

This report is the property of the European Commission and should not be distributed to third parties.

RTD 6FP Audit Framework Services Contract

The sole purpose of this report is to enable the EC to decide whether an audit should be stopped or continued. Details supporting the information below will be presented in the Audit Report

FLASH REPORT B59-37 ELESIA Date: February 2nd, 2009

A. Details of originating auditor

Audit Company:			
Batch Reference No:	B59-37		
Responsible person:			
Tel:			
Fax number:			
Date of Field Work:	14-16/10/2008		
Function:		Signature	This message has been sent to you electronically, hence it is not signed

Reviewed and accepted by the Audit Co-ordinator: "*****" Date: 01/02/2009

This message has been sent to you electronically, hence it is not signed

B. Specific audit details

Name of organisation audited:	ELETTRONICA E SISTEMI PER L'AUTOMAZIONE – ELE.SIA. S.p.A.		
Responsible Directorate General:	INFSO		
City:	Guidonia Montecelio (Rm)	Country:	Italy

Contract audited: 1

Contract No(1)
Framework Programme: 6 th
Type of contract: FC
Audited period:
01/02/2006 – 31/01/2007

This report is the property of the European Commission and should not be distributed to third parties.

C. Audit information

1. Risk evaluation based on the internal control system

1.1.	Inherent risk due to:	No	Low	Medium	High
------	-----------------------	----	-----	--------	------

- the legal status of the organisation				
- the activity of the organisation				
- the financial situation during the audit period				

1.2.	Control risk due to:	No	Low	Medium	High
------	----------------------	----	-----	--------	------

- adequate separation of duties				
- internal verification				
- documentation				
- existence				
- completeness				
- accurate presentation and valuation				
- cut-off date				

Our overall evaluation of the control risk is high due to:

- the results of the review performed by the EC officer during our field work;
- the negative evaluation of the two technical review performed by the commission

1.3.	Other risks such as:	No	Low	Medium	High
------	----------------------	----	-----	--------	------

- bankruptcy				
- liquidation proceedings				
- other legal proceedings				

The Contractor, upon our request, confirmed us that there are not risks related to bankruptcy, liquidation proceedings and other legal proceedings.

2. Has the organisation provided all necessary documentation?

Yes	No

More than 70% of the claimed cost are related to personnel. We have not been provided with alternative evidence (other than time sheet not reliable, see following paragraphs) able to substantiate the hours claimed.

3. Is there evidence to indicate:

- important financial irregularities?
- fraudulent use of project funds?

Yes	No

4. May the problems result in delays in the audit time plan?

Yes	No

This report is the property of the European Commission and should not be distributed to third parties.

D. Attached copies of documentation

Compulsory attachments:

- A summary, in accordance with Annex 1 to the Audit Report, of the audit findings (financial statements and proposed adjustments).

E. Summary of audit findings per activity/contractor comments/details certifying auditors

Overall issues and information

This report is the property of the European Commission and should not be distributed to third parties.

Contractor comments and details of closing meeting	In occasion of the closing meeting held at the end of fieldwork, the Contractor has expressed a total disagreement on the audit findings.
For use by the Commission only	
FR No	
Comments:.....	
Checked by:	Date: . . . / . . . /
Audit reference No	Auditor in charge.....

This report is the property of the European Commission and should not be distributed to third parties.

Summary of the audit findings and adjustments

This report is the property of the European Commission and should not be distributed to third parties.

This report is the property of the European Commission and should not be distributed to third parties.

Annex 1 Costs claimed according to the financial statements and audit adjustments

SUMMARY

Organisation : ELE.S.I.A. SpA

Period :

Contract No:

Currency:

€

Cost Categories	Costs Claimed According to Cost statements	Costs Accepted By the EC Financial Officer	Eligible Costs	Audit Adjustments (to Costs Accepted by the EC Financial Officer)
DIRECT COSTS				
RTD / Innovation				
Demonstration				
Training				
Consortium Management				
Other Specific Activities				
Subtotal				
Of which subcontracting				
Direct costs excl. subcontracting				
INDIRECT COSTS				
RTD / Innovation				
Demonstration				
Training				
Management of the Consortium				
Other Specific Activities				
Subtotal				
ADJUSTMENTS TO COSTS PREVIOUSLY REPORTED				
TOTAL				

RECEIPTS			Project receipts	Interest