# Appendices

###### Appendix 1: Financial audit control list

The selected auditor must carry out all the following checks, and attach this completed and signed list to the final audit report. If certain points could not be verified, this must be specified and the reason given in the management letter.

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| Auditor (name/status/address):Certification/qualitification |
| Cooperative or partner audited:Audit dates: |
| Fairtrade Germany agreement no. Amount audited:Phases: |

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| 1. Control questions | Yes, control has been checked | Comment if control could not be done |
| 1.1. Inspection of procedures |
| Was a scope meeting held between the auditor and the Cooperative union within the first 12 months of project implementation? |  |  |
| Has the auditor independently defined the sample of expenditure to be audited? |  |  |
| Before AMI 2023: Is the sample of expenditure to be verified greater than 50% of the total amount of expenditure for the project?-From AMI 2023: Is the sample of expenditure to be verified greater than 60% of the total amount of expenditure for the project? |  |  |
| Has each budget line been checked for any significant amount? |  |  |
| Has the auditor checked expenditure management on site? If so, please explain the control method (field visit, association with a local audit firm, transmission of local documents to office, etc.)? |  |  |

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| 1.2. Contractual obligations |
| Do the contractual documents (application form, funding agreement, partnership agreement) exist and have they been signed and dated? |  |  |
| Is there a clear accounting and financial management system? Have the responsibilities of the Union, project coordination, management and financial controls been clearly defined? |  |  |
| Are the provisions included in the agreement and those set out in the methodological guide in force at the time the grant was awarded been complied with? |  |  |
| 1.3. Analysis of the financial plan |
| Has the maximum limit of 25% of the total project budget been respected? Please note that the value added cannot appear in the contributions from Fairtrade Germany and other project partners |  |  |
| Have the valuation methods set out in the methodology guide been followed? |  |  |
| Has the contractually agreed budget been respected overall, within the limits of the rules defined by budget heading and partner?If you have noted a variation of less than or more than 20% in the total for each budget heading, has Fairtrade Germany notified you that it has no objection? |  |  |
| In the table of expenditure, have the ceilings laid down in the methodological guide been respected?* The "miscellaneous and unforeseen" heading is capped at 5% of total direct project costs (excluding administrative and structural costs).
* Indirect costs are capped at 14% of direct project costs (% to be verified according to the AMI for which the project was submitted and selected).
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| Have the partners and stakeholders benefiting from retrocessions been systematically reported to Fairtrade Germany? |  |  |
| 1.4. Audit of the accounting system |

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| In the Cooperative accounts, is there an analytical code dedicated to the income and expenditure generated by the project? |  |  |
| Can the amount indicate in the implementation report be reconciled with a list of expenditure extracted from the accounting system? |  |  |
| Does the recording system make it possible to attribute an invoice or accounting document of equivalent probative value to each item of expenditure? |  |  |
| Does the recording system allow proof of payment (usually a bank statement, bank transfer confirmation, till receipt) to be allocated to each expense? |  |  |
| 1.5. Control of expenditures |
| Compliance with applicable legislation* Have Community and national rules been respected?
* Does the public procurement process comply with:

. European and national/internal public procurement rules and those stipulated in the agreement.. Documentation on compliance with the chosen procedure (applications, rejection letters, notification, contract).. Have the principles of transparency, non- discrimination, fair treatment and respect for competition been respected? |  |  |
| Checking the eligibility of expenditure* Does the expenditure comply with the eligibility criteria set out in the methodological guide?
* Have we been assured that the expenditure has not already been subsidised by other funding (EU, regional, local or other) not declared in the financing plan? Are there any checks to avoid double-funding?
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| Staff costs |  |  |

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| * Are the expenses properly linked to the Union employees or otherwise justified in terms of the actions provided for in the agreement?
* Are staff costs supported by documents such as employment contracts, pay slips (or any other document of equivalent probative value), payment receipts, details of calculations used to determine the unit cost of staff (day, week, month), time sheets, time sheets specific to the project?
* Is the calculation based on actual costs (gross salaries + the employer's contractual obligations for the employee who actually worked on the project)?
* Where staff do not work full time on the project, is the pro rata calculation based on a traceable and verifiable method?
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| Travel and accommodation* Have travel, per diem and accommodation expenses been declared in accordance with any internal rules established by the Union?
* Are the trips to which this expenditure relates justified by the objectives of the project as set out in the initial application?
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| Capital expenditure* Was the equipment purchased initially provided for in the funding application? If not, has the Fairtrade Germany been approved by ANO in compliance with the provisions of the methodological guide

(materiality threshold > €10,000)?* If a material asset is valued, is the depreciation method in line with the methodological guide?
* If the equipment has not been used solely for the project, is only a share of the actual costs allocated to the project? Is this share calculated using a fair and justified method?
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| External expertise- Is the expenditure linked to the items on this budget line according to the characteristics set out in the funding application? |  |  |

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| - Has the use of external expertise been carried out in accordance with the tendering and award rules stipulated in the agreement? |  |  |
| * Has the conversion method applied by the Union been explained and the rate verified?
* Has the Beneficiary specified how it will use the sums generated by foreign exchange gains and compensate for foreign exchange losses during the implementation of the project?
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| 2. Expected deliverables | Yes, sent to fairtrade Germany | If not, please comment why |
| An audit report, commenting on each of the checks as well as the amount of expenditure declared ineligible and including in particular an assessment of calls for tender, retrocessions and valuations carried out during the project. |  |  |
| A management letter summarising the main conclusions of the expenditure audit report and setting out the main recommendations. |  |  |