



# **Audit Authority CHECKLIST**

Programme FINANCIAL and COMPLIANCE AUDIT  
on Technical Assistance Expenditure

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## **Annex 3.10**

**ENI CBC MED Programme 2014-2020**

**Audit Manual 2.1**

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

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Audit period: 01/01/20XX – 30/06/20XX (Accounting year 20XX – 20XX)

## 1. Validation of Expenditure

### 1.1 MANAGING AUTHORITY/CONTROL CONTACT POINTS

CONTROL QUESTIONS ON FINANCIAL AND COMPLIANCE AUDIT OF PROGRAMME ACCOUNTS	YES	NO	N/A	FINDINGS AND COMMENTS	# REF INDEX AUDIT FINDING
1.1.1 Did CCPs request any reimbursement to the Managing Authority ?					
1.1.2 Did NCPs request any reimbursement to the Managing Authority ?					
1.1.3 Did CCPs perform control tasks - examine whether the costs declared by the beneficiaries in support of a payment request and the revenue of the programme bodies are real, accurately recorded and eligible in accordance with the contracts?					
1.1.4 Did CCP use standard templates to document his checks?					
1.1.5 Did CCP sign the control confirmation for the progress report?					

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## 2. MANAGING AUTHORITY/ BRANCH OFFICES

CONTROL QUESTIONS	YES	NO	N/A	FINDINGS AND COMMENTS	# REF INDEX AUDIT FINDING
<b>2.1 Contractual documents</b>					
<b>2.1.1</b> Do the following documents exist; are they signed/approved and dated?					
<b>2.1.1.1</b> Annual Programme budget					
<b>2.1.1.2</b> Notification of approval decision					
<b>2.1.1.3</b> Hosting Agreement (if applicable) contract					
<b>2.2 Fulfilment of responsibilities</b>					
<b>2.2.1</b> Does the MA correctly aggregate progress report on the basis of other programme bodies input?					
<b>2.2.2</b> Did the MA respect the budget by budget line, component and other programme bodies (within limits of flexibility rules set by the programme, if applicable)?					

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CONTROL QUESTIONS	YES	NO	N/A	FINDINGS AND COMMENTS	# REF INDEX AUDIT FINDING
<b>2.2.3</b> Does the MA pay programme funding to programme Branch Offices timely and accurately?					
<b>2.3 Accounting System verification</b>					
<b>2.3.1</b> Are specific accounts kept for the MA or have other methods like specific cost centres in the accounting system been established which allow to identify the costs allocated to the programme and to provide a computerized list of expenditure allocated to programme?					
<b>2.3.2</b> Can the amount that is reported in the report for the MA be reconciled with an expenditure list / extracts from the accounting system or similar? (Principle of occurrence—transactions and events that have been recorded have occurred and pertain to the entity).					
<b>2.3.3</b> Are the amounts paid accurately recorded in the accounting system? (Principle of accuracy—amounts and other data relating to recorded transactions and events have been recorded appropriately).					
<b>2.3.4</b> Has each reported expenditure been supported by an invoice or an accounting document of equivalent probative value? Are the documents complete and accurate in content as well as in accounting					

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CONTROL QUESTIONS	YES	NO	N/A	FINDINGS AND COMMENTS	# REF INDEX AUDIT FINDING
terms? (Principle of completeness—all transactions and events that should have been recorded have been recorded. All disclosures that should have been included in the report have been included).					
<b>2.3.5</b> Has each reported expenditure been supported by a payment proof (usually bank statement/bank transfer confirmations/cash receipts)? (Principle of accuracy and valuation—financial and other information is disclosed fairly and at appropriate amounts).					
<b>2.3.6</b> Can the amount of the reported expenditure be entirely reconciled with the supporting documents provided? (Principle of accuracy and valuation—financial and other information is disclosed fairly and at appropriate amounts).					
<b>2.3.7</b> Have transactions and events been recorded in the correct accounting period? (Principle of Cut-off—transactions and events have been recorded in the correct accounting period).					
<b>2.3.8</b> Have the transactions been recorded in the proper accounts and reported in proper reporting lines?					

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CONTROL QUESTIONS	YES	NO	N/A	FINDINGS AND COMMENTS	# REF INDEX AUDIT FINDING
(Principle of transactions have to be recorded in the proper accounts).					

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CONTROL QUESTIONS	YES	NO	N/A	FINDINGS AND COMMENTS	# REF INDEX AUDIT FINDING
<b>2.3.9</b> Do the assets, liabilities financed by programme and reported in report exist?(Principle of existence—assets, liabilities, and equity interests exist).					
<b>2.3.10</b> Does the MA holds or controls rights to assets and liabilities constitute obligations for the MA? (Principle of rights and obligations—the entity holds or controls the rights to assets, and liabilities constitute obligations for the entity).					
<b>2.3.11</b> Are assets and liabilities included in the report at appropriate amounts and any resulting valuation or allocation adjustments are appropriately recorded. (Principle of valuation and allocation—assets, liabilities are included in the financial statements at appropriate amounts and any resulting valuation or allocation adjustments are appropriately recorded.)					
<b>2.3.12</b> All transactions are accounted for, are not included more than once, and are recorded in the correct accounting period and at correct value? (Principle of completeness and accuracy of accounting).					
<b>2.4 Technical Assistance Expenditure compliance verification</b>					
<b>2.4.1 Compliance with Programme rules</b>					

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CONTROL QUESTIONS	YES	NO	N/A	FINDINGS AND COMMENTS	# REF INDEX AUDIT FINDING
<b>2.4.1.1</b> Have the information and publicity requirements of the EU and the programme been respected?					
<b>2.4.1.2</b> Is the public procurement process compliant regarding:  European and national/internal or other applicable public procurement rules?  Procedure documentation and documents such as procurement note, order form and contracts available?  Principles of transparency, non-discrimination equal treatment and effective competition been complied with (also for items below the EU-thresholds)?					
<b>2.4.2 Verification of eligibility of expenditure</b>					
<b>2.4.2.1</b> Are all declared expenditures supported by necessary documentation according to EU-regulations, programme rules, national and internal rules of the Programme in order to conclude that the expenditures are eligible?					
<b>2.4.2.2</b> Was it confirmed that the expenditure has not already been supported by any other funding (EU, regional, local or other)? Are there mechanisms in place to avoid double-financing?					



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CONTROL QUESTIONS	YES	NO	N/A	FINDINGS AND COMMENTS	# REF INDEX AUDIT FINDING
<b>2.4.2.3</b> Has refundable VAT been deducted?					
<b>2.4.2.4</b> Is it ensured that fines, financial penalties and foreign exchange losses are not included in the report as they are ineligible?					
<b>2.4.2.5</b> Has any revenue been reported?					
<b>2.4.3 Staff costs</b>					
<b>2.4.3.1</b> Is the expenditure only related to employees of the programme administrative bodies officially appointed to fulfil functions set in Programme document?					
<b>2.4.3.2</b> Is the calculation based on the actual costs (gross salary + employer's contributions for the employee having actually worked for the programme)?					
<b>2.4.4 Travel costs</b>					
<b>2.4.4.1</b> Were the travel and accommodation costs reported in respect of the national or internal rules of the organisation?					
<b>2.4.4.2</b> Were the trips that these costs refer to justified by the activities?					

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CONTROL QUESTIONS	YES	NO	N/A	FINDINGS AND COMMENTS	# REF INDEX AUDIT FINDING
<b>2.4.4.3</b> Were the trips limited to the territory of the Programme?					
<b>2.4.4.4</b> Do the travel and accommodation costs exclusively result from trips undertaken by staff employed to fulfil functions set in Programme document?					
<b>2.4.5 Equipment and supplies</b>					
<b>2.4.5.1</b> Have the purchased equipment items been initially planned and approved by JMC?					
<b>2.4.5.2</b> If it is not the case, is there a written approval of these costs from the JMC?					
<b>2.4.5.3</b> Has an inventory of the purchased items as well as the documentation of the method for reporting them been kept for accounting, control and audit purposes ?					
<b>2.4.6 Administrative expenditure</b>					
<b>2.4.6.1</b> Were the administration costs actually borne by the pertaining organisation?					
<b>2.4.6.2</b> Did the administration costs have been defined on the basis of a fair, equitable and verifiable calculation method ?					

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CONTROL QUESTIONS	YES	NO	N/A	FINDINGS AND COMMENTS	# REF INDEX AUDIT FINDING
<b>2.4.6.3</b> Have the administrative costs already been included in other budget lines or cost items?					
<b>2.4.7 Subcontracted services costs</b>					
Are the following documents available to justify external expertise and services expenses paid by the programme ?					
- Tender procedures					

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CONTROL QUESTIONS	YES	NO	N/A	FINDINGS AND COMMENTS	# REF INDEX AUDIT FINDING
- Contract/agreements					
- Invoices /request for reimbursement					
- Proofs of payment					
<b>2.4.7.1</b> Is the expenditure related to items foreseen under those budget lines in the specifications approved by the JMC?					
<b>2.4.8 Other costs</b>					
2.4.8.1 Have other costs been reported ?					
2.4.8.2 Could the costs be included in other budget lines or cost items by nature?					
<b>2.4.9 Exchange rate (where applicable)</b>					
<b>2.4.9.1</b> Has the option for converting national currency into EUR according to the Programme been used?					

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Auditors in charge of the verification		
Place of audit	Managing Authority and Audit Authority premises.	
Time of the audit	Audit final checklist:	
Audited Programme	ENI CBC MED Programme 2014-2020, as established through EC Decision number C(2015) 9133 of 17 December 2015, as kept by the ENI CBC MED Programme Managing Authority (MA), which was designated through Regional Government Decision (DGR) 53/1 of 29 <sup>th</sup> October 2018.	
Audit number	0X_20XX	
Prepared by: Severino Ostorero		
Auditor 1:	<u>Signature</u> <hr/>	
Auditor 2:	<u>Signature</u> <hr/>	
Auditor 3:	<u>Signature</u> <hr/>	
Date:	Date:	