**Tarkastusohje ohjelman/hankkeen kohdemaan tilintarkastajalle**

Ohje on laadittu englannin kielellä työskentelyn helpottamiseksi yhteistyökumppaneiden kanssa. Kohdemaan tarkastuksen sisältö ja laajuus tulee koostua tässä ohjeessa viitatun raporttimallin mukaisista tarkastustoimenpiteistä.

**Audit Instructions for a Development Co-operation Programme/Project whose financial support is**

**channeled through a non-governmental organization or municipality in Finland**

**Background**

We ask you to conduct Agreed-upon Procedures concerning the annual report of the Development Co-operation Project **[Name of programme/project]** of **[Organization]**. According to the Ministry for Foreign Affairs of Finland's general conditions regarding support to non-governmental organizations and municipalities, the receiving organization must observe principles related to good governance and anti-corruption activities. State support shall be used only to cover expenses considered necessary and reasonable in carrying out the project activities. The support-receiving organization shall in its accounting follow the generally accepted national accounting principles (GAAP). The audit should be carried out in accordance with the International Standards on Related Services 4400 applicable to agreed-upon procedures engagements taking into account the conditions set out in the discretionary government transfer decision and in the additional conditions for programme/project support and relevant national legislation and standards.

Templates of Engagement Letter and Auditor’s Report are attached to this Audit Instructions.

The nature of a Development Co-operation Programme/Project is as follows:

* A project is not a legal entity but an accounting subject
* It can include transactions in more than one legal entity (e.g. Partner or Subsidiary)
* It does not prepare statutory Financial Statements
* The statements under audit are the Financial Programme/Project Report and the List of Fixed Assets
* Fixed Assets are not capitalized but recorded as cost when purchased
* The Materiality Level in each audit finding is the equivalent of 200 Euros or 0,15 % of total reported expenses, if it is higher than 200 Euros.

**Reporting**

Templates of Engagement Letter and Auditor’s Report are attached to this Audit Instructions. We ask you to further send the Auditor's Report to the co-operation partner in Finland by email or by regular mail. The Agreed-upon Procedures are listed in the template of the Auditor’s Report. The report has to be in English (or in another language exceptionally agreed with the Finnish partner organization) and include the findings of all of the agreed-upon procedures. ISRS 4400 report is not meant to be a standard report so each auditor should in any case adjust the report to reflect the procedures carried out and the observations made during the procedures.