# Template for the Audit report of Factual Findings for Academic, Advanced Academic and Extended Impact Partnership

*To be printed on letterhead paper of the auditor*

**Audit Report of Factual Findings on costs claimed under the APPEAR Grant Contract**

<Name of institution>

<Name of contact person(s)>, <Position>

<Address>

<dd mm yyyy>

In accordance with the terms of our engagement letter dated <*dd mm yyyy*> with <*name of the institution which engages the auditor*> hereinafter referred to as ‘the client’[[1]](#footnote-1), we hereby provide our Audit Report of Factual Findings (hereinafter referred to as ‘the report’), as specified below.

**Objective**

We *[legal name of the audit firm]*, established in *[full address/city/province/country]* represented for signature of this report by *[name and function of an authorised representative],* have performed agreed-upon procedures regarding the costs declared in the financial statement of [*name of client*], the client, to which this report is attached, and which is to be presented to the Austria’s Agency for Education and Internationalisation (OeAD-GmbH), hereinafter referred to as ‘OeAD’, under grant contract *[Project Title and Project Number]* for the following period *[insert reporting period covered by the financial statement].* This engagement involved performing the procedures listed in the ‘Terms of Reference – APPEAR Audit Report for Academic, Advanced Academic and Extended Impact Partnership’ hereinafter referred to as ‘ToR’. This report is prepared in accordance with the ‘Guidelines for the Budget and Financial Report for Academic, Advanced Academic and Extended Impact Partnership’.

**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 OeAD requires that the auditor also complies with the independence requirements of the *Code of Ethics for Professional Accountants.*

**Procedures performed**

As requested, we have performed the procedures listed in the ToR and determined by the OeAD.

They were performed solely to assist the OeAD in evaluating whether the expenditure claimed by the client in the accompanying financial statement corresponds to the grant contract. The auditor is not responsible for the suitability and appropriateness of these procedures.

**Sources of information**

The report sets out information provided to us by the management of the client in response to specific questions or as obtained and extracted from the client’s information and the client’s accounting and bookkeeping system and the underlying accounts and records.

**Factual findings**

The above-mentioned financial statement was examined, and all procedures specified in the ToR were carried out.

The total expenditure (excluding overhead costs) reported by the client in the financial statement amounts to **EUR <xxxxxxx>**.

The total expenditure (excluding overhead costs) which is the subject of this expenditure verification amounts to **EUR <xxxxxxx>**.

This corresponds to an expenditure coverage ratio (ECR) of **<xx> %**.

The following exchange rate was applied: < delete this line if not applicable >.

On the basis of the results of these procedures, we found that the total expenditure declared in the financial statement has been justified to us by the client with the relevant documentation as foreseen in the ToR.

**Exceptions [****delete if not applicable, i.e. no exceptions have been identified]**

**Cases of non-compliance:**

1. Direct costs

Please report the nature of the non-compliance and details of the costs affected.

1. Exchange rate

Please indicate the exchange rate applied and report any discrepancies between the amount of expenditure incurred in a currency other than Euro and the related value declared in the financial statement.

1. Reporting period

Please report details of invoices related to the reporting period but not yet paid at the date of submission of the financial statement as well as those costs incurred after the end of the reporting period.

1. Sub-contracting / procurement

Please report the nature of the non-compliance and details of the costs affected.

*For all instances, please provide sufficient details on the issues concerned, e.g. amount of transaction, date of transaction, invoice or reference number, name of supplier.*

**Additional information for the consideration of the OeAD**

*This section shall be used by the auditor to signal any issue which does not fall into the categories listed in Section ‘Cases of non-compliance’ above.*

**Use of this report**

This report is intended solely for the purpose set forth in the above objective.

This report is prepared solely for the confidential use of the client and the OeAD and solely for the purpose of submission to the OeAD in connection with the requirements as set out in the grant contract. This report may not be relied upon by the client or by the OeAD for any other purpose, nor may it be distributed to any other parties. The OeAD may only disclose this report to others who have regulatory rights of access to it, in particular the Austrian Development Agency (ADA).

This report relates only to the financial statement specified above and does not extend to any other financial reports of the client.

No conflict of interest exists between the auditor and the client in establishing this report.

The fee paid to the auditor for providing the report was EUR \_\_\_\_\_\_\_\_\_\_\_\_ while a total of EUR \_\_\_\_\_\_\_\_\_\_\_\_ has been reimbursed to the auditor for the related travel and subsistence.

We look forward to discussing our report with you and would be pleased to provide any further information or assistance which may be required.

*[legal name of the audit firm]*

*[name and function of an authorised representative]*

***<dd mm yyyy>, <Signature of the auditor>***

**Annexes**

Please attach the following documents:

* Financial statement (summary of expenses of the audited institution(s) and detailed cost breakdown of the audited institution(s)), compiled, dated and each page signed by the client and countersigned by the auditor.
* Depiction of the cashflow including bank account statements
* Inventory list of goods

1. The client refers to the entity that is receiving part of the total grant funding and that has either signed the grant contract with the OeAD or is a project partner of the signing (coordinating) organisation. [↑](#footnote-ref-1)