Form 4: Due diligence and financial capacity questionnaire – Lead Applicant

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| **DUE DILIGENCE AND FINANCIAL CAPACITY QUESTIONNAIRE**  **- Lead Applicant -** |
| In order that the BESTbelt evaluation team may ascertain your capacity to administer BESTbelt funds received, you are kindly requested to complete all questions contained within this due diligence and financial capacity questionnaire. All information submitted will be treated confidentially and will not be disclosed to any third parties unless required by law.  ***Please add the required supporting documents to this document.***  ***If your organisation is a public body, please ignore questions marked with an asterisk (\*).*** |

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| 1. ORGANISATION INFORMATION | | | | | |
| **a.** | **Official name of organisation** | | | | |
|  | | | | | |
| **b.** | **Type of organisation:** | | | | |
|  | Please tick most appropriate option in each column below: | | | | |
|  |  | For profit | |  | Incorporated company |
|  |  | Not-for-profit / NGO | |  | Limited liability company |
|  |  | Government agency | |  | Sole proprietary company |
|  |  |  |  |  | Partnership |
|  |  |  |  |  | Registered charity |
|  |  |  |  |  | Community Network |
|  |  |  |  |  | Other *(please specify below)* |
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| **c.** | **Founding documents:** | | | | | | | | | |
|  | * + 1. In what country/countries is your organisation constituted by an appropriate instrument of national law? Please provide copy of statutes or similar founding document, for example a decree for public bodies. | | | | | | | | | |
|  | Country | | Title of founding document | | | | | | | |
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| **d.** | **Ownership details (applicable to “For Profit” organisations only).** | | | | | | | | | |
|  | Please indicate name of owners and percentage (%) ownership below: | | | | | | | | | |
|  |  | | | | | | | | | |
| 1. GOVERNANCE\* | | | | | | | | | | |
| **a.** | **Governing Body:** | | | | | | | | | |
|  | Please indicate whether the organisation is governed by: | | | | | | | | | |
|  |  | Board of Directors |  |  | | Executive Committee | | | | |
|  |  | Other  *(please specify below)* | |  | | No governing body | | | | |
|  |  | | | | | | | | | |
| **b.** | **Is the Governing Body responsible for financial oversight of the organisation?** | | | | | | | | | |
|  |  | Yes |  |  | | No | | | | |
| 1. LEGAL\* | | | | | | | | | | |
|  | Regulatory filings: | | | | | | | | | |
|  | Is the organisation currently fully compliant and up-to-date with all tax, registration and social security obligations? | | | | | | | | | |
|  |  | Yes |  |  | | No | | | | |
|  | If no, please provide details below: | | | | | | | | | |
|  |  | | | | | | | | | |
| 1. FINANCIAL | | | | | | | | | | |
| **a** | **Audit:** | | | | | | | | | |
|  | Does the organisation have an annual audit performed by an independent external auditor or by internal auditor for public bodies? | | | | | | | | | |
|  |  | Yes |  |  | No | | | | | |
|  | If yes, please provide a copy of the latest auditor’s annual report and management letter. *If the audit report does not relate to the most recent financial year please explain why.* | | | | | | | | | |
|  |  | | | | | | | | | |
|  | If you do not have an independent annual audit, or if your independent audit report does not include your Financial Statements: | | | | | | | | | |
|  | * + 1. Does the organisation prepare annual financial statements? | | | | | | | | | |
|  |  | Yes |  |  | No | | | | | |
|  | If no, please provide explanation below: | | | | | | | | | |
|  |  | | | | | | | | | |
|  | * + 1. Please provide a copy of the organisation’s annual financial statements covering the past two years. | | | | | | | | | |
| **b.** | **Financial principles and systems:** | | | | | | | | | |
|  | 1. What computerized accounting software system does the organisation use? | | | | | | | | | |
|  |  | | | | | | | | | |
|  | 1. Does the organisation’s accounting system separately record and track income and expenditure for each individual project, grant, or contract? | | | | | | | | | |
|  |  | Yes |  |  | No | | | | | |
|  | 1. Does the organisation have written policies for the following – please provide copies or web link: | | | | | | | | | |
|  |  | Accounting | | | | |  | Yes |  | No |
|  |  | Procurement | | | | |  | Yes |  | No |
|  |  | Code of conduct, ethics, bribery & corruption (including coverage of conflict of interest) | | | | |  | Yes |  | No |
| **c.** | **Debt:\*** | | | | | | | | | |
|  | Does the organization have any debt relating to: | | | | | | | | | |
|  |  | Bank loans | | |  | |  | Yes |  | No |
|  |  | Bank overdraft | | |  | |  | Yes |  | No |
|  |  | Other debt | | |  | |  | Yes |  | No |
|  |  | If yes, please provide details below: | | | | | | | | |
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| **d.** | **Insurance:\*** | | | | | |
|  | Please tick the insurance policies and the level of coverage the organisation has below: | | | | | |
|  | |  |  |  | | --- | --- | --- | | Third party liability |  | Amount | | Office building |  | Amount | | Vehicles |  | Amount | | Other insurance |  | Please provide details: | | | | | | |
| **e.** | **Bank accounts and funds control:\*** | | | | | |
|  | 1. Does the organisation have any bank accounts held in the name of individuals (instead of the name of the organisation)? | | | | | |
|  |  | Yes |  |  | | No |
|  | If yes, please provide details below: | | | | | |
|  |  | | | | | |
|  | 1. Are at least 2 authorized bank signatories required on all payments above a certain value as determined by organisational policy? | | | | | |
|  |  | Yes |  |  | | No |
|  | Please provide details below, including of any alternative bank and/or payment controls: | | | | | |
|  |  | | | | | |
|  | 1. Will any grant funds be kept outside a bank account? | | | | | |
|  |  | Yes |  |  | | No |
|  | If yes, please explain the amount of cash to be kept and the name and position/title of the person responsible for safeguarding cash. | | | | | |
|  |  | | | | | |
| **f.** | **Financial Capacity:** | | | | | |
|  | 1. State below the operating budget for the past two financial years, and the estimate for the current year in your organisation’s reporting currency. | | | | | |
|  |  | This year | |  | | |
|  |  | Last year | |  | | |
|  |  | Two years ago | |  | | |
|  | 1. Has your organisation received funding from governments or multi-lateral institutions in the past two years?\* | | | | | |
|  |  | Yes |  |  | | No |
|  | 1. What percentage of the organisation’s annual income is provided by grant funding?\* | | | | | |
|  |  | 0-30% |  |  | 51-75% | |
|  |  | 31-50% |  |  | 76-100% | |
|  | 1. Please list your main donors for the past two years:\* (amounts, name of donors and for how long.) | | | | | |
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| 1. MANAGEMENT and PERSONNEL | | | | | | |
| **a.** | **Financial personnel:** | | | | | |
|  | Are the organisation’s financial transactions recorded into the company’s financial system and overseen by: | | | | | |
|  |  | Qualified full-time finance personnel | |  | Non-finance personnel | |
|  |  | Qualified part-time finance personnel | |  | Other than staff (external) | |
| **b.** | **Please indicate the total number of full-time staff employed by the organisation.** | | | | | |
|  |  | >20 |  |  | 1-5 | |
|  |  | 6-20 |  |  | 0 | |

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| **c.** | **Personnel time management recordkeeping:** | | | | |
|  | Does the organisation have a staff timesheet record keeping system? | | | | |
|  |  | Yes |  |  | No |
|  | If yes, please provide an unfilled copy of your organisation’s timesheet form. | | | | |
| 1. INTERNAL CONTROLS and RECORDS KEEPING | | | | | |
| **a.** | **Do you have established prior approval procedures for major purchases?** | | | | |
|  |  | Yes |  |  | No |
| **b.** | **Do you keep invoices and vouchers for all payments made out of grants funds?** | | | | |
|  |  | Yes |  |  | No |
| **c.** | **Will your organisation be able to keep accounting records including invoices, vouchers and timesheets for at least ten years after the final financial report is submitted?** | | | | |
|  |  | Yes |  |  | No |
| **d.** | **Briefly describe your organisation's system for filing and keeping supporting documentation.** | | | | |
|  |  | | | | |
| **e.** | **Does your organisation have adequate segregation of duties?** | | | | |
|  | * + 1. Does the person who makes entries into the accounting system also prepare the payments? | | | | |
|  |  | Yes |  |  | No |
|  | * + 1. Does the person who makes entries into the accounting system also approve the payments and is he or she a bank account signatory? | | | | |
|  |  | Yes |  |  | No |
|  | * + 1. Is the person who manages a procurement process sometimes also the recipient of the goods/services? | | | | |
|  |  | Yes |  |  | No |
|  | If your answer is ‘yes’ to any of the above, please provide an explanation of how your organisation mitigates the associated risks. | | | | |
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| 1. RELATIONSHIPS | | | | | |
| **a.** | **Is the organisation a member of the EGBA Board?** | | | | |
|  |  | Yes |  |  | No |
| **b.** | **Has the organisation previously be part of the European Green Belt Initiative?** | | | | |
|  |  | Yes |  |  | No |
|  | If yes, please provide details below: | | | | |
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**Checklist - Additional Documentation Requested**

To assist in ensuring your due diligence submission is complete, the following checklist of additional documents that you may be required to provide is shown below for your benefit. Please check those boxes that apply regarding additional documents that will be submitted to accompany your completed Due Diligence and Financial Capacity Questionnaire.

1(c)(i) Articles of Incorporation, Constitution, Statutes, Government Decree, as appropriate, etc.

1(c)(ii) Organisation in-country registration certificate (if applicable).

3 Certification of tax and social security compliance (if required).

4(a) Audit report and annual financial statements.

4(b)(iii) Accounting, Procurement and Code of Conduct Policies.

5(c) Timesheet form.

EuroNatur may request additional documents/information based on the nature of the action and the answers you have provided above.

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| **CERTIFICATION STATEMENT**  *“I, the undersigned, hereby certify that I am authorised to represent the organisation, and that all facts and information provided in this Due Diligence and Financial Capacity document are true and correct without omission, error, or mis-statement.*  *I understand and agree that should the information provided in this Due Diligence and Financial Capacity document subsequently change, EuroNatur shall be informed in writing of any such change.*  *I further understand and accept that EuroNatur may at its sole discretion amend or terminate any grant or funding agreement awarded to the applicant if any information contained in this document is false or inaccurate.”*  Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Position: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (Organisation Stamp) |