



**EUROPEAN COMMISSION**  
DIRECTORATE-GENERAL FOR RESEARCH & INNOVATION

Directorate B - Common Implementation Centre

[Redacted]

Brussels,

DG RTD

[Redacted] 2019)7037632

**REGISTERED MAIL**  
*with acknowledgement of receipt*

[Redacted]

**Subject: Horizon 2020/Euratom Framework Programme for  
Research and Innovation  
Audit of** [Redacted]

**Our reference: BAEA354001**

**Grant Agreements: Out of Scope**

[Redacted]

**644373 – PRISAR – REA**

**Contact person:**

[Redacted]

Phone: [Redacted]

E-mail: [Redacted]

Dear [Redacted]

This letter hereby confirms the findings of the audit on the above-mentioned Grant Agreements, carried out by [Redacted] acting as authorised representatives of the Common Audit Service (CAS) for the H2020/Euratom research expenditure at the European Commission. It furthermore informs you of the next steps in the process, i.e. the implementation of the results of the audit.

[Redacted]

### Audit report and closure of audit

The Draft Audit Report was communicated to you and you were invited to submit your comments

we consider that the audit findings as they are presented in the attached Final Audit Report are appropriate and we now consider this audit as closed.

The audit report thus concludes that the following adjustments are necessary:

Grant Agreement	Costs claimed (A)	Costs accepted by the Granting Authority's Operational Services (B)	Eligible costs as per audit (C)	Gross adjustments to costs accepted (C-B)
Out of Scope				
644373 – PRISAR	391 500,00	391 500,00	391 500,00	0,00

For further details we refer to the Final Audit Report attached to this letter as Annex I.

### Implementation of audit findings for audited periods/Grant Agreements

The Final Audit Report will now be distributed to the relevant Granting Authority services for the implementation of the audit findings.

For the audited Grant Agreement where the audit adjustments at cost level are in favour of the Granting Authority's budget, you should not take any action in respect of the implementation of the adjustments in relation with the audited periods. The Granting Authority will make the necessary adjustments to the costs over claimed and may reject costs (see Article 42 of the Grant Agreement). These adjustments could affect future payments due on this Grant Agreement and/or result in the notification of a debit note for the amounts overpaid.

For the audited on-going Grant Agreement where the audit adjustments at cost level are in your favour, please note that the supplementary costs may be declared as adjustment in the next reporting period. In the case of closed Grant Agreements the costs may be included in a separate financial statement and sent to the Granting Authority services via the coordinator within 60 days from the receipt of this letter. Following this deadline, no further claims will be accepted by the Granting Authority services. Please, note that, complementary payments are in all cases, limited to the maximum grant amount as laid down in the Grant Agreement and to the availability of funds. Moreover, the coordinator may limit the additional payment in your favour in accordance with the consortium agreement. In addition, please note that a Certificate on Financial Statements covering these costs does not need to be submitted in such a case.

## **Implementation of audit findings for non-audited periods/Grant Agreements**



### **Implementation of audit findings for future periods**

Furthermore, you are reminded that, as a general rule, your financial statements need to comply with the relevant contractually agreed financial provisions and, in particular, that the audit findings of this audit, including recommendations, must be implemented in *all future financial statements* that will be submitted by your entity in the context of grants under the H2020/Euratom Framework Programme.

Please, note that if you have to submit a Certificate on the Financial Statements (CFS), the financial statements covered by the present audit should not be covered by this CFS. The EU contribution involved has thus to be excluded from the calculation of the EUR 325 000 CFS submission threshold.

### **Final considerations**

Please note that this letter only informs you of the outcome of this audit. The Granting Authority services in charge of the implementation of the audit findings will analyse the related impact and duly inform you of the outcome. The present letter therefore does not express a final position on the financial impact and cannot be brought to court.

We would like to take this opportunity to thank you and your colleagues for your assistance and cooperation during this audit.

Yours sincerely,



Enclosures:

Annex I

Final Audit Report

**ANNEX I: Audit Report**

See separate document