



Co-funded by the European Union

Estonian EU External Border Programme 2014-2020

Project No:	ER217
Project full name:	Increasing attractiveness of Ida-Viru tourism destination on Finnish, Latvian and Estonian markets
Project acronym:	Ida-Viru Tourism
Project Partner Name (LP):	Ida-Viru Enterprise Centre
Thematic objective:	TO 1 Business and SME development
Audit No:	EVP-14/2024
Audited organization:	Ida-Viru Enterprise Centre

Final audit report

12.09.2024

SUMMARY OF AUDIT RESULTS

Audit outcome:

Based on the audit work performed, the auditors have obtained reasonable assurance that the expenditure declared is in all material aspects legal and regular and in compliance with the programme rules.

Audit opinion¹:

➤ No findings

The project audit has been carried out in compliance with the International Standards for the Professional Practice of Internal Auditing.

We wish to thank the auditee for the assistance and cooperation provided during the audit.

We confirm that the final audit report consists of 6 pages.

¹ **Significant findings** are those that have or may have a financial impact (i.e. ineligible expenditure). **Non-significant findings** are those that have no financial impact but whose correction will help the beneficiary to lower risks while implementing the project.

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PART A

1. Audit object and audited expenses

1.1 GENERAL INFORMATION ABOUT THE AUDIT	
Project name:	Increasing attractiveness of Ida-Viru tourism destination on Finnish, Latvian and Estonian markets
Project acronym:	Ida-Viru tourism
Project number:	ER217
Strategic and thematic objective:	TO 1 Business and SME development
Beneficiary audited (LP):	Ida-Viru Enterprise Centre
Contact person of the beneficiary:	Kadri Jalonen
Date of subsidy contract:	22/06/2023
Audit scope and period:	01.07.2023-31.12.2023
1.2 INFORMATION ABOUT THE AUDIT	
Basis:	<ul style="list-style-type: none">- Agreement on financing and implementation of Cross-Border Cooperation Programme "Estonia-Russia" 2014-2020- Audit Authority's work plan for 2024.
Objective:	<p>To provide an audit opinion that:</p> <ul style="list-style-type: none">- the operation was selected in accordance with the selection criteria for the cross-border programme.- the expenditure declared to the participating nations and the Commission corresponds to the accounting records and that the required supporting documentation demonstrates an adequate audit trail.- for expenditure declared to the participating nations and the Commission, outputs and results underpinning payments to the beneficiary have been delivered.
Person(s) carrying out the audit:	Indrek Alliksaar, KPMG Baltics OÜ, Auditor Tanel Kullison, KPMG Baltics OÜ, Auditor Maarja Mändmaa, KPMG Baltics OÜ, Auditor Liina Lember, KPMG Baltics OÜ, Auditor Kärt Kibus, KPMG Baltics OÜ, Auditor
Audit duration:	21.06.2024 - 12.09.2024
Methodology:	Audit manual of the Estonia-Russia Programme

Audit procedures performed at the beneficiary audited:	During the desk-based check analysis/evaluation was made of the following: <ul style="list-style-type: none">- project's actual implementation.- documentation related to project implementation.- eligibility of costs.- arrangement of book-keeping related to the project.- existence of co-financing.- use of the logos.			
Sampling methodology (if applicable, then information shall be provided by the Audit Authority):	Population size was EUR 236 326,61. Sampling method used was MUS. <ul style="list-style-type: none">- Final audited sample size was 190 043,68 EUR (80,4%).			
1.3 AUDITED EXPENSES				
Total amount of certified expenses subject to auditors' opinion on the basis of cost documents:	EUR 236 326,61 (01.07.2023 - 31.12.2023)			
Size of the sample (EUR; %) ² :	EUR 190 043,68, 80,4%			
Ineligible expenditure identified (EUR): amount				
	EU contribution	National public contribution	Private sector contribution	Total
Ineligible amount (EUR):	0	0	0	0
Ineligible amount outside the audit scope (EUR):	0	0	0	0
Error rate (%) ³ :	0%			

2. Limitations

The audit procedures were carried out in compliance with internationally accepted auditing standards⁴ and the audit report was prepared using the principles of independence and objectivity.

Auditors conclude that all data presented during the audit and other oral and written information made available during the audit presents a true and fair view of the activities performed during the project implementation and are sufficient to provide an opinion about the project. In case of additional information that was not provided or was not known to auditors, the conclusions reached by auditors might have been different.

² If a sample was not used for auditing, the size of the sample is the total population in euros and the share of audited expenses to total population is 100%.

³ Share of ineligible expenses to audited expenses (%). If a sample was used for auditing, the share of ineligible expenses to the sample size shall be used.

⁴ The International Professional Practices Framework (IPPF) of the Institute of Internal Auditors.

PART B

AUDIT FINDINGS

1. Use of funding as intended

The funding has been used in material aspects in the intended manner, in a reasonable and efficient way and in accordance with the objectives and requirements laid down in the subsidy contract and the programme manual.

2. Accuracy of book-keeping records

The book-keeping records for the project are in all material aspects in compliance with the current legislation.

3. Amount and timing of funding

The granting of funding has in all material aspects been made available in the amount foreseen and on time, and the co-financing has been guaranteed.

4. Carrying out of public procurements

The beneficiary has in all material aspects carried out public procurements in compliance with the current legislation.

5. Granting of state aid

The state aid has been granted to the project and used by the beneficiary in correct manner, in accordance with the state aid rules.

6. Communication and publicity

When informing and disclosing the use of funding, the beneficiary has in all material aspects followed the current legislation.

We confirm that the final audit report has 6 pages.

Audit manager:

Tanel Kullison

Auditor

Tallinn, 12.09.2024

Audit supervisor:

Indrek Alliksaar

Auditor