**Annex 6C: Checklist to the auditors for the audit of sub-grantees**

# Checklist to the Auditors

Project: Period: Auditor:

|  | **Yes** | **No** | **N/A** | **Comments (‘No’ or ‘N/A’-answers are to be commented)** |
| --- | --- | --- | --- | --- |
| **1. International standards on auditing** |  |  |  |  |
| * 1. Has your audit been conducted in accordance with International Standards on Auditing (ISAs) issued by the International Federation of Accountants (IFAC) and International Standards of Supreme Audit Institutions (ISSAI)?
 |  |  |  |  |
| 1. **Ministry of Foreign Affairs of Denmark/DGBP funds with partners**
 |  |  |  |  |
| * 1. Are the funds received from ADMINISTRATIVE PARTNER easily distinguished from other grants ?
 |  |  |  |  |
| 1. **Confirmation on the accounts and financial considerations**
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| 3.1. Can you confirm: |  |  |  |  |
| 1. that the accounts have been prepared as prescribed by ADMINISTRATIVE PARTNER
 |  |  |  |  |
| 1. that the accounts are correct and accurate and do not contain significant errors or omissions
 |  |  |  |  |
| 1. that the financial provisions contained in the project agreement with The Ministry of Foreign Affairs of Denmark have been complied with
 |  |  |  |  |
| 1. that the transactions comprised by the accounts are in conformity with the conditions and general objectives for the grants as agreed with ADMINISTRATIVE PARTNER
 |  |  |  |  |
| 1. that salaries and emoluments are in in conformity with the conditions and general objectives for the grants as agreed with ADMINISTRATIVE PARTNER, including:
* written contracts exits between the staff and the project
* timesheets are used to document the time used on the project or performance reports are used to document the task completed
* staff payments including the timesheets/performance reports must be authorised by the designated person as per the institution’s/project’s Accounts Manual, or equivalent
 |  |  |  |  |
| 3.2. Is it your assessment that due economic considerations have guided the transactions covered by the accounts and that the partner has practiced reasonable economies in the administration of the grant, and that the project is managed with an attitude based on thrift? |  |  |  |  |
| 3.3. Can you confirm that your endorsement on the accounts is an unqualified opinion? |  |  |  |  |
| 1. **Fraud and non-compliance with DGBP Administrative Guidelines**
 |  |  |  |  |
| 4.1. Has your audit been conducted in accordance with IAS? |  |  |  |  |
| 4.2. Do you assess that the risk of fraud is not beyond what is ‘normal’ in similar projects? |  |  |  |  |
| 4.3. Can you confirm that you are not aware of any illegal activity or significant non-compliance with the stipulations of the project agreement and the administrative guidelines? |  |  |  |  |
| 1. **Unannounced cash inspections**
 |  |  |  |  |
| 5.1 Have you made at least one yearly unannounced cash inspection with the project? |  |  |  |  |
| 5.2. If it is impossible to make unannounced inspections due to practical reasons, this has to be included in the audit record and in the management letter that are send to ADMINISTRATIVE PARTNER. The information should include: The reason for not making an unannounced cash and bank inspection, the estimated amount of money that for this reason hasn't been checked during the year, the alternative audit procedures that has been implemented in order to reduce the fraud risk that cash and bank deposits are not correct accounted for during the year.  |  |  |  |  |
| 1. **Audit of budget information in accounts**
 |  |  |  |  |
| * 1. Can you confirm that the budget in the account is the originally approved budget for the project or a revised budget that ADMINISTRATIVE PARTNER has approved?
 |  |  |  |  |