To the members of FIFA and the confederations

Circular no. 1340

Zurich, 31 January 2013
SG/clo/cs

FIFA Financial Assistance Programme (FAP): local FAP audit report 2012

Dear Sir or Madam,

In accordance with art. 4.5 of the FAP Regulations, FIFA member associations are responsible for providing FIFA with a report on the use of the FAP funds received. The following documentation must be sent to the FIFA general secretariat by 31 March 2013:

- a) An audit report on the FIFA member association’s FAP account by its independent auditor (see attached template)
- b) An independence letter signed by the auditor
- c) A representation letter signed by the FIFA member association
- d) FAP form 3 for each project (per purpose A-L) including the budgeted amounts and the actual amounts of disbursements made
- e) FAP reporting (FAP form 4)
- f) A copy of the FAP bank statements on 01/01/2012 and 31/12/2012

Member associations that have been selected to undergo a central audit are not required to carry out a local FAP audit for 2012 (art. 4.5 and 5.1 of the FAP regulations).

**FIFA payments for other development programmes**

In accordance with art. 5 of the FAP Regulations, any income received from FIFA into the FAP bank account must be included in the regular annual audit. All FIFA funds received must be included as “payments received from FIFA” in FAP form 4 and the disbursement must be included in FAP form 3 (purposes A-L) and FAP form 4.

Please instruct your local audit company accordingly and make sure that your auditor is using the latest audit report template, which is attached to this circular. Furthermore, please ensure that all pages of the audit report are stamped and signed by your auditor.

**Objectives of the investigation of the FAP audit report 2012**

The objectives of the investigation of the FAP audit are the following:
• To make sure that your association has a separate bank account for receiving and using FIFA funds. The main objective of this separate bank account is to have an audit trail to follow up transactions using FIFA funds. This bank account should be used exclusively for funds provided by FIFA.
• To check that the funding has been received and entered properly in your accounts.
• To check that the reporting forms have been properly prepared (form 3 must be prepared for FAP funds and form 4 should include payments pertaining to all FIFA programmes).
• To check that the FAP funds were spent in accordance with the FAP Regulations and that expenses for all development programmes are sufficiently documented. The auditor must check the payments made by examining bank statements and invoices from suppliers of services and goods.
• The auditor should prepare recommendations for improvement, if any.

The Member Associations & Development Division of FIFA or any FIFA development officer will be pleased to answer any questions you may have.

Finally, we would like to take this opportunity to thank you for the pleasant working relationship and for your continuous commitment to the development of our game.

Yours faithfully,

FÉDÉRATION INTERNATIONALE
DE FOOTBALL ASSOCIATION

Jerome Valcke
Secretary General

Enclosure:
- FIFA local audit report template 2012

cc: FIFA Executive Committee
Text for Reporting

FIFA Financial Assistance Programme

To:
Fédération Internationale de Football Association (FIFA)
F.A.O. Jérôme Valcke
Secretary General
P.O. Box
CH-8044 Zurich
Switzerland

Name of Member Association: ..............................................................
("the Member Association")

Period of payment received: ..............................................................

Date of approval of application by FIFA: ...........................................

Amount received:
Ordinary FAP contribution in USD: ...................................................
One-time bonus payment in USD: ......................................................
Other income received from FIFA in USD: ........................................
Total amount received in USD: ...........................................................

equivalent in local currency: ..............................................................

Amount used/spent: in local currency: ................................................

In accordance with your Special Engagement Instructions and the FAP Regulations, we have performed the procedures described below, which were agreed by KPMG Zurich and the management of FIFA.

Our engagement was undertaken in accordance with the International Standard on Related Services 4400 applicable to agreed-upon procedures engagements. The procedures were performed solely to assist FIFA in supervising payments made out of the Financial Assistance Programme (FAP) and out of any other FIFA Development Programmes and are summarised as follows:
(1) We compared the amount of funds approved by FIFA under the Financial Assistance Programme for the year ended 31 December 2012 and any other income received from FIFA as part of the different FIFA Development Programmes with the total amount of payments received as per form 4.

(2) We compared the total amount of payments received as per form 4 with funds credited to the (Member Association)’s designated bank account (the “Special Bank Account”) during the year ended 31 December 2012.

(3) We compared the bank balances as of 1 January 2012 and 31 December 2012 as shown in form 4 with the bank statements of the Special Bank Account.

(4) We compared the amounts disbursed as per form 4 with the total amounts spent as per forms 3 (check whether the amounts shown per category on form 4 agree with the total amount shown on the respective forms 3).

(5) We compared the amounts disbursed as per form 3 with the payments according to the bank statements of the Special Bank Account.

(6) We compared the amounts shown as interest income or expense and bank charges shown on form 4 with the bank statements of the Special Bank Account.

(7) We compared the single payments (single payments in excess of USD 5,000 and overall coverage of 60%) made from the Special Bank Accounts with supporting documentation like goods/services purchase agreements, invoices, receipts and vouchers.

(8) We checked whether the disbursements shown in forms 3 (in excess of USD 5,000 and overall coverage of 60%) are in compliance with the purpose indicated in FAP Forms 3 and the FAP Regulations.

(9) We compared the exchange rates applied for single transactions with the market exchange rates valid at that time.

We report our findings below:

(1) With respect to item (1) we found that....

(2) With respect to item (2) we found that....

(3) With respect to item (3) we found that....

(4) With respect to item (4) we found that....

(5) With respect to item (5) we found that....

(6) With respect to item (6) we found that....

(7) With respect to item (7) we found that....

(8) With respect to item (8) we found that....

(9) With respect to item (9) we found that....

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review
Engagements, we do not express any assurance on the accounts of the Member Association as of (date).

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the accounts and items specified above and does not extend to any financial statements of the Member Association, taken as a whole.

We confirm that we are also the duly elected statutory auditors of the above-mentioned Member Association. Both engagements are performed independently of each other.

This report was discussed with the Management of the Member Association on DATE.

(signed) Audit Firm

Date

Enclosure:
- Signed Representation Letter
- Reporting package to FIFA

Copy:
- President of Member Association