

**AUDIT CERTIFICATE FOR GRANT CONTRACT EUROPEAN COMMUNITY
EXTERNAL OPERATIONS**

To: The European Community, represented by the Commission of the European Communities,
for and on behalf of the government of Moldava ("the contracting Authority")

Introduction

We have been appointed by VNG International B.V., The Hague, to audit grant Contract 101-576 "SMART – Strategy development for Moldovan and Romanian twinings" ("the Action") over the period May 25, 2005 to November 26, 2006 in order to certify the financial statement of the Action in accordance with Article 15(6) of the contract. We confirm that we belong to an internationally-recognized supervisory body for statutory auditing. The financial statement is the responsibility of the company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

Scope

We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. Furthermore, we involved the provisions stated in the contract. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statement, the sum of which amounts to eligible expenditure of € 235,968 gives a true and fair view of the final value of the above contract. The amounts up to this final value are supported by the appropriate supporting documents and are in compliance with the provisions of the Contract.

The Hague, March 30, 2007


for Ernst & Young Accountants



C.H.F. Schoutens RA



G.W. Hilverda RA

Initial for identification purposes: 

Expenses	Unit	Initial Contract Budget			Addendum 1			Revised Budget (after change)			Realisation 25-1-2006			
		# of units	Unit rate (in EUR)	Costs (in EUR)	Δ units revised minus original	Δ costs revised minus original	Unit	# of units	Unit rate (in EUR)	Costs (in EUR)	Unit	# of units	Unit rate (in EUR)	Costs (in EUR)
1. Human Resources														
1.1.1 Technical														
a. Romanian and Moldavian trainers	per day	204	100	20,400.00	18	1,800.00	per day	222	100	22,200.00	per day	181	160	17,971.14
b. Romanian and Moldavian consultants	per day	220	100	22,000.00			per day	220	100	22,000.00	per day	72	100	7,200.00
1.1.2 Administrative/support staff														
a. Project coordinator - Irina Stan	per day	96	160	15,360.00	13	2,080.00	per day	109	160	17,440.00	per day	117	160	18,720.00
b. Local project coordinator - Igor Murteanu	per day	102	100	10,200.00			per day	102	100	10,200.00	per day	102	100	10,240.34
c. Local project coordinator - Adrian Mitou	per day	98	100	9,800.00	109	4,700.00	per day	204	25	5,100.00	per day	204	17	4,888.88
d. Accountant FALR	per month	18	90	1,620.00			per month	18	90	1,620.00	per month	17	90	1,560.10
e. Accountant IDIS	per month	18	90	1,620.00			per month	18	90	1,620.00	per month	18	100	1,585.02
f. Secretariat FALR	per month	18	50	900.00	0	900.00	per month	18	100	1,800.00	per month	18	100	1,800.00
g. Secretariat IDIS	per month	18	50	900.00			per month	18	50	900.00	per month	18		824.73
1.2.1 Salaries (gross amounts, excluding staff) - experts														
a. Norbert Pils	per day	30	250	7,500.00	-10	-2,500.00	per day	20	250	5,000.00	per day	6	250	0.00
a. Norbert Pils														
b. Jim Budds	per day	55	443	24,365.00			per day	55	443	24,365.00	per day	8	182	1,456.00
b. Jim Budds														
c. Eric Berman	per day	20	410	8,200.00			per day	20	440	8,800.00	per day	16	182	2,912.00
c. Eric Berman														
d. Jan Boelenna	per day	10	330	3,300.00			per day	10	330	3,300.00	per day	6	182	1,092.00
d. Jan Boelenna														
e. Koos Roos	per day	5	270	1,350.00			per day	5	270	1,350.00	per day	2	400	800.00
e. Koos Roos														
f. Irina Stan	per day	0	160	0.00	10	1,600.00	per day	10	160	1,600.00	per day	3	182	546.00
f. Irina Stan														
1.2.2 Salaries project manager Martin Klem (gross Norbert)														
a. Martin Klem	per day	19	257	4,883.00			per day	19	257	4,883.00	per day	21	257	0.00
a. Martin Klem														
- Secretariat - Linda Boerlein	per day	10	217	2,170.00	-10	-2,170.00	per day	0	217	0.00	per day			
- Secretariat - Linda Boerlein														
1.3 Per diems for missions/travel														
1.3.1 Abroad (staff assigned to the Action)														
a. Ukraine	per diem	16	200	3,200.00			per diem	16	200	3,200.00	per diem	41	200	0.00
a. Ukraine														
b. Moldova - Chisinau	per diem	27	128	3,456.00			per diem	27	128	3,456.00	per diem	41	128	5,248.00
b. Moldova - Chisinau														
c. Moldova - elsewhere	per diem	6	60	360.00	19	1,140.00	per diem	25	60	1,500.00	per diem	12	60	720.00
c. Moldova - elsewhere														
d. Romania - Bucharest	per diem	21	219	4,599.00			per diem	21	219	4,599.00	per diem	2	219	438.00
d. Romania - Bucharest														
e. Romania - elsewhere	per diem	20	96	1,920.00			per diem	20	96	1,920.00	per diem	26	96	2,496.00
e. Romania - elsewhere														
1.3.2 Local (staff assigned to the Action)														
1.3.3 Seminars/conference participants	per diem	230	60	13,800.00	-8	-480.00	per diem	222	60	13,320.00	per diem	99	60	5,940.00
1.3.3 Seminars/conference participants														
Subtotal Human Resources														
2. Travel														
2.1 International travel														
a. Amsterdam - Bucharest/Chisinau - Amsterdam	Per flight	20	500	10,000.00			per flight	20	500	10,000.00	per flight			
a. Amsterdam - Bucharest/Chisinau - Amsterdam														



 VNG International
 Den Haag

Expenses	Unit	# of units	Initial Contract Budget		Revised Budget (after change)		Realisation 26-11-2006	
			Unit rate (in EUR)	Costs (in EUR)	Unit rate (in EUR)	Costs (in EUR)	Unit rate (in EUR)	Costs (in EUR)
0. Amsterdam/Bucharest/Chisinau - Ukraine	Per flight	8	1000	8,000.00	400	3,200.00	400	1,705.85
1. International overland travel (Bucharest-Chisinau)	trips	56	300	16,800.00	56	3,920.00	70	1,770.16
2. Local transportation	Per month	18	300	5,400.00	18	6,724.98	373.67	4,208.42
Subtotal Travel				23,400.00		23,844.98		15,070.13
3. Equipment and supplies	Per vehicle			0.00		0.00		0.00
3.1 Purchase or rent of vehicles								
3.2 Furniture, computer equipment								
3.3 Computers	pcs	2	1800	3,600.00	0	0.00		0.00
3.4 Printers	pcs	2	1200	2,400.00	0	0.00		0.00
3.5 Software - Windows, MS Office	pcs	2	1000	2,000.00	0	0.00		0.00
3.6 Spare part/equipment for machines, tools								
3.7 Other (please specify): pilot projects								
Subtotal Equipment and supplies				8,000.00		0.00		0.00
4. Local office/action costs ^a								
4.1 Vehicle costs	Per month			0.00		0.00		0.00
4.2 Office rent	Per month	18	250	4,500.00	18	200	3,600.00	3,471.92
4.3 Consumables - office supplies	Per month	18	200	3,600.00	18	200	3,600.00	4,349.45
4.4 Other services (taxi, electricity/heating, internet)				0.00		0.00		7,621.42
Subtotal Local office/action costs				4,500.00		8,300.00		7,621.42
5. Other costs, services ^b								
5.1 Publications ^c	copies	1000	2	2,000.00	1000	2	2,000.00	6,000.00
a. Manual on int. proj. man. and cross border coop.	copies	1000	2	2,000.00	1000	2	2,000.00	0.00
b. Manual on strategic planning for local authorities	copies	1000	2	2,000.00	1000	2	2,000.00	0.00
c. Manual on participative decision-making	copies	1000	2	2,000.00	1000	2	2,000.00	0.00
d. Case studies	copies	1000	2	2,000.00	1000	2	2,000.00	2,170.00
5.2 Studies, research ^e	report	1	5000	5,000.00	1	5000	5,000.00	12,744.13
5.3 Auditing costs				0.00		0.00		
5.4 Evaluation costs				0.00		0.00		
5.5 Translation, interpreters	days	30	80	2,400.00	30	80	2,400.00	1,705.85
f. Translators	days	20	125	2,500.00	10	1000	10,000.00	761.07
5.6 Financial services bank commissions (bank guarantee)	conference	2	400	800.00	0	200	400.00	283.44
5.7 Costs of conferences	conference	2	450	900.00	0	225	450.00	416.32
g. Stationery (folders, badges, pens, etc)	conference	2	600	1,800.00	0	210	420.00	1,071.84
h. Photocopying	conference	2	300	900.00	0	120	240.00	597.80
i. Coffee breaks	conference	2	330	990.00	0	330	990.00	1,734.34
j. Lunch participants	conference	2	330	990.00	2	330	990.00	1,661.82
k. Interpretation (equipment and interpreters)	conference	2	370	740.00	0	185	370.00	1,889.97
								747.08

Expenses	Initial Contract Budget				Addendum 1				Revised Budget (after change)				Reevaluation 26-11-2006					
	Unit	# of units	Unit rate (in EUR)	Costs (in EUR)	Δ unit revised minus original	Δ costs original	Unit	# of units (in EUR)	Unit rate (in EUR)	Costs (in EUR)	Unit	# of units (in EUR)	Unit rate (in EUR)	Costs (in EUR)	Unit	# of units (in EUR)	Unit rate (in EUR)	Costs (in EUR)
5.7 Costs of seminars/workshops/courses																		
a. Training of trainers																		
- accommodation and meals	days	51	50	2.560,00			days	51	50	2.560,00			days	50	50	0,00	2.500,00	
- stationary (folders, paper, pens, transparencies, badges, photocopying)	part	15	7,5	112,50			part	15	7,5	112,50			part	15	7,5	0,00	112,50	
- Interpretation (equipment + interpreters)	part	15	2,5	37,50			part	15	2,5	37,50			part	15	2,5	0,00	37,50	
- course hall rental	days	3	250	750,00			days	3	250	750,00			days	3	250	0,00	750,00	
b. Courses	course	1	100	100,00			course	1	100	100,00			course	1	100	0,00	100,00	
- accommodation and meals	days	544	50	27.200,00	-94	-4.700,00	days	450	50	22.500,00			days	50	50	0,00	22.500,00	
- stationary (folders, paper, pens, transparencies, badges, photocopying)	part	180	7,5	1.350,00			part	180	7,5	1.350,00			part	180	7,5	0,00	1.350,00	
- Interpretation (equipment + interpreters)	part	180	2,5	450,00			part	180	2,5	450,00			part	180	2,5	0,00	450,00	
- course hall rental	days	12	250	3.000,00			days	12	250	3.000,00			days	12	250	0,00	3.000,00	
c. Courses - fourth series (3 courses)	course	12	100	1.200,00			course	12	100	1.200,00			course	12	100	0,00	1.200,00	
- accommodation and meals	days				110	6.600,00	days	110	60	6.600,00			days	60	60	0,00	6.600,00	
- stationary (folders, paper, pens, transparencies, badges, photocopying)	part				45	337,50	part	45	7,5	337,50			part	45	7,5	0,00	337,50	
- course hall rental	course				3	300,00	course	3	100	300,00			course	3	100	0,00	300,00	
c. Workshop	course						course						course					
- accommodation and meals	days	46	50	2.300,00	0	460,00	days	46	60	2.760,00			days	60	60	0,00	2.760,00	
- stationary (folders, paper, pens, transparencies, badges, photocopying)	part	30	3,5	105,00			part	30	3,5	105,00			part	30	3,5	0,00	105,00	
- Interpretation (equipment + interpreters)	part	2	2	60,00			part	2	2	60,00			part	2	2	0,00	60,00	
- course hall rental	days	30	250	7.500,00			days	30	250	7.500,00			days	30	250	0,00	7.500,00	
5.8. Visibility actions	workshop	1	85	85,00			workshop	1	85	85,00			workshop	1	85	0,00	85,00	
Subtotal Other costs, zeroless				63.440,00		1.470,00			64.910,00				64.910,00				64.910,00	
6. Other				0		0			0				0				0	
Subtotal Other				0		0			0				0				0	
7. Subtotal direct costs of the Action (1-6)				266.643,00		-9.615,02			257.027,98				257.027,98				224.624,64	
8. Administrative costs (maximum 7% of 7. total direct eligible costs of the Action)	percentage			3.357,00	3,79%	9.615,02	percentage	5,05%	12.972,02				11.343,54				11.343,54	
9. Total eligible costs of the Action (7+ 8)				270.000,00		0,00			270.000,00				235.968,08				235.968,08	

GRANT CONTRACT 101-576

SMART - Strategy development for Moldovan and Romanian twinings

VNG International
Den Haag

Sources of funding

	expected		realised	
	Amount EUR	Percentage of total %	Amount EUR	Percentage of total %
Applicant's financial contribution				
Commission contribution sought in this application				
Contribution(s) from other European Institutions or EU Member States	211.380,51	78,29	183.511,66	77,77
Contributions from other organisations:	58.619,49	21,71	52.456,42	22,23
Name				
Conditions				
TOTAL CONTRIBUTIONS	211.380,51	78,29	183.511,66	77,77
Direct revenue from the Action				
OVERALL TOTAL	270.000,00	100	235.968,08	100