**EV3**

**EXPENDITURE AND REVENUE VERIFICATION REPORT**

of a Grant Contract
under the Kolarctic CBC Programme

**MICRO PROJECT**

***Name of the project***

|  |
| --- |
|  |

***ID code of the project***

|  |
| --- |
| KO |

***Official name and address of the Beneficiary***

|  |
| --- |
|  |
|  |
|  |
|  |
|  |

***Name of the legal representative of the organization***

|  |
| --- |
|  |

***E-mail***

|  |
| --- |
|  |

In accordance with the expenditure verification procedures of the Kolarctic CBC 2014-2020 Programme, we provide our Expenditure Verification Report (‘the Report’), with respect to the accompanying Financial Report for the period covering

<dd Month yyyy — dd Month yyyy>

in connection with the Grant Contract <number of the contract>, the ‘Grant Contract’.

**Objective**

Our engagement was an expenditure and revenue verification procedure with regard to the Financial Report for the above mentioned Grant Contract between the Lead Partner and the Managing Authority. The objective of this verification is for us to carry out certain procedures to which we have agreed and to submit a report of factual findings with regard to the procedures performed.

**Standards and Ethics**

Our engagement was undertaken in accordance with:

* International Standard on Related Services (‘ISRS’) 4400 *Engagements to perform Agreed-upon Procedures regarding Financial Information* as promulgated by the International Federation of Accountants (‘IFAC);
* the *Code of Ethics for Professional Accountants* issued by the IFAC. Although ISRS 4400 provides that independence is not a requirement for agreed-upon procedures engagements, the Contracting Authority requires that the auditor also complies with the independence requirements of the *Code of Ethics for Professional Accountants*;

**Procedures performed**

As requested, we have only performed the verification to support the Managing Authority in assessing whether the expenditure claimed in the accompanying Financial Report is eligible in accordance with the terms and conditions of the Grant Contract and eligibility rules of the Programme. The detailed procedures are found in the attached check-list.

Because the procedures performed by us did not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the accompanying Financial Report.

**Factual Findings**

|  |  |  |
| --- | --- | --- |
|  | **In local currency RUB/SEK/NOK** | **In EUR** |
| **The total expenditure subject of this expenditure verification (Total eligible costs)** The amount is equal to the total amount of expenditure reported in the Financial Report. **Exceptions:** | RUB/SEK/NOK<x,xxx.xx> | EUR<x,xxx.xx> |
| **The total expenditure verified** In case used sampling method to some heading or subheading of the budget, please indicate below for which headings or subheadings of the Financial Report sampling has been applied, the method used, the results obtained and whether the sample is representative.**Used method for sampling:**  | RUB/SEK/NOK<x,xxx.xx> | EUR<x,xxx.xx> |
| **Expenditure Coverage Ratio**This ratio represents the total amount of expenditure verified by us expressed as a percentage of the total expenditure which has been subject of this expenditure verification.  |  | <xx.xx%> |
| **Total amount of the expenditure complying with requirements set in the expenditure verification procedures.**This amount represents the expenditure that, in our opinion, **is in compliance with the eligibility rules** of the Programme and requirements of the Grant Contract, and **is eligible**. *If coverage ratio is less than 100 %, please indicate here the* ***total amount of the eligible expenditure****, not only the verified share.*  | RUB/SEK/NOK<x,xxx.xx> | EUR <x,xxx.xx> |
| **Expenditure not complying with requirements set in the expenditure verification procedures as listed in EV5/Micro List of factual findings**This amount represents the expenditure that, in our opinion, **is not eligible**.  | RUB/SEK/NOK<x,xxx.xx> | EUR<x,xxx.xx> |
|  |  |  |
| **[If applicable] The total revenues and contributions by third parties verified is:** | RUB/SEK/NOK<x,xxx.xx> | EUR <x,xxx.xx> |
| **[If applicable] The profit deriving from a surplus of income over expenditure is:**This amount represents the profit that, in our opinion, was generated by the project and thus **this amount should be deducted from the payment**. | RUB/SEK/NOK<x,xxx.xx> | EUR<x,xxx.xx> |

Detailed breakdown of expenditure not complying, with the eligibility requirements is provided in the ‘*EV5/Micro List of factual findings*’.

**Project level information (only for Lead Partner´s auditor to fill in)**

Other partners in the project have submitted individual verification reports to the Lead Partner. The reported expenditure in the ‘*Annex 7 Micro Consolidated financial report*’ is equal with following individual verification reports:

|  |  |  |  |
| --- | --- | --- | --- |
| **Name of the partner** | **Amount expenditure reported, EUR \*)** | **Amount expenditure verified, EUR** | **Expenditure coverage ratio, % \*\*)** |
| >Lead partner< |  |  |  |
| >Partner 1< |  |  |  |
| >Partner 2< |  |  |  |
| >Partner 3< |  |  |  |
| … |  |  |  |
| … |  |  |  |
| **TOTAL AMOUNT\***  |  |  |  |

\***Total amount of expenditure reported is equal with the total amount of the reported costs of Finnish, Swedish, Russian and Norwegian partners in the Annex 7/Micro Consolidated financial report.**

\*\* Amount verified shall be at least 65 % of the reported total expenditure.

**Findings**

|  |  |
| --- | --- |
| **Name of the partner** | **Comments from the LP’s auditor** (revenues, exceptions, irregularities, deviations etc.) |
| >Partner 1< |  |
| >Partner 2< |  |
| >Partner 3< |  |
| … |  |
| … |  |

**Use of this Report**

The Managing Authority is not a party to the expenditure verification and therefore we do not owe or assume a duty of care to the Managing Authority, who may rely upon this expenditure verification report at its own risk and discretion. The Managing Authority can assess for itself the procedures and findings reported by us and draw its own conclusions from the factual findings reported by us.

Yours sincerely,

*Date and place*

*Auditor’s signature [person/firm, as appropriate and in accordance with company policy]*

*Name of Auditor*

**Report is accompanied with following documents:**

Annex 1/Micro Financial report with General Ledger specification (with auditor’s remarks)

Annex 7/Micro Consolidated financial report (signed by auditor)

EV2 Service Contract for the expenditure and revenue verification

EV4/Micro Checklist for the expenditure verification

EV5/Micro List of factual findings