

# Audit Report - STC Spring Cycle

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<b>Entity subject to Audit:</b>	Professional and social activities organised by the Schuman Trainees' Committee (STC), an internal body of the European Parliament that represents the interests of their colleagues to enrich the traineeship experience.
<b>Country:</b>	Belgium - Brussels
<b>Auditor:</b>	Luigi Capoani
<b>Period subject to audit:</b>	STC Spring Cycle - 1/3/18 to 31/7/18

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I conducted the Audit Report in accordance with auditing standards generally accepted in the EU.

My responsibility is not to express an opinion but to present the financial data evaluating the appropriateness of management policies and to evaluate the overall presentation of the STC financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk due to fraud or error through different tests.

## Internal Audit Report Template

<b>KEY CONTROL</b>	<b>FINDING</b>
<b>Capital Budget</b>	The STC has an effective process that works through meetings, policies and procedures to identify, justify and determine project costs
<b>Audit Information Systems</b>	Cash register and bank information. Database and supporting electronic files that provide accurate data from which various reports can be produced. Frequent meetings, participation, tests, observation and control.
<b>Bank account and Cash</b>	Specific current account. Transactions register and bank details.

## Verification of supporting documentantion and identified processes.

I evaluated 3 possible risks:

- 1- **Risk of fraud** -Fraud is an act of deliberate deception to gain a benefit. The evaluation has been completed through Cross-check of all transactions carried out, by the service providers' IBANs, organizers' IBANs, billing addresses, family names. The estimation of the level of fraud in the STC budget is not a measure of waste of money caused instead by errors.
  
- 2- **Risk of waste of money (error)** through a financial verification and a comparison between cash liquidity/current account and each income and cost carried out. A key element of our audit work is the testing of waste of money during transactions from across the STC budget to provide unbiased and rigorous estimates of which different spending areas are affected by error. It is an estimate of the waste of money not used in accordance with the applicable rules and regulations.
  
- 3- **Verification of the effectiveness and quality** of the performances achieved.

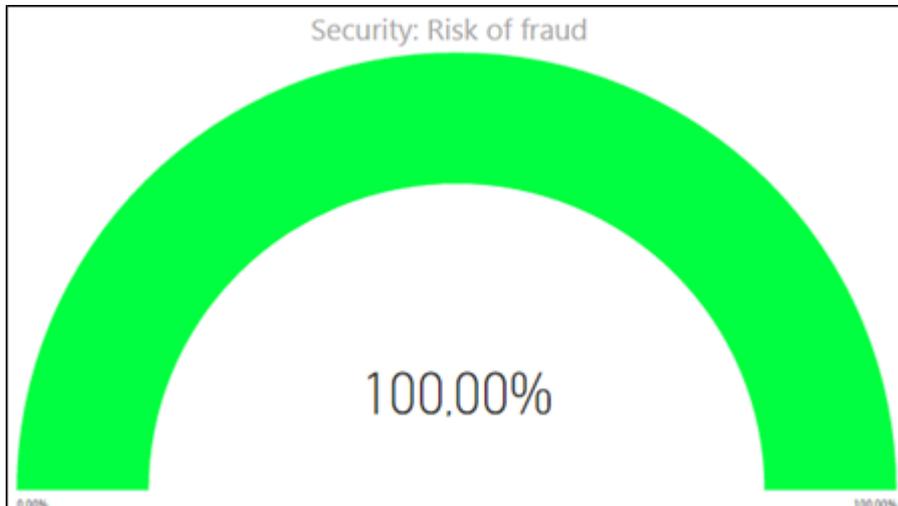
## Summary- Income statement

IN		OUT	
Ocassion	Amount	Ocassion	Amount
BNP Paribas Sponsorship	€ 1.000,00	Business Cards	€ 389,35
Events	€ 1.554,48	Career events	€ 322,16
		Bank fees	€ 24,80
		Communication	€ 327,40
		Events	€ 1.261,41
Total income	€ 2.554,48	Total expenses	€ 2.325,12

## 1) Risk of fraud:

The control of bank and cash transitions showed correct financial management/organization.

The cross-checked Test of IBANs, Family names and billing address gives a **true and fair view of the expenditures. The detected frauds are 0 %**



## 2) Risk of waste of money:

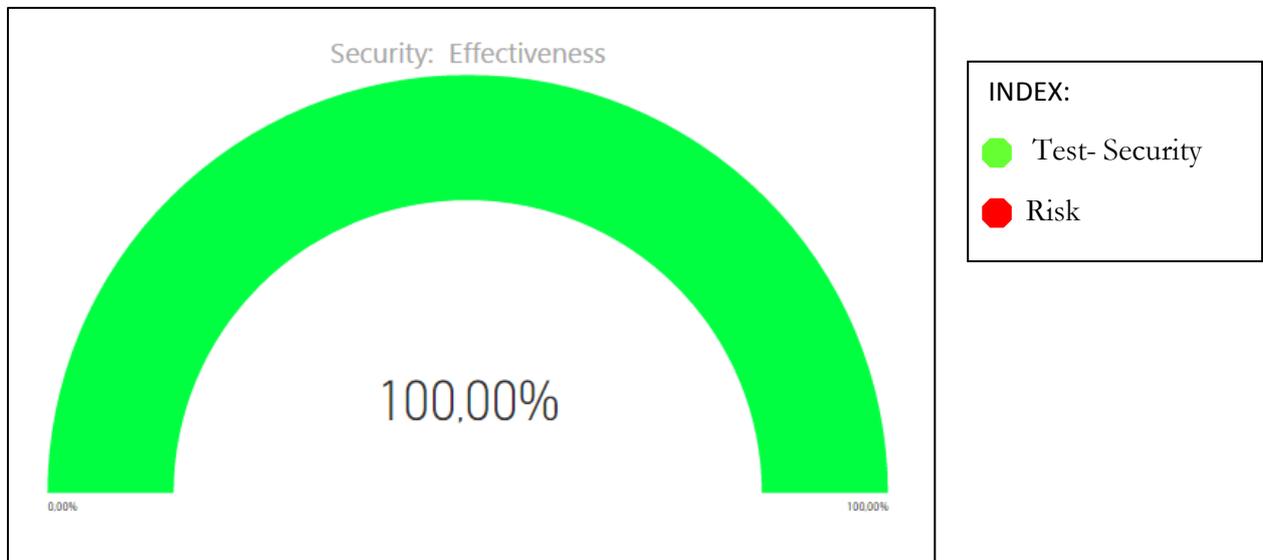
The control of bank and cash transitions showed an efficient financial management.

The cross-checked Test of different financial statements give a true view of the financial procedures. The detected waste of money is 0 %

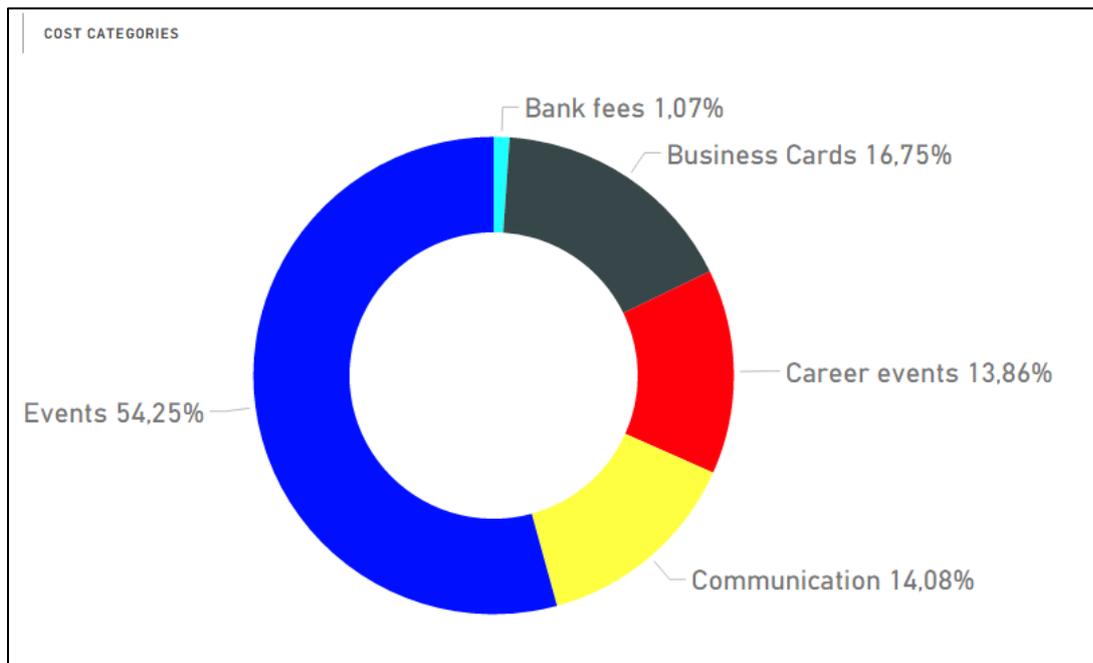


### 3) Verification of the effectiveness and quality of the performances achieved.

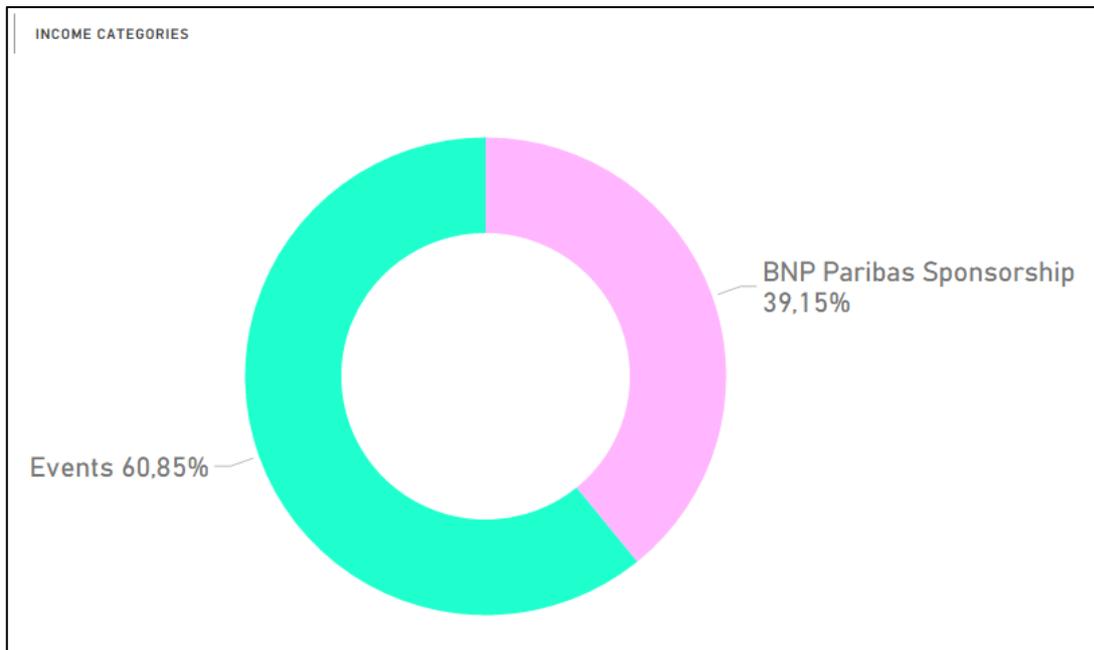
Every financial initiative taken by STC has been finally realized in a concrete manner according to its objectives.



The control of bank and cash transitions showed the effectiveness and the quality of the performance. The costs incurred by STC, per category, were respectively in proportion: 54,25 % for the Events, 16,75 % Business Cards, 14,08 % Communication, 13,86 % Career events, 1,07 % Bank fees.



The income breakdown was: 60,85% Events, 39,15% BNP Paribas Sponsorship. The BNP Paribas Sponsorship was a concrete and efficient source of funding for the activities of the STC. The balance is positive, even for the future and preservation of the long-term goals.



## Conclusion:

The STC activity has been compliant, the criteria have been fulfilled, the tests and different controls/monitoring are all positive, the management appears healthy, correct and in line with the objectives.

Brussels 19/6/18

Luigi Capoani (Signature)