First level control report including checklist

1. Project and progress report	
Project title	
Project acronym	
Project number	
Report Number	

2. Project Partner		
Name		

3. Designated first level controller	
Name	
Organisation	
Job title	
Division/Unit/Department	
Address	
Country	
Telephone	
E-mail	

4. Methodology of the Verification			
Gerneral methodology	☐ desk-based	☐ on-the-spot	☐ other
Sampling was applied	☐ Yes	☑ No	
Date of receipt of the progress report			
start of control work			
Date(s) of requests for clarifications			
Date of receipt of satisfactory clarifications			
End of the control work			

5. Expenditure declared and certified by budget line				
	Declared (A) (total amount declared)	Certified (B) (total amount certified)	Difference (C=A-B) (total amount deducted)	Certified in % of Declared [B/A]*100
Travel and accommodation	EUR 0.00	EUR 0.00	EUR 0.00	100.00 %
External expertise and services	EUR 0.00	EUR 0.00	EUR 0.00	100.00 %
Total expenditure	EUR 0.00	EUR 0.00	EUR 0.00	100.00 %
Net Revenue	EUR 0.00	EUR 0.00	EUR 0.00	0.00 %
Total eligible expenditure	EUR 0.00	EUR 0.00	EUR 0.00	100.00 %
Part of the expenditure was incurred outside (the Union part of) the programme area	☐ Yes	☑ No		

6.a. Description of finding, observation and limitations	
☐n.a.	

6.b. Conclusions and recommendations	
☐n.a.	

6.c. Follow-up measures for the next progress report	
☐n.a.	

Purpose of the Control, Responsibilities, Legal Basis and Methodology
Purpose of the control report and addresses
We performed a verification of the above mentioned report. We prepared this independent first level control report in order to provide the project partner with information on the control work carried out by us, the errors detected, the conclusions drawn and the recommendations and follow-up measures identified. This control report refers solely to the partner report identified above and does not constitute a confirmation of the controlled entity's other statements and accounts.
This control report is primarily for the attention of the controlled partner. It will furthermore be made available to the managing authority, the joint secretariat of the programme and managing authority, as well as authorised third parties such as the audit authority and the European Commission upon request.
Responsibility of the Project Partner
The partner is responsible for the preparation of the partner report in accordance with the reporting provisions outlined in the subsidy contract. The partner is furthermore responsible for executing internal control in order to enable the preparation of partner reports that are free from material misstatement, including those due to fraud or error.
Responsibility of the Lead Partner
Responsibilities of the Lead Partner are outlined in Article 13 of Reg. (EU) No 1299/2013.
Responsibility of the Managing Authority/Joint Secretariat
MA/JS carry out the functions according to Article 125 of (EU) No 1303/2013 and Article 23 of (EU) No 1299/2013. The MA/JS take the responsibility for monitoring overall project progress.
Responsibility of First Level Control
FLC is responsible for verifying expenditure declared in the partner report based on the verifications carried out according to Article 23 of (EU) No 1299/2013.
Legal basis and guidelines
Reg. (EU) No 1303/2013 ; Reg. (EU) No 1301/2013; Reg. (EU) No 1299/2013 Commission Delegated Regulations (EU) No 481/2014, (EU) No 480/2014 Guidance document on management verifications to be carried out by Member States on operations co-financed by the Structural Funds, the Cohesion Fund and the EMFF for the 2014-2020 programming period Operational Programme Programme Manual

9. Controller's signature

Name & Date Stamp 23 janv. 2017 15:20:32

Checklists

NWE Project FLC checklist		
Question	**Answer**	**Comment**
1. General Information		
1.1 Accounting System		
The project partner uses for accounting purposes		
- a separate accounting system	No	
- an adequate accounting code	No	
In case the project partner has sub partners, does each sub partner have:		
- a separate accounting system	No	
- an adequate accounting code	No	
Does the combined sub partner expenditure not exceed the costs of the partner's share		
Double-financing is excluded by: e.g., invoices are stamped, marked; on-the-spot inspection of originals, etc.		
1.2 VAT		
The partner organisation has the right to recover VAT. Please provide comments if 'partially' is ticked.		
- yes	No	
- partially	No	
- no	No	
1.3 Bank Account		
The correct IBAN and BIC is communicated to the Lead Partner and the account belongs to the project partner's organization.	No	
1.4 Format of documents		
Documents were made available to FLC in the following format (tick all that apply):		
- originals	No	
- copy	No	
- electronic	No	
2. Audit Trail		
General considerations / eligibility criteria		
Are the following documents available for the controller: 1. Subsidy contract; 2. Application form; 3. Partnership agreement		
Costs are directly related to the project and necessary for the development or implementation of the project. e.g. Verified that costs: have been initially planned in the application form under this budget line OR a written agreement of these costs exists from the JS.		
Costs are correctly allocated to the right budget line e.g. Inspected list of expenditures.		

Costs are declared only once. e.g. Inspected the list of expenditure and verified that expenditures have not been declared twice in different budget lines or in previous reporting periods.		
Expenditure was incurred and paid within the eligibility period of the project. (NOT needed for flat rates, lump sums, or in-kind contributions). e.g. Implementation expenditure is incurred and paid within the starting date of the project set in the subsidy contract and the end of the relevant reporting period.		
Expenditure is supported by invoices or documents of equivalent probative value, which are correct in content and accounting terms. (NOT needed for Flat rates, lump sums or in-kind contributions)		
Expenditure is supported by a proof of payment (bank account statements, bank transfer confirmations, cash receipts, etc.). NOT needed for Flat rates, lump sums or in-kind contributions		
Recoverable VAT was deducted.		
The part of the expenditure incurred outside (the Union part of) the programme area and is eligible according to Art 20(2)(3) of Reg. (EU) No 1299/2013] and programme rules? (in case expenditure was incurred outside the eligible programme area). e.g. verified that the costs are outlined in the AF OR have been approved by the programme bodies prior to their occurring		
For project partners from the Euro zone travelling outside the Euro zone: Have the organisations internals rules been implemented and the costs claimed in Euros?		
The co-financed products and services were delivered or are in progress to be delivered. e.g. Inspected project evidence provided with the partner report, in particular agendas and signed attendance lists of meetings, written outputs, pictures, etc; OR performed own research, in particular search on the internet, OR obtained external confirmation of the project's existence, in particular from...' or 'Inspected the project partner and activities on the spot.		
Partner has received the ERDF share from the previous periods.		

The partner total budget, budget per budget line and budget per work package was respected. If not, did the partner have the LP's approval for overspending the budget? e.g. Verified that accumulated partner expenditure is within the partner budget of the latest version of the approved Application Form. If not, differences have been covered by the budget flexibility or explained / approved by the Lead Partner		
Net revenue has been deducted from the total eligible expenditure. e.g., Inspected information on conferences, events, website, etc. for evidence of potential generation of net revenue and verified that project-related net revenues have been declared by the project partner. Verified that declared net revenues have been calculated correctly and can be attributed to the project.		
General comments, recommendations, points to follow-up; NOTE: deductions (if any) are allocated to the relevant budget lines		
3. Advance payments and preparation costs		
The partner asked for the advance payment in the application form.		
The partner fulfils the definition of a micro-enterprise or a micro-NGO.		
The preparation costs have been paid to the partner according to the rules stated in the partnership agreement.		
General comments, recommendations, points to follow-up; NOTE: deductions (if any) are allocated to the relevant budget lines		
4.On the spot verifications		
Documents submitted match the originals.		
Documents are correctly archived.		
General comments, recommendations, points to follow-up; NOTE: deductions (if any) are allocated to the relevant budget lines		
5.Eligibility along budget lines		
5.1 General questions		
Have all cost items claimed been used for their intended purpose?		
Are all items described in the approved application form?		
5.2 Staff Costs		
Have staff costs been claimed?		

Are the costs calculated according to the following options: 1) Full gross employment costs; 2) Fixed percentage of gross employment costs; 3) Flexible percentage; 4) Hourly basis; 5) Country specific method		
Persons declared as staff costs are employees of the project partner or work under a contract considered as an employment contract.		
Are the following documents available: 1) Work contracts; 2) Payslips (or similar); 3) Timesheets (where applicable)		
If overtime is claimed are related costs actually incurred and in compliance with the applicable programme rules?		
Is a document available fixing the percentage worked on the project and is this percentage correctly applied to the actual gross employment costs? (only in case of fixed percentage of time worked per month)		
The number of hours worked on the project is documented in a time Registration system. (only in case of flexible shares varying from one month to the other or hourly rates)		
If national rules are available, have those been complied to? see programme manual for Chapter 5, Section 5.2 for available national rules.		
If a person works in several projects financed by NWE or other sources of funding, is it ensured that the total number of working hours declared does not exceed the total eligible working time of the employee (no double-financing)?		
Staff cost are calculated correctly. e.g. FIXED PERCENTAGE: verified that the percentage was correctly applied to the gross employment costs for each person declaring staff costs under this option. FLEXIBLE SHARES: verified that staff cost are correctly calculated by multiplying the number of hours worked on the project with the hourly gross employment cost. Hourly rate calculated either 1) by dividing the monthly gross employment cost by the monthly working time fixed in the employment/work contract expressed in hours, or 2) by dividing the latest documented annual gross employment cost by 1720 hours (Art 68(2) of Reg. (EU) No 1303/2013). HOURLY RATES: Verified that staff cost are correctly calculated by multiplying the number of hours worked on the project with the hourly rate agreed in the employment/work contract.		

Results, comments, recommendations, points to follow-up.		
• (for real costs only): For each ineligible / deducted cost item: Clear identification of the ineligible cost item, i.e. unique accounting number/invoice OR indicate where this information can be found (e.g., in the database, the list of expenditures, etc.) • For all ineligible / deducted costs: Clear specification of how much was deducted and reason why it was deducted OR indicate where this information can be found. • Any issues and observation and concerns even if no deductions were made.		
5.3 Office and Administration		
There is no double declaration of cost items covered by the flat rate in other budget lines. (such as stationery, photocopying, mailing, telephone, fax and internet, heating, electricity, office furniture, maintenance, office rent)		
Results, comments, recommendations, points to follow-up.		
5.4. Travel and Accommodation		
Have travel and accommodation costs been claimed?		
Are the trips that these costs refer to justified by the project's activities?		
Travel and accommodation costs relate to staff of the partner organisation or natural persons working under work contracts considered as employment contracts of the partner organisation		
Costs are in line with applicable EU, programme national and internal rules of the partner organisation.		
Are trips limited to the 8 countries represented in the Interreg NWE programme? In case of trips outside the NWE countries, where they explicitly mentioned and justified in the approved application form or by the joint secretariat?		
Results, comments, recommendations, points to follow-up.		
5.5. External Expertise and Services		
Have external expertise and services been reported? (if yes) please also refer to Section 4 for verifying public procurements.	No	
Providers of services or expertise are external to the project partnership.		
The types of costs listed under the budget line are eligible according to EU and programme rules.		

Invoices or documents of equivalent probative value are in line with the contract(s) – or where applicable- with the selected offer- in terms of amount and nature		
(In case of experts or services that are NOT exclusively used for the project) The share allocated to the project is plausible, i.e. calculated according to a fair, equitable and verifiable method.		
Deliverables or other evidence of the work carried out by the provider are available.		
Have the travel and accommodation expenses of external service providers been recorded under the external services and experts budget line (i.e. and not under travel and accommodation)		
Results, comments, recommendations, points to follow-up.		
5.6. Equipment		
Has new equipment been reported? (if yes) please also refer to Section 4 for verifying public procurements.	No	
The types of costs listed under the budget line are eligible according to EU and programme rules.		
Invoices or documents of equivalent probative value are in line with the contract(s) or – were applicable- the selected offer in terms of amount and nature.		
The method to calculate equipment expenditure (full costs, pro rata, depreciation) is correctly applied.		
Equipment is available, physically exists.		
Results, comments, recommendations, points to follow-up.		
5.7 Infrastructure and works		
Have new infrastructure and works been reported? (if yes) please also refer to Section 4 for verifying public procurements.	No	
Providers of infrastructure and works are external to the project partnership.		
Invoices or documents of equivalent probative value are in line with the contract(s) or – were applicable- the selected offer in terms of amount and nature.		
Infrastructure and works exists or evidence of work in progress is available.		
Results, comments, recommendations, points to follow-up.		

6. Compliance with public procurement rules. (if yes) please refer to the FLC section of the NWE homepage http://www.nweurope.eu/help-support/first-level-control/ for the checklist on public procurement and attach it in the eMS after finalising the controls.	No	
7. Compliance with information and publicity requirements		
Information and publicity rules of the EU and the programme were complied with.		
(In case of projects exceeding a total public contribution of EUR 500.000 and consisting of the financing of infrastructure or construction projects) A temporary billboard of a significant size, readily visible to the public has been installed.		
(In case of projects not falling under the specification above) At least one poster with information about the project (minimum size A3), including the financial support from the Union at a location readily visible to the public, such as the entrance area of the building.		
General comments, recommendations, points to follow-up		
8. Compliance with other EU rules The FLC is asked here for a professional judgement as a controller based on experience and training, but not for an expertise of EU policies on sustainable development, equal opportunities and non-discrimination, equality between men and women, or state aid. The FLC is asked to confirm, that you have not come across anything that mad you doubt that the EI horizontal principals are not adhered to.		
There is no evidence that the project activities do not comply with the EU horizontal objectives of sustainable development.		
There is no evidence that equipment purchased does not comply with EU and national legislation in terms of environmental impacts, required permits, etc.		
There is no evidence that infrastructure and works do not comply with EU and national legislation in terms of environmental impacts, required permits, etc.		

[according to Articles 4 and 7 of Reg. (EU) No 1303/2013] There is no evidence that the project activities do not comply with the EU horizontal objectives of equality between men and women and non-discrimination.		
Have any limitations on state aid (de minimis, GBER or notification) been identified for the partner?		
If no, do you think that state aid should have been highlighted?		
If state aid limitations have been highlighted, please fill in the relevant sections: De minimis - the threshold for de minimis was not exceeded		
De minimis: In case of downstream de minimis, did the partner collected self-declarations and issued notification letters?		
If state aid limitations have been highlighted, please fill in the relevant sections: GBER - 1) Activities are not excluded from the scope of the schemes (export activities and sectoral coverage)		
GBER - 2) The partner is neither in difficulty nor subject to an outstanding recovery order		
GBER - 3) The partner is a small / medium sized / large company (whichever applicable)		
GBER - 4) The maximum intensity rate corresponds to the requirements of the article applied		
GBER - 5) The specific eligibility rules were respected (if applicable		
GBER - 6) The relevant ceilings were respected		
General comments, recommendations, points to follow-up		
9. Shared Costs		
A written agreement on shared costs exists between the partners sharing the costs, including division key, implementing partner, specification of types of costs shared, expenditure incurred.		
(in case of a project partner reimbursing another partner) Costs have been certified by the FLC of the partner incurring the costs.		
There are not costs included that were invoiced by a different partner.		
General comments, recommendations, points to follow-up		
10. In-kind Contributions		
In-kind contribution(s) declared is/are eligible according to EU and programme rules.		

In-kind contribution(s) relate(s) to the project.		
In-kind contribution(s) is/are foreseen in the approved application form.		
In-kind contribution(s) is/are documented.		
The in-kind amount declared is plausible. i.e. based on a fair, equitable and verifiable calculation method.		
General comments, recommendations, points to follow-up		
11. External public contribution		
(in case of external contributions) The controlled entity received external (public) contribution for the previous report.		
(if yes) The total public contribution has not been exceeded.		
(if yes) The contribution does not come from other EU financial instruments.		
General comments, recommendations, points to follow-up		
12. Lead Partner-specific verifications (filled-in in the case of Lead Partners only)		
The Lead Partner forwarded ERDF shares for the previous report to the project partners without unnecessary delays and in full.		
The documents presented by the project partners are complete and have been validated by the partner FLC.		
The information provided by the partner FLCs in the checklists is sufficient.		
General comments, recommendations, points to follow-up		
Controller’s signature		
Location		
Date		
Name		