



## Questions & answers from implementation sessions – preparation of Grant reports

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### Implementation of Grant contracts by GBs “Collaborative grant scheme for innovative project ideas”

EuropeAid/162457/ID/ACT/ME

**DATE:** 17<sup>th</sup>/18<sup>th</sup> September 2020

**Venue:** Ministry of Science meeting room

**Participants:** IPA Staff tasked with grants management, 2 persons per lead grant beneficiary (Project Manager and Financial Manager) plus 1 representative of any partner.

**Objective:** To discuss implementation of the contract/activities and answer any pending issues, for the participants to become acquainted with the specific requirements regarding the preparation of the Grant reports, with special focus on the Interim report requirements.

During 2 days of implementation sessions regarding preparation of Grant project reports, Grant Beneficiaries divided in 2 groups of participants were in the possibility to interact, ask questions and give comments. In order to share all information provided to each group of GBs, the summary of Q&A is provided as follows.

- **Should we report the cost for which the pro-forma invoice was issued and which was paid on the basis of the pro-forma invoice, while the invoice is issued subsequently?**

The cost is incurred on the day the invoice is issued. Pro-forma invoice payment is an advance payment, and the advance payment is not considered as a proof of expenditure. To be considered eligible, the costs must actually be incurred by the beneficiary and must create a debt that will be paid directly by the entity. Therefore, the advance payment is considered as an eligible cost and it should be reported only when proof that it is eligible (proof of receipt of goods, invoices, etc.) is submitted.

- **Is it necessary to submit a personal bank account statement of the employee as proof of payment of the salary?**

It is necessary to submit the salary calculation/payslip from the accounting service. A personal bank account statement is not necessary but a bank statement, because the bank statement proves that the salary has been paid and shows the net salary. The accounting documentation of the organization / company / institution is submitted only at the end of the project when the analytical cards from the accounting system are submitted for the account used for the project. We also suggest consulting Tool 9 - Guidelines for financial reporting.

- **Is it necessary that the Employment Contract or the addendum to the Employment Contract states that the team member is working on the project, in which position and percentage of regular work, or is the Decision on the appointment of team members sufficient?**



It is not necessary to have all project staff information in the Employment Contract or the addendum to the Employment Contract, because there is a Decision on the appointment of the project team that proves that the team members are engaged in the project, together with their position and the percentage of their regular work on the project, which should be submitted with the report.

- **Is it necessary to provide an explanation for the Invoice only procurement procedure (below 2,500 EUR) on which basis the supplier / expert was selected?**

It is not necessary to submit such explanation with the report, but it is recommended that the documentation related to market research is kept by the grant beneficiary for possible auditing purposes, such as the print-screen of the site, previous experience, etc.

- **Do we need to submit the Forecast budget and follow-up sheet from the template provided in Annex VI – Financial report, since in the template it is stated: “In accordance with Article 15.3 of the General Conditions a forecast budget for the subsequent reporting period or for the remaining period (if shorter)”?**

In accordance with the General conditions (Annex II of Grant Contract), 6-month reports are not foreseen, also for contracts below 100,000.00 EUR no reports are envisaged except the Final report, where a forecast is not foreseen.

However, since Grant Beneficiaries are required to submit 6-monthly reports in line with the Article 4.3 of Special conditions of their Grant Contract, both narrative and financial, it is necessary to submit a Forecast budget & Follow up sheet, together with the List of expenditures.

#### **ADDITIONAL INFORMATION PROVIDED DURING THE TRAINING SESSIONS:**

- Reporting is an obligation of the beneficiary according to the Special Conditions of the Grant Contract (Art. 4) and General Conditions (Art. 2, 15.1 and 15.2) of the grant contract (Annex II). The templates for reporting are given in the grant contract (Annex VI).
- Interim/Progress Narrative and Financial Reports, together with the detailed breakdown of expenditures/List of expenditures and supporting documents, in accordance with the Article 4.3 of Special conditions, covering each 6 (six) months of the period of implementation should be submitted within 1 (one) month after the period of implementation concerned. 6-month Interim/Progress Narrative and Financial Reports shall not be supported with the Payment request.
- Submission of quarterly progress reports which should cover three month periods of implementation (starting from the contract signature) are to be submitted by the 15th day after the end of each reporting period – EXCEPT WHEN SUBMITTING INTERIM/PROGRESS REPORTS!
- Submission of reports - Number of copies:
  - 2 hard copies of narrative and financial report (original and copy) +
  - 2 electronic copies of the reports and the supporting documents on a CD-ROM or a memory stick
  - Request for payment is always submitted in 1 original hard copy (with the Final report).



- Detailed breakdown/List of expenditures should provide the following information for each cost heading in the financial report and for all underlying entries and transactions:
  - amount of the entry or transaction,
  - accounting reference (e.g. ledger, journal or other relevant reference)
  - description of the entry or transaction (detailing the nature of the expenditure) and
  - reference to underlying documents (e.g. invoice number, salary slip or other relevant reference).
  - It should be provided in electronic form and spread sheet format (recommended to use the List of expenditures template sent together with the PowerPoint presentation and other reporting tools).
- It is strongly suggested to Beneficiary(ies) to prepare financial reports with relevant supporting documents following the order of budget lines in their Budget from the contract or any amendment (for example 1.1.1.1, 1.1.1.2, 1.1.1.3 etc.) to enable easier control of the reports.
- The deadline for notification of changes in the implementation should be respected (concerning the reporting period): immediately, but no later than the submission of the report (separately in the form for Notification letter), because the reallocations and other changes on which the CFCU was not timely informed will not be acceptable!