

Financial Agreement

between the Arken Church Bible Centre, Sweden and Partner Organization.

*This agreement is to be signed by the leading representatives in 2 examples,
by the Arken Church Bible Centre (AC), Sweden and the Partner Organization (PO).*

From the year 2008 the Arken Church Bible Centre in Sweden will offer written agreements for cooperation in the mission ministry. The Arken Church will work on information and signing of cooperation documents with all mission partner organizations, including this document of Financial Agreement.

Definitions:

Partnership (A-project) (based on a joint vision and work procedure, long lasting relation- and partnership built on mutual confidence, good conditions for development and expansion, possibilities for both parts to gain positive experiences through seminars, courses and fruitful discussions, possibility to make a positive impact in the civil society).

Sponsorship (B-project) (Arken Church is supporting a specific part of a bigger project, projects that have a positive attitude to the vision and work procedures of Arken Church, projects that have a potential for good work relationships to be developed and stabilized during some years, Arken Church can contribute to a positive development through seminars and courses if the partner asks for it).

A-projects

Statements of the Financial Agreement of extended programs for A-projects

- Each part in the extended program for A-projects has a specific concept.
- A separate agreement including a goal plan should be made for each part.
- The goal plan has to be coordinated with a financial plan and a signed agreement between AC and PO.
- In cases where funds are contributed from Sida /SMC (Swedish Mission Council) the application, financial plans and final reports have to follow their instructions.
- General statements are as follows:
 1. Support to a project can be sent from AC as support is raised. In new projects this can take a while.
Information about the total amount the project is receiving each month/each period of time will be sent from AC to PO over e-mail as soon as the money is transferred to the bank (over internet or foreign payment). (Our goal is to make all payments over Internet).
We wish the PO to send a confirmation to AC over e-mail as soon as they have received the money.
 2. The leadership of the PO takes the responsibility of giving clear information and directive to the local management/staff.
When a cooperation starts it has to be clearly specified which costs that are covered by the support so that no additional deductions are made without informing AC
A specific budget is sometimes required.

3. Financial reports

Monthly reports: (that shows how the support has been used) should be sent from PO to AC over e-mail monthly (or as agreed).

Annual reports: every year the PO has to send a financial report to AC concerning the total support received and the expenditures during the year.

The annual report has to be signed by an auditor (internal or external).

4. If support from the AC is misused – what will happen?

If a pastor, leader or person in the local staff is misusing the support received from AC the leadership of AC and PO must take necessary action immediately.

All projects supported by the AC will be checked up on a regular basis.

AC has to be informed if problem arises in the PO.

As partners we must openly share both positive and negative issues.

B-projects

Statements of the Financial Agreement for support given according to the child sponsorship program (B-projects)

1. The Arken Church Bible Centre will send support lists 2 times per year to PO with the names of those children receiving help and the names of their sponsors. Children with “Lost sponsor” or “No sponsor” will also be in the list.
2. 15 % of the incoming support will be used for administration costs in AC (salaries, documentation, telephone bills and so on).
Part of the support to the projects will be used for postage fees handling the communication from the projects to the sponsors (for example News letters).
3. Support to a project can be sent from AC after the number of sponsors has been raised. In new projects this can take a while.
Information about the total amount the project is receiving each month/each period of time will be sent from AC to PO over e-mail as soon as the money is transferred to the bank (over internet or foreign payment). (Our goal is to make all payments over Internet).
We wish the PO to send a confirmation to AC over e-mail as soon as they have received the money.
4. The PO hereby agrees to use not less than 90 % of the transferred money for the children. The money could be handled by the local management/staff of the project under supervision of the leadership of the PO.
5. 10% is allowed to be used by PO for the administration costs in connection with the handling of the funds for the children. If the PO needs to use more than 10 % for administration (special cases) this matter has to be discussed with AC first.
6. When a new B-project starts the PO hereby agrees to inform AC about the normal size of a child’s support in local currency.
7. The leadership of the PO takes the responsibility of giving clear information and directive to the local management / staff who are handling the help in the field, so that the children who are in the list, get the agreed support.
When a cooperation starts it has to be clearly specified which costs that are covered

by the support so that no additional deductions are made without informing AC. A specific budget is sometimes required. (For example when AC supports the operation of a children center we need to have a one year budget beforehand also including the operational costs (such as repair of buildings, tax, electricity, water supply and other things needed).

8. The general policy of the Arken Church support program is found in the document **“Child sponsorship”**. In this document there is information about the vision and values of the Arken Church, and the answers to common questions etc. It is important that the local management/staff is given a copy in an understandable language.
It is a condition from AC that both this Financial agreement and the policy document **“Child sponsorship”** are followed by the PO.
9. Financial reports: every year the PO has to send a financial report to AC concerning the support received.
The financial report has to be signed by an auditor (internal or external).
In addition to this AC wish from the PO that a list of the persons responsible for the finance is sent annually and that the PO certifies that they have got the information about the financial policy in this agreement.
10. If support from the AC is misused – what will happen?
If a pastor, leader or person in the local staff is misusing the support received from AC the leadership of AC and PO must take necessary action immediately.
All projects supported by the AC will be checked up on a regular basis, so that the children get the promised help.
AC has to be informed if problem arises in the PO.
As partners we must openly share both positive and negative issues.

Signed:

Date:

Date:

Name (signature)

Name (signature).....

Name (typed)

Name (typed)

The Arken Church Bible Centre
Sweden

.....
(name of partner organization)