the Children Norway's partners

- as appendix: a report on budget deviations for the whole year
- accumulated costs for the entire project period

Other

The partner has the responsibility to ensure that

- pertinent laws and regulations are followed
- purchasing is done in accordance with procedures for tendering and impartial treatment of suppliers
- assets are safeguarded, and, if relevant, insured
