## Tool 4 - Template for the Factual findings report prepared by the NSA following the verification

***Explanatory note:***

Following the execution of the procedures in the Verification Programme, the NSA verification team is recommended to formalise the conclusions drawn in a report. The report should summarise the objectives of the verification that was carried out and the Factual Findings identified.

The NSA will consider as Factual Findings the ones for which the result in the Verification Programme was an exception marked as ‘E’. In the dedicated section of the report, a factual description of the finding will be provided.

The draft report with the findings will be provided to the ANSP management for comments. After the ANSP comments are received and analysed, the report will be finalised with the final conclusion of the NSA on each of the findings.

We provide below a template for such a report. The NSAs will need to adapt the parts of the text marked in grey, and to further customise the template as needed.

***NSA name***

***NSA responsible department***

**REPORT OF FACTUAL FINDINGS ON COST-ELIGIBILITY**

***Date of the version***

|  |  |
| --- | --- |
| Verified organisation: | ANSP name |
| Certificate: | ANSP certificate/license |
| Place of verification: | ANSP address, if the verification was done at the premises of the ANSP |
| Period of the verification: | dd/mm/yyyy – dd/mm/yyyy |
| Internal reference of the verification: | Internal reference of the verification, from the NSA audit plan |
| Version of the report: | draft/final |
| Date of the version: | same as above |

**1. INTRODUCTION**

1.1 **Context and legal basis**

This verification is conducted in accordance with the attributions of the NSA under Article 2 of Regulation (EC) No 550/2004 and Regulation (EC) No 1070/2009.

It is a verification on the ANS costs *select from:* actuals for [year]/ determined costs for RP [period], based on the reporting tables (Annexes VII and IX of Regulation (EU) 2019/317) for *select as applicable*: actual costs/determined costs, as submitted to us by the ANSP on dd/mm/yyyy*.*

The specific objectives of the verification are presented in section 2 below.

**1.2 Timeline of the verification**

|  |  |
| --- | --- |
| Announcement: | date of formal letter for announcing the verification |
| Period of the on-site verification: | dd/mm/yyyy – dd/mm/yyyy |
| Draft report sent to ANSP: | date |
| Date of receipt of ANSP management comments: | date |
| Final report sent to ANSP: | date |

**1.3 Participants involved in the verification process**

|  |  |
| --- | --- |
| **NSA** | |
| Name and position: | Name, position |
| Name and position: |  |

|  |  |
| --- | --- |
| **ANSP** | |
| Name and position: | Name, position |
| Name and position: |  |

**2 OBJECTIVES OF THE VERIFICATION PROCEDURES AND SYSTEM OF RATING FOR THE FINDINGS**

**2.1 Objectives of the procedures**

The objectives of the cost-eligibility verification were to check whether (*to consider including also other objectives, depending on whether the scope is actual costs or determined costs*):

* The provisions of Article 12 of Regulation (EC) No 550/2004 are complied with. These refer to the independent audit of the financial accounts of the ANSP and their compliance with the international accounting standards adopted by the European Union as well as the requirement to maintain separate accounts for ANS and non-ANS costs.
* The costs by nature reported in the reporting tables (Annexes VII and IX of Regulation (EU) 2019/317) comply with the provisions of Articles 22 and 23 of Regulation (EU) 2019/317. These refer to the cost elements that can be included and reported under Staff cost, Operating costs other than staff costs, Depreciation costs, Cost of capital and Exceptional costs.
* The principles foreseen in Article 15 of Regulation (EC) No 550/2004 are complied with. These refer to the transparency of the cost base for charges, avoidance of cross-subsidy between en route and terminal services and the need to keep out of the cost base the costs of penalties and the costs of any corrective measures imposed by Member States.
* The provisions of Article 28 of Regulation (EU) 2019/317 are complied with. These refer in particular to the cases as per paragraphs 3 to 6 with the exceptions to the application of the cost risk sharing mechanism in case of unforeseen changes in costs of new and existing investments, ATM systems (common projects), pension costs, interest rates, national taxation law or other unforeseeable cost items required by law.
* The provisions of Article 25(3) and Annex IX of Regulation (EU) 2019/317 are complied with. These refer for the calculation of the unit rate to a deduction as ‘other revenue’ of ANSPs’ funds obtained from public authorities, including EU assistance programmes, revenue from commercial activities and, potentially, revenue obtained from contracts or agreements concluded between the ANSP and airport operators.

In order to conclude on the objectives referred to above, we have applied specific procedures of verification, based on the provisions of the mentioned Regulations.

Our work was conducted following the principles of the International Standard on Related Services (ISRS 4400) issued by the International Auditing and Assurance Standards Board (IAASB). As defined in ISRS 4400, the objective of such a verification (‘Agreed-upon Procedures’) is for the verifier to carry out procedures of an audit nature to which the auditor and the entity have agreed, and to report on factual findings.

**3 VERIFICATION FACTUAL FINDINGS**

**3.1 Factual findings from the current verification assignment**

|  |  |
| --- | --- |
| **Finding No. xx** | |
| Title: | *Brief caption for the finding* |
| Legal basis reference: | *Include the reference from the relevant section in the Verification Programme to which the finding is associated* |
| Description of finding: | *Factual description of the identified exception* |
| Action to be taken by the ANSP and relevant deadlines: | * *Action to be taken by the ANSP* * *Timeline to be provided (e.g. finding to be considered for the next submission of reporting tables or at a later stage)* * *Penalty or corrective measure announced/imposed* |
| ANSP Comments: | *To be inserted here after having been received from the ANSP management* |
| NSA Final comments: | *To be filled in considering the ANSP comments and the NSA’s final assessment* |

**3.2 Follow-up of factual findings from previous verifications (if applicable)**

|  |  |  |
| --- | --- | --- |
| **Finding No. xx** | | |
| Title: | | *Brief caption for the finding* |
| Internal reference of the verification: | | *Internal reference of the verification, from the NSA audit plan* |
| Description of finding: | | *Factual description of the identified exception* |
| Action to be taken by the ANSP and relevant deadlines: | * *Action to be taken by the ANSP* * *Timeline to be provided (e.g. finding to be considered for the next submission of reporting tables or at a later stage)* * *Penalty or corrective measure announced/imposed* | |
| Status of implementation: | *Implemented/ Pending [include comment on the progress]* | |

**LIST OF ANNEXES**

*If applicable:*

|  |  |
| --- | --- |
| **Annex** | **Description** |
| 1 | *Evidence/documentation for Finding No 1* |
| … | *etc* |