



Audit Authority ENI CBC MED Programme

Cross Border Cooperation within the European Neighbourhood Instrument MEDITERRANEAN SEA BASIN PROGRAMME 2014-2020

Annex 3.6

Final Report on Audit on Annual Accounts

Audit Manual

Version 2.1

Adopted by the Audit Authority with decision No 63 of 27 October 2021



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ENI CBC MED AUDIT AUTHORITY
PROGRAMMING PERIOD 2014/2020
ENI CBC MED JOINT OPERATIONAL PROGRAMME
FINAL REPORT ON AUDIT ON THE ANNUAL ACCOUNTS
(Article 28.1 of the Regulation (EU) 897/2014)

<u>Joint Operational Programme Decision:</u>	European Commission n. C(2015)9133 of the 17 th December 2015
<u>Joint Operational Programme title:</u>	ENI CBC MED 2014-2020 European Neighborhood Instrument Cross (ENI) Cross-Border Cooperation (CBC) Mediterranean Sea Basin (MED)
<u>Audit period:</u>	XX/XX/XXXX – XX/XX/XXXX (Accounting year 20XX – 20XX)
Audit Authority	Regione Autonoma della Sardegna - Presidenza Ufficio dell'Autorità di Audit dei Programmi Operativi FESR ed FSE Via XXIX Novembre 1847, 23 - 09123 Cagliari Contact person: Dr. Antonella Garippa E-mail: agarippa@regione.sardegna.it ; eni.audit@regione.sardegna.it
<u>General information</u>	
Managing Authority	Presidenza della Regione Autonoma della Sardegna Ufficio speciale dell'Autorità di Gestione

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	Comune del PO ENI CBC Bacino del Mediterraneo Via Bacaredda, 184 - 09127 Cagliari
Contact person	Dr. ... E-mail: eni.med@regione.sardegna.it
Audit starting date	XX/XX/XXXX
Check date	Starting date: XX/XX/XXXX – Ending date: XX/XX/XXXX
Person in charge of the checks	Antonella Garippa – Director – Audit Authority
AA Provisional Report – date of release	XX/XX/XXXX
Observation by MA – date of receipt	XX/XX/XXXX
AA Final Report release date	XX/XX/XXXX



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EXECUTIVE SUMMARY

The executive summary should present an overview of the objectives and scope of the audit, the main findings and conclusions, together with the key recommendations identifying the main areas which need to be addressed by the auditees.

The executive summary shall summarize the outcome of the audit in a maximum of three pages, analyzing the following points:

- **Preamble**
- **Audit Opinion**
- **Objectives**
- **Main checks**
- **Corrective measures**
- **Follow up**

1. Legal basis

(insert the relevant information to the reference regulatory framework)

In this section, the auditors describe the legal basis for their activities, in particular the specific regulations that exist for each activity. The auditors should acquire a good understanding of such specific regulations during the planning phase.

2. Control environment

(insert the reference to both the Operational Program and the subject of the audit (the accounts relating to the incurred expenses during the relevant reference period, which have been presented to the Commission for the reimbursement)

3. Scope/Objectives

(briefly describe the general objectives of the audit of the accounts carried out)

The audit objectives should be set out and the scope of the audit should be briefly outlined. Information provided should include the authorities and measures chosen for examination, and the reasons for the choice.



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The general audit objective for reliability is to determine whether the audits of accounts present fairly, in all material respects, the financial position, results and cash flow for the year, in accordance with the applicable financial reporting framework.

The specific objectives, or assertions, for which the auditor should draw conclusions are, as regards the assertions about classes of transactions and events for the period under audit, the following ones:

- occurrence: transactions and events that have been recorded have occurred and pertain to the entity;
- completeness: all transactions and events that should have been recorded have been recorded;
- accuracy: amounts and other data relating to recorded transactions and events have been recorded appropriately;
- cut-off: transactions and events have been recorded in the correct accounting period;
- classification: transactions and events have been recorded in the proper accounts;
- legality and regularity: budgetary appropriations are available (generally, an illegal and irregular transaction is not declared as affecting the reliability of the accounts if it has been correctly entered

in the accounts. However, the financial impact or risks of irregularities must be disclosed adequately).

4. Performed audit activities

(explain in detail the ways in which the audit work has been performed and the checks carried out on the accounts)

5. Remarks and Recommendations

(illustrate the preliminary and definitive detected observations regarding the audited accounts)
This section should record the specific recommendations for action by the audited body to address irregularities/weaknesses found during the audit. These recommendations should be clear and should be supported by convincing evidence as to the need for action.

The following table might be followed in order to illustrate more effectively all the recommendations.

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Observations on the accounts					
N.	Preliminary observations	Counterarguments	Definitive observations	Impacts	Conclusion and corrective measures

6. Conclusions and Audit Opinion

(Specify whether the AA can conclude that the accounts provide a true and fair picture, as set out in article Article 68.4 of Regulation (EU) No 897/2014, and that the expenses in the accounts for which it was requested the reimbursement to the Commission are legitimate and regular, or if not, explain the reasons and indicate the corrections that the MA shall make at the level of the accounts before prior to the sending to the Commission by 15/02 of the following year)

Reports should provide specific conclusions on the basis of the findings and the recommendations previously indicated.

A time limit should be set for taking and reporting on the corrective actions, the length of which will vary according to the type of actions required. The recommendations will form the basis for any follow-up examination in the future.

As an example:

The performed audit work allows the AA to affirm that, despite the necessity of implementation of some improvement actions:

- the programme accounts give a true and fair view;
- the expenses in the accounts for which the reimbursement has been requested from the Commission are legal and regular.

Or

The performed audit work showed that:

- the accounts do not provide a faithful and truthful picture, as established in article 68.5 of Regulation (EU) No 897/2014;
- that the expenses in the accounts for which the reimbursement has been requested from the Commission are not legal and regular for the following reasons:

7. Follow up

(illustrate the procedures and timing envisaged for any follow up activities to be carried out in the event that the MA has not received the results of the audit of the accounts in the final



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version sent to the Commission)

Cagliari, XX/XX/XXXX

The AA officers

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The Head of AA Unit

Antonella Garippa	signature
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Annexes:

Annex 1 - Summary table of the observations and suggested corrective actions - Action Plan

Optional Annexes (at the AA discretion):

Annex 2 - Audit calendar

Annex 3 – Audit on accounts Check list

This Report is composed by XX pages.