

## CCB FINANCIAL MANUAL

adopted by CCB Extraordinary General Meeting on 14 June 2023, Updated and approved on 9 Jun 2026

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## 1 Preamble

Coalition Clean Baltic (CCB) is a Swedish non-profit association (ideell förening) registered in Uppsala, Sweden, with Member Organizations and Observers (MOOs) across the Baltic Sea region. CCB's financial operations are subject to Swedish law, EU regulations, and the requirements of major donors.

This manual governs financial operations of the CCB Secretariat and sets the framework for financial management in projects where CCB acts as the lead or sub-granting organization. The document is intended to support the Constitution, Council decisions and other relevant documents adopted by the General Meeting and the Council when relevant for financial decisions and actions.

## 2 General principles

CCB adheres to Swedish and EU legislation on accounting, reporting, and tax compliance. All financial transactions shall serve the purposes of the Constitution and be conducted with transparency, accountability, and value for money.

CCB complies with EU Anti-Fraud Regulations and all applicable EU and UN Restrictive Measures (Sanctions) Regulations.

Financial documentation shall be made available to authorized reviewers, including auditors, donors, and governing bodies, in accordance with legal, contractual, and confidentiality requirement upon request.

## 3 Financial Authorities

The right to authorize payments are defined in the Constitution and in decisions by the Council/General Meeting.

### 3.1 Payments

According to Article 65 of the Constitution, the following persons are authorized to sign payments for the Association, up to the limit set by the Council:

1. Co-chair, together with the Executive Secretary or staff member of the Secretariat, authorized by the Executive Secretary,
2. Council Members together with the Co-chair,
3. Staff member of the Secretariat, authorized by the Executive Secretary, together with the Chairperson or the Executive Secretary.

### 3.2 Payroll Administration and Controls

Payroll administration is carried out in accordance with relevant national labour legislation, tax regulations, applicable collective agreements, and reporting requirements in the countries where CCB employs staff.

Salaries, pension contributions, employer contributions, taxable benefits, and other payroll-related costs shall be processed monthly based on approved employment agreements and registered working time.

The following controls apply:

- Staff members are responsible for ensuring that time reporting, leave registration, and expense claims are accurate and submitted within established deadlines
- Monthly payroll inputs, including leave, reimbursements, pensionable income, and statutory employer costs, are reviewed and approved by Executive secretary, after which the Financial Manager prepares and processes payroll
- Payroll payments shall follow the same authorisation procedures as other payments under this Manual and the Constitution
- No individual may approve payroll payments, reimbursements, or adjustments payable to themselves
- Payroll records, calculations, tax declarations, pension reports, and supporting documentation shall be retained in accordance with applicable legal requirements and donor obligations

## 4 Banking and Cash Management

### 4.1 Bank accounts

The Executive Secretary and the Financial Manager are authorized to manage bank accounts to optimize financial flows. This does not confer any additional rights beyond those described above.

### 4.2 Cash Handling

CCB operates with a minimal cash policy. All payments and reimbursements are made by bank transfer. Cash is not used for operational expenses where avoidable. Where small cash amounts are absolutely necessary during travel or events, the following applies:

- The amount must be minimal and pre-approved
- Receipts must be provided for all expenditures
- The full amount is reconciled and reimbursed via bank transfer

### 4.3 Company card

Company cards are issued selectively to staff who travel frequently, in order to reduce the administrative burden of out-of-pocket payments. Credit cards are subject to the following controls:

- Application for a credit card requires joint approval by both authorised signatories
- Cards are to be used exclusively for business-related expenses: travel, accommodation, event fees, and other approved operational costs
- Upon receipt of the monthly credit card statement, cardholders must submit all expense documentation (receipts, purpose, cost centre allocation) via Spiris Tid within 10 working days
- The Financial Manager reconciles statements against receipts and follows up on any unexplained items
- Personal use of credit cards is strictly prohibited and must be repaid immediately if it occurs
- Cards are cancelled upon termination of employment or when the business need ceases

### 4.4 Foreign Exchange Management

CCB receives funding in EUR, SEK, and occasionally other currencies. The following principles govern how foreign exchange is handled, recorded, and reported.

#### 4.4.1 Conversion to SEK upon receipt

When funds in a currency other than SEK are received into CCB's bank account, they are converted to SEK promptly upon arrival. The actual exchange rate applied by the bank at the time of conversion is recorded as the transaction rate for that receipt. This rate is used for bookkeeping purposes for that specific transaction.

#### 4.4.2 Exchange rate methodology for project reporting

The exchange rate used in donor financial reports depends on the funding structure of the project. Three standard approaches are applied:

- **Full payment during project period:** Where the donor disburses the full grant during the project period, the actual exchange rate at which the funds were converted upon receipt is used for the financial report. This reflects the real SEK value that CCB had available to spend.
- **Advance and reimbursement (costs incurred and later reimbursed):**  
Where CCB receives funding in advance and/or expenditures are later reimbursed by the donor, costs are reported using the average exchange rate published by the European Central Bank (ECB) via InforEuro for the relevant reporting period or calendar year.
- **Donor-specific rules:**  
Where donors provide specific instructions on exchange rates, those instructions shall take precedence and be followed.

#### 4.4.3 Foreign Exchange Gains and Losses

An exchange difference arises when the bank conversion rate at receipt differs from the rate used in donor reporting. Depending on the direction of the rate movement, this results in either a gain or a loss for CCB. The difference is posted to a dedicated FX account in CCB accounting

system. Where relevant, the exchange difference is disclosed in the project financial report and in CCB's annual accounts.

## 5 Budgeting and Monitoring

### 5.1 Organizational budget

The organisational budget sets the financial framework for CCB's operations for the coming year. The process is as follows:

- The Financial Manager initiates the budget process in Q3-Q4 each year, in consultation with the Executive Secretary and Working Area Leaders
- A draft budget is prepared and presented to the Council at the autumn Council meeting for guidance
- The draft budget is revised following inputs from Council and presented to the General Meeting in November for approval
- The approved budget becomes the basis for financial monitoring throughout the year
- Budget reviews are conducted at least every six months, or more frequently as required

### 5.2 Project Budget

Each project funded by external donors has its own budget, which is an integral part of the grant agreement. Project budgets are managed as follows:

- The Project Responsible Officer prepares the project budget in consultation with the Financial Manager, using the donor's budget template
- The Financial Manager and Executive Secretary review the draft budget before submission
- Once a project is approved, the budget is further detailed for internal monitoring purposes
- Budget reviews are conducted by Financial Manager and project responsible officer at least every six months, or more frequently as required by the project or donor
- Budget reallocation requests must be pre-approved by the donor where required

### 5.3 Overhead and Indirect Cost Recovery

CCB applies one of two methods for recovering shared administrative costs to projects, in line with donor guidelines:

- Standard overhead rate: 8% - 10% of direct eligible project costs, applied where the donor has pre-approved a flat-rate contribution
- Proportional rate: Based on the specific project's share of CCB's total annual budget, applied for donors that require cost allocation methodology

Where a donor applies an overhead cap or specific rate, this shall take precedence over CCB's standard methodology. Such conditions shall be accepted only if deemed feasible; otherwise, they shall be subject to negotiation.

## 6 Accounting Policies and Financial Systems

CCB operates several IT-systems that have impact to accounting and reporting.

### 6.1 Accounting Basis

CCB uses a hybrid accounting approach:

- Cash basis accounting is applied throughout the year: transactions are recorded when cash is received or paid
- At year-end, accruals are recorded for material receivables and payables related to ongoing projects, ensuring that revenues earned but not yet received and expenses incurred but not yet paid are properly reflected in the annual financial statements

The annual accounts are prepared in accordance with Årsredovisningslagen and BFNAR 2016:10 (K3 framework for non-profit organisations). The annual accounts are audited and submitted to the General Meeting(GM) for approval.

### 6.2 Financial Systems

CCB uses the Spiris package as its primary accounting, time-recording, and expense management system. The system is the authoritative source for all financial records.

- Spiris Bokföring & Fakturering: General ledger, accounts payable/receivable, payroll integration, project accounting
- Spiris Tid: Time reporting to projects, and registration of expenses(private and company card expenses)
- Spiris Resor och Utlägg: registration of per diem for Swedish staff
- Visma Lön 600: Payroll administration

The Financial Manager is responsible for maintaining and upgrading the financial systems. All Secretariat staff share responsibility for ensuring that transaction coding (project numbers, cost centres) accurately reflects the purpose of each transaction.

Bank reconciliations shall be performed monthly by the Financial Manager

### 6.3 Chart of Accounts and Cost Coding

CCB's chart of accounts is structured around the following categories: Assets, Liabilities, Equity, Revenues, and Expenses. In addition to standard [account codes](#), all transactions are coded with:

- Project Number – unique identifier per project
- Cost Centre – represents work packages and activity areas (1000 Organisational Development; 2000 Biodiversity; 3000 Eutrophication; 4000 Hazardous Substances & Maritime; 8000 Administration)
- Cost Bearer – used for transactions related to specific MOs, Working Group leaders, or country-specific activities

Accurate coding is essential for donor reporting, overhead allocation, and internal monitoring. Systematic miscoding will be corrected by the Financial Manager and any pattern of errors will be escalated.

### 6.4 Document Retention

All financial documents — invoices, receipts, contracts, grant agreements, bank statements, and payroll records — must be retained for a minimum of seven years in accordance with Swedish law (Bokföringslagen). Electronic documents must be stored in a secure, backed-up system. Project-related documents must be retained for the duration required by each donor's agreement, which may exceed seven years.

## 7 Financial Reporting

The annual accounts should be established according to the Swedish standards for accounting and should be submitted according to the Constitution.

All other accounts should fulfill the requirements of donors.

### 7.1 Reporting Overview

The Financial Manager is responsible for preparing (but not approving) the reports listed below. Approval rests with the Executive Secretary and/or Council as appropriate.

| Report                  | Receiver              | Frequency | Content                                                           | Audited                                    |
|-------------------------|-----------------------|-----------|-------------------------------------------------------------------|--------------------------------------------|
| Annual accounts         | Council/GM            | Yearly    | The whole of CCB, Financials and Management                       | Yes                                        |
| CCB Annual Report       | Public                | Yearly    | Some financials                                                   | Based on Annual Accounts                   |
| Project reports         | Donors                | various   | Specific projects                                                 | Yes/no                                     |
| Interim Financialreport | Council/(GM/EGM)      | 2-3 p.a.  | CCB Financial in Summary including outlook and Cash-flow forecast | No                                         |
| Tax returns             | Swedish Tax Authority | Yearly    | Financials related to Tax-calculations for CCB                    | Not explicitly but part of Annual Accounts |

|                          |                                         |                                                          |                                        |                                                                                       |
|--------------------------|-----------------------------------------|----------------------------------------------------------|----------------------------------------|---------------------------------------------------------------------------------------|
| Tax reports              | Swedish Tax Authority                   | Monthly                                                  | Social Fees and preliminary Taxes      | Not explicitly but part of Annual Accounts                                            |
| Tax reports              | Swedish Tax Authority                   | Monthly                                                  | VAT for procurement outside Sweden     | Not explicitly but part of Annual Accounts                                            |
| Pensions                 | Collectum – pension insurance           | Monthly/Yearly or when changed depending on pension Plan | Gross Salaries according to definition | Not explicitly but part of Annual Accounts                                            |
| Staff Costs              | Fora – employment insurance             | Yearly                                                   | Gross Salaries according to definition | No                                                                                    |
| Staff Costs              | Arbetsgivaralliansen – employers' union | Yearly                                                   | Gross Salaries according to definition | No                                                                                    |
| Annual Report            | SCB - Statistics Sweden                 | Yearly                                                   | Different financial items              | No                                                                                    |
| EU Transparency register | EU                                      | Yearly and midyear updates                               | Different financial items              | Not explicitly but part of Annual Accounts and certified statement regarding EU Life. |

Financial statements and reports on the sources of financing and methods of distribution of the funds obtained are subject to the annual settlement and are subject to a vote at the General Meeting. The same applies to the Secretariat activity report. Financial statements and reports and any other documents that will be voted on by the General Meeting, shall be delivered to the members of the Association at least two weeks before the General Meeting.

## 7.2 VAT procedures and report

CCB is not VAT registered in Sweden. CCB is not generally entitled to deduct input VAT. VAT incurred on purchases is therefore generally treated as a cost to the Association.

When CCB purchases goods or services from Swedish suppliers, the supplier charges Swedish VAT at the applicable rate. Since CCB cannot reclaim this VAT, the full invoice amount including VAT is recorded as a cost.

For services purchased from suppliers established in other EU countries, Swedish VAT may apply under the reverse charge mechanism. The Financial Manager is responsible for ensuring that such transactions are identified, recorded correctly, and reported to Skatteverket where required.

## 7.3 External Audit

CCB's annual accounts are audited by an independent external auditor appointed by the General Meeting. The auditor issues both an audit report (revisionsberättelse) and a management letter (revisionspm) with findings and recommendations.

Some projects require a dedicated project audit as required by the donors and the audit should follow the ToR set by the donors.

### 7.3.1 Auditor rotation

In accordance with good governance practice, the external auditor must be rotated at least every seven years. The Financial Manager maintains a record of the current auditor's appointment date and raises the matter with the Executive Secretary and Council in advance of the GM.

### 7.3.2 Follow up on audit findings

When the external auditor identifies weaknesses or recommendations in the Management Letter (revisionsberättelse):

- The Financial Manager and Executive Secretary review the findings within two weeks of receipt

- An action plan with named responsible persons and target dates is prepared
- The Council is informed and provides guidance on implementation
- Progress is tracked and reported at the next Council meeting

CCB's response to audit findings is treated as a priority compliance matter, not optional guidance.

## 8 Procurement

CCB's procurement is governed by the [CCB Procurement Guidelines](#) (approved at the General Meeting, November 2025). The guidelines apply to all purchasing of goods and services from external parties and cover thresholds, documentation requirements, grounds for exclusion, and sanctions screening requirements for suppliers. All goods and services procured should

- Meet the required quality and specifications
- Represent best value for money
- Are obtained through a transparent, fair, and ethical process
- Comply with donor requirements
- Minimize environmental impact and corruption risks.

Relevant internal policies such as the [Travel Policy](#) (2023), [Sustainability Event Management Guide](#) (2020) and [Anti-corruption policy \(2025\)](#) must also be consulted and taken into account during the procurement process for the corresponding purpose.

Where donor requirements are stricter than CCB's internal rules, donor rules shall take precedence.

## 9 Risk Management

CCB's risk management framework is set out in the [CCB Risk Management Policy](#) (November 2025) and operationalised through the CCB Risk Register.

The Risk Register is reviewed and updated on a biannual basis, aligned with CCB Secretariat meetings or equivalent forums. All Secretariat staff participate in the review process to ensure that role-specific risks are captured. Key outcomes from risk discussions are documented. The Financial Manager and Executive Secretary are jointly responsible for maintaining the Risk Register, which is reviewed by the Council annually.

## 10 Anti-corruption

CCB has no tolerance for fraud, bribery and corruption and follows its [Anti-Corruption Policy \(2025\)](#).

We strive to maintain records that accurately reflect our activities, as well as to identify and promptly report potential or actual fraud and concerns about questionable accounting issues or violations of the law.

### 10.1 Conflict of Interest

All Council members and Secretariat staff must declare any other significant employment, board positions, ownership, or financial interests that could give rise to a conflict of interest with CCB's work. This is maintained in the CCB Register of Other Engagements.

- The Register is reviewed and re-signed annually by all relevant parties
- It is updated before any General Meeting where affected decisions are on the agenda
- The Financial Manager holds the current register and ensures it is submitted to the Council

## 11 Sanctions Screening and Restrictive Measures

CCB works in the international context. CCB must ensure that it does not make funds available to sanctioned entities or individuals, and that it complies with all applicable EU and UN restrictive measures.

The following entities should be screened for EU and UN sanctions list:

- All member organisations and Observers — screened upon application/onboarding and annually thereafter

- All project partners receiving sub-grants or providing services — screened before agreement signing
- All suppliers and contractors where contract value exceeds €5,000 — screened as part of procurement process

The screening process should be conducted as following

- EU Sanctions: [www.sanctionsmap.eu](http://www.sanctionsmap.eu) — search by name, entity, or country
- UN Sanctions: UN Security Council Consolidated List at [main.un.org/securitycouncil](http://main.un.org/securitycouncil)
- Results must be recorded in the CCB Sanctions Check Register (maintained by the Financial Manager)
- Any potential match must be escalated immediately to the Executive Secretary and Financial manager before proceeding

#### Screening register

The [CCB Sanctions Check Register](#) records all screening results for MOs, partners, and suppliers. It includes: organisation name, country, EU and UN match status, date of check, checked by, and next review date. Annual reviews are conducted for all active entities. The register is maintained digitally and available for audit review.

## 12 Fundraising and cooperation Directions

### 12.1 Fundraising Direction

CCB's ambition is to conduct its fundraising in a transparent and accountable manner. All funds received by CCB are recorded in its Annual Report and accounting records in a way that clearly shows their allocation and use.

CCB aims for a diversified donor structure with at minimum a 'rolling 12-month' funded outlook, providing reasonable operational predictability. The target is to have multiple active donors at both project and organisational levels, including a meaningful proportion of unrestricted or core funding. CCB actively pursues unrestricted funding through membership fees, donations, and core support grants.

### 12.2 Cooperation guidelines

A donor is considered a person, company or other, e.g. a foundation that in some way donated a sum of money or other value to CCB.

Donors must be treated in a polite and professional manner by CCB representatives, and must never be subjected to pressure. CCB protects donor privacy and wants all donors to feel safe when they provide their personal data to CCB and the donor's identity shall not be published without consent. Donor contact details shall not be shared with third parties without consent.<sup>1</sup>

#### 12.2.1 Use of funds and acceptance rules

Donors may specify preferences for how their contribution is used by selecting from available projects or proposals, or by developing the idea jointly with CCB. If CCB receives funds that cannot be used for the intended purpose, the donor shall be contacted, and a refund may be issued where appropriate and possible.

CCB reserves the right to refuse donations, including but not limited to situations where:

- CCB cannot fulfil the donor's intended purpose for the funds;
- acceptance would conflict with CCB's ethical standards;
- the donor's values are incompatible with CCB's policies and principles;
- the donation is linked to intentions of personal or commercial promotion or reputational gain.
- The donation originates from political parties, in order to ensure that CCB remains independent and non-partisan.

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<sup>1</sup> More details on how CCB process personal data are described in its [Privacy Policy](#)

### 12.2.2 Donor cooperation and fundraising channels

When collaborating with business companies, a written agreement shall always be concluded, clarifying the scope of cooperation and the division of responsibilities.

CCB is an independent and non-partisan organisation and therefore does not accept donations from political parties.

For private individuals, fundraising is mainly conducted via direct debit, the website, social media, and fundraising platforms. Additional donation methods may be used to improve accessibility, transparency, and cost-efficiency.

CCB shall ensure transparency regarding the allocation of donations and associated administrative costs in all relevant donor communications and materials.