

## **Guidelines for Narrative and Financial Reporting**

Project reporting is designed to benefit first and foremost the project itself. It should enable you to review changes that you faced or you yourself brought about, to draw comparisons between what was planned and what was actually achieved, and to reflect on what all this means for your further work.

At the same time MISEREOR is accountable to its funders and donors, because the funds that MISEREOR uses to support projects come from donations as well as public and Church funds. This is why we require the information specified below on the projects we support.

MISEREOR requires

- a) Statements of Receipts and Payments to be submitted at 6-monthly intervals, plus a brief overview of activities implemented;
- b) 12-monthly Narrative Reports structured as shown in Section I below;
- c) a Final Narrative Report to be submitted at the end of the project funding period, covering its entire duration (structured as shown in Sections I and II below).

Please ensure that the Narrative Report is as meaningful, concise and precise as possible. Please also ensure that it is no longer than 10-15 pages (not including annexes). When writing the report please follow the instructions contained in Section I – 'Structure of the Narrative Report'.

The Final Narrative Report at the end of the funding period should be more detailed, though no longer than 25 pages (not including annexes). Please refer to Section II – 'Additional Information for the Final Narrative Report' – for further questions to be covered there.

Please refer to Section III – 'Aspects of Financial Cooperation' – for all the information concerning the 6-monthly Statements of Receipts and Payments.

We expect to receive all reports by no later than 3 months after the end of the reporting period to which they relate.

## I. Structure of the Narrative Report

### 1. Formal details

1.1 Name of partner organisation	
1.2 Project title and project number	
1.3 Reporting period	
1.4 Brief description of how the report was prepared	<ul style="list-style-type: none"> <li>- Who was involved in preparing the report?</li> <li>- What sources is your information based on?</li> </ul>

### 2. Changes in the project setting

2.1 Important changes in the project setting	<ul style="list-style-type: none"> <li>- Were there during the reporting period any significant positive or negative changes in the wider political, economic or social setting of the project or in the life situation of the target group? If so, please describe these changes.</li> <li>- How do these changes affect the implementation of the project and the achievement of objectives?</li> </ul>
2.2 Important changes within the partner organisation	<ul style="list-style-type: none"> <li>- Were there during the reporting period any important changes with respect to your organisation (e.g. concerning personnel)? If so, please describe these changes.</li> <li>- How do these changes affect the implementation of the project and the achievement of objectives?</li> </ul>

### 3. Implementing the project and achieving its objectives

3.1 Achievement of the project objective/s (as defined in the Project Contract)	<ul style="list-style-type: none"> <li>- To what degree have the project objectives, i.e. the intended outcomes of the project, been achieved? <i>Please specify each individual project objective (as defined in the Project Contract) and explain to what extent it has so far been achieved. Please document this by using the indicators agreed on in the Project Contract, but please also feel free to add any additional information.</i></li> </ul>
<i>optional:</i> 3.2 Outputs	<i>optional:</i> <ul style="list-style-type: none"> <li>- What outputs has the project so far delivered for the target group?</li> </ul>
3.3 Implemented activities	<ul style="list-style-type: none"> <li>- What key activities were implemented?</li> <li>- Where did the activities deviate from what was originally planned? Please explain.</li> </ul>
3.4 Additional effects and risks	<ul style="list-style-type: none"> <li>- To what extent did the project generate additional effects, either expected or unexpected? (<i>For instance with respect to gender, peace and conflict, ecology, civil society</i>)</li> <li>- What action are you taking in response to these effects?</li> </ul>
3.5 Evaluation	<ul style="list-style-type: none"> <li>- Has a self-evaluation or an external evaluation been carried out to date (within the current project phase)? If so: what were the results and conclusions?</li> </ul>

### 4. Conclusions

4.1 Lessons learned within the project	<ul style="list-style-type: none"> <li>- What lessons were learned from project implementation to date with respect to the target group?</li> <li>- What lessons were learned from project implementation to date with respect to your organisation?</li> <li>- How do you rate the current status of the achievement of project objectives?</li> <li>- Are you planning to change your approach in any way? If so, how?</li> </ul>
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## II. Additional Information for the Final Narrative Report

The Final Narrative Report at the end of the project funding period should contain all the information requested in Section I *and should also* cover the items listed below.

### 5. Internal and external actors and stakeholders

5.1 Number and qualifications of personnel	<ul style="list-style-type: none"> <li>- Were there any changes with respect to your personnel? Please attach a list:               <ul style="list-style-type: none"> <li>o formal qualifications</li> <li>o employment status: payroll, voluntary, freelance</li> <li>o scope of employment: full or part-time</li> </ul> </li> </ul>
5.2 Cooperation with other actors	<ul style="list-style-type: none"> <li>- Did you cooperate with other actors in the project area?</li> <li>- What contributions did they make to the project?</li> </ul>

### 6. Planning, monitoring and evaluation

6.1 Actors and procedures for project steering	<ul style="list-style-type: none"> <li>- How were the target group involved in monitoring and project steering?</li> <li>- To what extent were other actors also involved in monitoring and/or evaluating the project?</li> </ul>
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### 7. Outlook/sustainability

7.1 Sustainability of the positive effects	<ul style="list-style-type: none"> <li>- How do you rate the sustainability of the positive effects of the project?</li> </ul>
7.2 Sustainability of the continuation of the measures	<ul style="list-style-type: none"> <li>- What local structures and capacities have been created or strengthened so far?</li> <li>- To what extent is responsibility for project implementation gradually being handed over to the target group?</li> <li>- To what extent have the roles of your organisation and the target group changed in the course of the process?</li> </ul>
7.3 Activities for fundraising and to increase self-financing	<ul style="list-style-type: none"> <li>- Have you or the target group accessed local sources of funding or mobilised funds of your/their own?</li> </ul>

### 8. Summary assessment: how do you and the target group rate the project overall?

*This information forms a necessary part of our reporting to our funders and donors. Please provide brief information on each of the points listed.*

8.1 Relevance	<ul style="list-style-type: none"> <li>- From today's perspective, in what way are the project effects that have been achieved important for the target group?</li> </ul>
8.2 Effectiveness	<ul style="list-style-type: none"> <li>- Has the project achieved its objectives? If not, why not?</li> </ul>
8.3 Additional effects	<ul style="list-style-type: none"> <li>- What additional effects – expected or unexpected, positive or negative – did you observe?</li> </ul>
8.4 Longer-term impacts	<ul style="list-style-type: none"> <li>- How do you rate the project's contribution to the goal as formulated in the Project Contract?</li> </ul>
8.5 Sustainability	<ul style="list-style-type: none"> <li>- How do you rate the sustainability of the changes achieved within the target group? How do you rate the sustainability of the structures created?</li> </ul>

### 9. Cooperation with MISEREOR

9.1 Your comments on the cooperation with MISEREOR
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### III. Aspects of Financial Cooperation

In this section we would like to explain a few key points concerning the financial dimension of our cooperation and reporting. These are laid down in detail and on a binding basis in the General Agreement, which you will have received together with the Project Contract. Please also read this General Agreement carefully.

#### A) Financial reporting (pursuant to item 10. of the KZE<sup>1</sup> General Agreement, items 2.3 – 2.5 of the MISEREOR General Agreement)

1. We expect Statements of Receipts and Payments from you at least twice a year. They must be structured in accordance with the approved detailed Cost and Financing plans shown in the Project Contract, and will normally cover a period of 6 months each.

For projects financed by KZE funds a 6-monthly audit report must be prepared. This audit report must be certified by an independent recognised auditor (Chartered Accountant). This also applies to MISEREOR projects that receive a grant of EUR 100,000 or more, or that contain a corresponding provision in the Project Contract.

The Statements of Receipts and Payments and audit reports should reach us by no later than 3 months after the end of the reporting period, i.e. a Statement covering the period 1 January – 30 June for instance should reach us by 1 October at the latest.

2. For projects whose 6-monthly Statements of Receipts and Payments have to be certified by an independent auditor, we have, for most countries, a list of auditors we recognise. Please select an auditor from this list.

The Legal Holder of the project should then conclude a contract with the auditor that defines the scope of the audit and the nature of the reporting. A specimen contract to be used for this purpose is sent together with the Project Contract as an enclosure. Please forward to us an original of the auditing contract concluded.

Each time you send us a Statement of Receipts and Payments/an audit report (which you will normally do at 6-monthly intervals), please also include a short overview of the activities implemented. Please also comment on the most important items of the Statement of Receipts and Payments or the audit report.

#### B) Further points

1. We would like to draw your attention to the fact that the amounts we approve are denominated in EURO. Fluctuations in the exchange rate (between the EURO and your national currency) will therefore affect the amounts that you actually receive in your national currency.

Should the actual amounts transferred in national currency be lower than planned (due to the fact that it has gained value against the EURO), we will then – in dialogue with you – decide on possible steps to cover the shortfall in receipts (in national currency). Where a 'reserve' amount has been approved as part of the Cost plan of the Project Contract, it may be used in part or in full for this purpose (subject to prior approval by MISEREOR/KZE).

2. When the project begins please open a separate project bank account in the name of the Legal Holder of the project, and please supply us with the account data and data on the holder of the account when you submit your first Request for Disbursement. All project receipts and payments will be transacted through this account. Agreed contributions from other organisations (third-party contributions) and local contributions should also be paid into this account.

We also recommend that you institute a separate cost centre in your internal accounting system when the project is launched.

3. Please confirm forthwith the receipt of all payments that you receive from us. For this purpose please use the Acknowledgement of Receipt form supplied to you with each disbursement. Please also send us a copy of the relevant bank slips and account for any banking charges.

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<sup>1</sup> KZE = Katholische Zentralstelle für Entwicklungshilfe e. V. (German Catholic Central Agency for Development Aid, regd.)

4. We will make the grant approved by MISEREOR/KZE available to you in instalments. Our disbursements can be made in advance for a period of between 3 and a maximum of 6 months.

The size of the advance disbursements is dependent on

- a) the progress made in project implementation and the payments that have already been put to account (see Point A.1 above), and
- b) the required amount of funding that you have specified and justified for a period of between 3 and a maximum of 6 months in advance. For this purpose please use the Request for Disbursement form provided (enclosure to Project Contract).

Together with each Request for Disbursement we require an up-to-date Statement of Receipts and Payments. If at the time of your Request for Disbursement the official Statement of Receipts and Payments or the audit report (see A.1) is not yet available, then we kindly request that you submit a provisional Statement of Receipts and Payments. Please use the forms which you received with the Project Contract.

5. Possible reduction of our financial support:

As a matter of principle, we approve our financial support 'up to' a specified maximum amount. This means that under certain conditions it is possible that the amount actually disbursed is less than this maximum amount. Important reasons for this can include:

- a. If actual payments made by the project turn out to be lower than originally estimated in the approved Cost plan (cf. Project Contract), our grant will be reduced proportionately.
- b. If local and third-party contributions received turn out to be higher than planned (cf. Financing plan, Project Contract), yet project expenditure remains unchanged, then our grant may also be reduced.
- c. If, however, local and third-party contributions received turn out to be lower than planned (cf. Financing plan, Project Contract), then under certain circumstances our grant may be increased. In this case we will examine the precise circumstances in dialogue with you. We reserve the right to approve such an increase, or not, as we see fit.

In this connection please also refer to item 7. of the KZE General Agreement/item 1.3 of the MISEREOR General Agreement.

6. Local contributions:

We make a clear distinction between monetary and non-monetary contributions. Please note that only monetary contributions can be included in the Financing plan. Material contributions, labour or services (such as the provision of premises, buildings or facilities) cannot be accepted and counted as monetary contributions.

If any non-monetary contributions have been made in your project, please itemise these in a separate paragraph.

7. Changes in the course of the project and deviations from the Cost plan

Please notify us forthwith if it becomes evident in the course of project implementation that the project's original purpose (i. e. the project goal or individual project objectives) needs to be changed. Changes within the project may be necessary. We will then seek a solution in dialogue with you (cf. item 4. of KZE General Agreement, items 2.1 – 2.2 of MISEREOR General Agreement).

8. We also consider deviations of more than 20% for any main categories within the approved Cost plan (i.e. without change to the total costs) as major changes. Major changes of this kind always require our prior approval.
9. If construction measures are being implemented in your project, please pay detailed attention to our information handout "Special Rules Concerning Building Projects".
10. If the Cost plan in your Project Contract shows the item 'Reserve', please note that these funds are for the time being unavailable. This amount can only be used in case of warranted need, subject to express approval by MISEREOR/KZE.
11. Please note that we cannot recognise any expenditure incurred prior to the commencement date of the project as laid down in the Project Contract.