

Accreditation Application – Sample Completed Document

SECTION I: Background/Contact

Nominated Entity (if NIE):		
Invited Entity (if MIE):		
Address:		
Country: Postal Code:		
Telephone:		
Fax:		
Web Address:		
Contact Person:		
Telephone:		
Email:		

SECTION II: Financial Management and Integrity

Specific Capability Required

- a) Legal status to contract with Adaptation Fund Board
- b) Financial statements including Project Accounts statement and the provisions for Internal and External Audits - Accurately and regularly record transactions and balances in a manner that adheres to broadly accepted good practices, and are audited periodically by an independent firm or organization;
- c) Internal Control Framework with particular reference to control over disbursements and payments - Managing and disbursing funds efficiently and with safeguards to recipients on a timely basis
- d) Preparation of Business Plans and Budgets and ability to monitor expenditure in line with budgets

Description of how entity meets capabilities required

Inventory of Current Organizational Environment	Document References

Examples of Supporting Documentation

Required Competency: *Financial Management and Integrity*

Sr No	Verification	Supporting documentation that may be provided	Assessment /Remarks
a	Demonstration of	Documentation of	The applicant is a legal entity in

	<p>necessary legal personality</p>	<p>legal status and mandate</p>	<p>terms of Sec of the Govt Act of (year) .Additionally Sec provides it with the mandate to sue and be sued and enter into contracts, etc in order to achieve its stated objectives.</p> <p>A copy of the Act is attached at Annex</p> <p>A copy of the certificate of incorporation is attached(Annex)</p> <p>A letter from the legal department certifying the entity’s legal mandate including its capacity to receive and disburse funds from international agencies could be attached to confirm legal status.</p>
	<p>Demonstration of legal capacity/authority and the ability to directly receive funds</p>	<p>i) Same documentation or separate supporting documentation</p>	<p>The applicant has the needed legal personality to contract with the Adaptation Fund Board and directly receive funds in terms of Sec A.....of the Govt Act of(year)</p>

			A copy of the Act is attached at Annex
		ii) List of foreign loan/donor funds handled over the last 2 years	<p>A year-wise list of loan/donor funds handled in the last 2 financial years is attached at Annex</p> <p>The list contains the name of the donors, the amount and type of funds provided and the purpose of the funds.</p>
b	Production of reliable financial statements that are prepared in accordance with internationally recognized accounting standards	Audited Financial Statements and brief particulars of accounting standards used.	<p>The financial statements of the organization are prepared in accordance with GAAP/IFRS/IPSAS/Regional Accounting Standards(give name)</p> <p>The statements are currently audited by, who have been appointed external auditors since.</p> <p>Audited financial statements for 2009 and 2010 (the last 2 financial years) are attached</p>
	Production of annual externally audited accounts that are	i) External Auditor Reports along with	Copies of the complete external audit reports for the last 2 financial years are attached at Annex.....

	<p>consistent with recognized international auditing standards</p>	<p>management response and action taken reports</p>	<p>The management response to the external audit reports and the status of actions in response to recommendations and issues brought out in the external audit report is attached at Annex</p>
		<p>ii) Audit Committee's Terms of Reference and structure</p>	<p>An audit Committee consisting of (number) members was constituted in (year) in accordance with (give reference of relevant financial regulations/board resolution/etc). The list of members along with their brief bio-data is attached at Annex</p> <p>A copy of the Terms of Reference (TOR) of the Audit Committee is provided at Annex The Committee is required to meet times every year.</p>
		<p>iii) Minutes of the last 4 meetings of the Audit</p>	<p>The Audit Committee held (number) meetings during the last 12 months.</p> <p>The minutes of the last 4 meetings of</p>

		Committee	the Audit Committee are attached.
	Demonstration of use of accounting packages that are recognised and familiar to accounting procedures in developing countries	Name and brief description of accounting package used	<p>The accounting package used is Oracle/SAP/Navision/ Peoplesoft/etc. (give name of developer, where required)</p> <p>The software was customized for our requirements/ purchased off the shelf and has been in use since(date)</p>
	Demonstration of capability for functionally independent internal auditing in accordance with internationally recognized standards	i) Policy/charter and other published documents (like manuals) that outline the entity's internal auditing function	<p>Copy of policy/charter establishing the Internal Audit function is enclosed at Annex The internal audit department reports to</p> <p>Procedures/guidelines for internal audit have been developed. A copy of the internal audit manual/procedures guidelines is attached (Annex)</p> <p>The strength if the Internal audit deptt is persons consisting of (give designation-wise numbers)</p>
		ii) Copies of audit plans for	Attached (Annex.....) are copies of the internal audit plans for last 2

		last 2 years and the current year	years. A copy of this year's internal audit plan is also attached (Annex.....)
		iii) List of internal audit reports of last 2 years and sample reports	The status of internal audits actually carried out is given at Annex Sample internal audit reports (at least 3 from each year) are attached at Annex (please attach complete reports and not a summary.)
		iv) Action taken reports based on internal audit findings /recommendations	The management response to the internal audit reports and the status of actions in response to recommendations and issues brought out in the internal audit reports is attached at Annex
c	Demonstration of use of a control framework that is documented with clearly defined roles for management, internal auditors, the	Policy or other published document that outlines the entity's control framework	A policy/manual on the organization's internal control framework is attached at Annex The policy should cover how the organization undertakes the: 1. Identification of key objectives

<p>governing body, and other personnel</p>		<p>and core business processes and activities that support the achievement of the those objectives including internal processes that ensure the accuracy/fairness of the organization's financial statements and other MIS</p> <ol style="list-style-type: none">2. Identification of risks that might impair the organization's ability to achieve its objectives including preparation of accurate financial statements and MIS.3. Identification and setting up of internal control processes (Framework) including roles and responsibilities, that mitigate the risks.4. Periodic review of the effectiveness of the control Framework, and5. Implementation of corrective actions based on the review <p>Copies of the last 2 oversight reports (Periodic review of the effectiveness</p>
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			<p>of the control Framework) are enclosed (Annex.....)</p> <p>Status of implementation of corrective actions based on the recommendations of the review report is enclosed at Annex</p>
	<p>Demonstration of proven payment/disbursement systems</p>	<p>Procedures describing the payment/disbursement system with particular reference to project payments/disbursements</p>	<p>Detailed process/procedure of the flow of work (Flow chart, if possible should be provided) for making payments/disbursements for expenses (project and others) is attached (Annex).</p> <p>The organizational structure to maintain an independent hierarchical internal check system on payments and disbursements with assigned authority limits at various levels is provided at Annex(in case this is covered under the detailed processes/procedures it need not be provided separately)</p> <p>The role of internal audit in the Payment and Disbursement control framework is given in Annex(In case this is covered in the internal audit manual a reference only may</p>

			be made to the appropriate section of the manual)
d	Production of long term business plans/ financial projections demonstrating financial solvency	Long Term Business plans or Financial Projections for the next 3 to 5 years	Organization's policy and practices relating to preparation of Strategic and Long Term business plans should be mentioned here. Copies of current and future plans (Strategic/Business) are given in Annex
	Evidence of preparation of corporate, departmental/ ministry budgets and demonstration of ability to spend against budgets	i) Annual budgets for the organization or entities within it	The organization's budgets for the current and the last 2 financial years are attached at Annex
		ii) End of calendar year/fiscal year or periodical budget report	A comparison of the organization's actual expenditures vs budgeted expenditures for the last 2 financial years, along with an analysis of the variances is given in Annex

