



The image displays several overlapping Erasmus+ financial statement forms. The top-left form is 'ANNEX VI - FINAL FINANCIAL STATEMENT', which includes a table for 'BUDGET HEADINGS' with columns for '1. Grant awarded (in EUR)', '2. Budget spent (in EUR)', and '3. Budget breakdown by workpackage / budget headings'. Below this is a table for 'DISTRIBUTION OF THE GRANT BY ORGANISATION (in EUR)' with columns for '1. Staff Costs', '2. Travel Costs', and '3. Costs of Stay'. The top-right form is 'BUDGET BREAKDOWN BY WORKPACKAGE / BUDGET HEADINGS', which includes a table for 'BUDGET HEADINGS' with columns for '1. Staff Costs', '2. Travel Costs', '3. Costs of Stay', '4. Equipment Costs', '5. Subcontracting Costs', and '6. Special Mobility Strand'. The bottom-left form is 'BUDGET BREAKDOWN BY PROGRAMME OR PARTNER COUNTRIES / BUDGET HEADINGS', which includes a table for 'BUDGET HEADINGS' with columns for '1. Staff Costs', '2. Travel Costs', '3. Costs of Stay', '4. Equipment Costs', '5. Subcontracting Costs', and '6. Special Mobility Strand'. The bottom-right form is 'BUDGET BREAKDOWN BY PARTNER / WORK PACKAGE', which includes a table for 'BUDGET HEADINGS' with columns for '1. Staff Costs', '2. Travel Costs', '3. Costs of Stay', '4. Equipment Costs', '5. Subcontracting Costs', and '6. Special Mobility Strand'. The forms are filled with data, with some sections highlighted in red and yellow.

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Nicosia, 26.09.2018

ANNEX STATEMENT OF THE COSTS INCURRED AND REQUEST FOR PAYMENT (SECOND PRE-FINANCING)									
Project Number		to be included in the final financial statement sheet				Co-financing (for information only)		0.00	
Budget Headings		1. Grant Awarded (in EUR)		2. Budget Spent (in EUR)		Amount of 1st Prefinancing		0.00	
1. Staff Costs		0.00				% Spent on 1st Prefinancing		0.00%	
2. Travel Costs		0.00				Eligible for 2nd Prefinancing		NO	
3. Costs of Stay						Amount of 2nd Prefinancing		0.00	
4. Equipment Costs									
5. Subcontracting Costs									
A. Grant for Project Activities		0.00							
B. Additional Grant for Special Mobility Strand		0.00							
Total Grant requested from the European Union (A + B)		0.00							
ANNEX STATEMENT OF THE COSTS INCURRED AND REQUEST FOR PAYMENT (SECOND PRE-FINANCING)									
Partner N°	Name of Partner	Country	1. Staff Costs	3. Costs of Stay	4. Equipment Costs	5. Subcontracting Costs	Total Costs (in EUR)		
P1				-	-	-	-		
P2				-	-	-	-		
P3				-	-	-	-		

REVISING

Supporting document numbers

Work Package	Partner N°	Name of Partner (to encode in the final financial statement sheet)	Country (to encode in the final financial statement sheet)	Supporting Document Ref.
Management	P1	Riga Technical University	Latvia	P1-SC-1



Formula for supporting document numbers

Partner No. (P1, P2, P3 ...)

+

Budget category (SC, TC, EC, SUB)

+

Number in a row (1, 2, 3 ...)

Write the number on every supporting document of this position

Short description of tasks

Name of Staff Member	Staff category	Short description of tasks	From (dd/mm/yy)	To (dd/mm/yy)	Number of days (A)	Maximum Unit cost per day (in EUR) (B)	Total Calculated (in EUR) (A x B)	Check Data Encoding
Anatolijs Zabašta	Teacher/Trainer/Researcher	Organized first meeting	15.10.15	15.10.15	1	74.00	74.00	



Tasks performed should match the staff category,
otherways you'll get funded for the tasks performed

The applicable staff categories to be applied are the following:

- Managers (including legislators, senior officials and managers) carry out top managerial activities related to the administration and coordination of project activities.
- Researchers, teachers and trainers (RTT) typically carry out academic activities related to curriculum/training programme development, development and adaptation of teaching/training materials, preparation and teaching of courses or trainings.
- Technical staff (including technicians and associate professionals) carries out technical tasks such as book-keeping, accountancy, in-house translation activities.
- Administrative staff (including office and customer service clerks) carries out administrative tasks such as secretarial duties. Students can work for the project and can be considered as administrative staff, provided that they have signed a work contract with a consortium beneficiary institution.

«Departure» and «Destination»

Name of the Person travelling	Student/ Staff	City and Country of Departure	City and Country of Destination	Departure Date (dd/mm/yy)	Return Date (dd/mm/yy)	Number of days for Costs of Stay	Travel Distance (In KM)	Maximum Travel Costs calculated (EUR)	Maximum Costs of Stay calculated (EUR)	Total calculated (EUR)	Check Data Encoding
Anatolijs Zabašta	Staff	Riga, Latvia	Minsk, Belarus	16.12.15	19.12.15	4	402	180	480.00	660.00	

- «the beneficiary must identify the travel distance of a one-way travel (from their place of origin - home institution within the partnership - to the venue of the activity) using the distance calculator»

Exchange rate

Invoice Date (dd/mm/yy)	Nature, type and specifications of the item	Providing company	VAT and Taxes charged to the project?	Amount indicated on the invoice	Currency indicated on the invoice	Exchange Rate Used	Amount charged to the project (in EUR)	Check Data Encodin g
27.10.16	Something for something	The Company	N	50 000 000.00	BYR	19328.00396	2 586.92	

- Use the correct exchange rate
 - For all real costs **till 10.08.2017**. not in EUR. -> **January, 2016**
 - For all real costs **from 11.08.2017**. not in EUR -> **August, 2017**
 - Use InforEuro
 (http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/index_en.cfm)
 - **Invoice date will be taken into account**
- VAT is not eligible unless you prove it is NOT deductible (Send proof)

Co-financing

- According to the European Union Financial Regulation grants shall always involve co-financing
- No proofs of expenditure or supporting documents will be required by the Agency
- Nevertheless, for statistical purposes only, we need to provide an indication on the level and source of co-financing.

Documents

- KEEP ALL ORIGINALS with you
- Approved copies of everything you send to us!
- Keep them well organized and collected in one place!
- Keep all other related documents and accounting records we don't ask!

Reimbursement basis	Budget Headings	Documents to retain with project accounts	Documents to be sent with the Final report
ACTUAL COSTS	<i>Equipment</i>	<ul style="list-style-type: none"> ▪ Invoices ▪ Bank statements ▪ Tendering procedure for expenses exceeding 25.000€ ▪ Proof that the equipment is recorded in the inventory of the institution 	<ul style="list-style-type: none"> ▪ Invoices and three quotations from different suppliers for expenses exceeding 25.000€ ▪ Any prior authorisation from the Agency
	<i>Subcontracting</i>	<ul style="list-style-type: none"> ▪ Subcontracts ▪ Invoices ▪ Bank statements ▪ Tendering procedure for expenses exceeding 25.000€ ▪ Tangible outputs/products* 	<ul style="list-style-type: none"> ▪ Subcontracts, invoices and three quotations from different suppliers for expenses exceeding 25.000€ ▪ Any prior authorisation from the Agency
UNIT COSTS	<i>Staff</i>	<ul style="list-style-type: none"> ▪ Formal employment contract ▪ Joint Declaration ▪ Time sheets ▪ Salary slips* ▪ Agendas* ▪ Attendance / Participant lists* ▪ Tangible outputs/products* ▪ Minutes of meetings* 	<ul style="list-style-type: none"> ▪ No supporting documents should be sent with the Final report, except for any prior authorisation from the Agency
	<i>Travel and Costs of Stay</i>	<ul style="list-style-type: none"> ▪ Individual Travel Report (ITR) ▪ Invoices, receipts, boarding passes* ▪ Agendas* ▪ Attendance / Participant lists* ▪ Tangible outputs/products* ▪ Minutes of meetings* 	<ul style="list-style-type: none"> ▪ No supporting documents should be sent with the Final report, except for any prior authorisation from the Agency

* Are only examples. You should keep everything that proves the fact of expenditure



AUDIT

How the audit goes (1)

- The project ends **14/10/18**
- You send us reports and all certified copies of supporting documents not latter than **28/10/18** (please)
- We finish the report and look through supporting documents till **04/11/18**
- The audit starts to check the documents from **29/10/18**

How the audit goes (2)

- While we are finishing the final financial report, auditor checks all the basic documents, how the project is managed, how supporting documents are kept and how the accounting is organized
- Audit makes a selection and starts the checks with RTU (to gain time, if I notice that something's missing or needs to be changed)

How the audit goes (3)

- Auditor checks the selected positions of partners
- Auditor might ask for extra supporting documents
- You send us everything we ask ASAP
- Auditor finalises the audit till 30/11/18

To be ready:

- Prepare everything that is obligatory and check it before you send it!
- Read the GUIDANCE NOTES «**Report of Factual Findings on the Final Financial Report(Type II)**»

Amount

- The auditor checks at least 70% of the declared sum.
- If the exceptions are more than 10% of sum-> The auditor is checks at least 85% of the declared sum.
- The auditor checks at least 10% of each expenditure heading.

(Largest sums + random rows)

Equipment and subcontracting

- Was actually incurred (invoices, contracts and proof of payment) + tangible product (e.g. inventory papers)
- Was incurred during the period of implementation (Invoices received during the eligibility period but not yet paid, should be reported by the auditor under the 'exceptions')
- The auditor examines procurement rules (tenders, price survey etc.)

Common errors

- General: invoices are not detailed enough to establish a clear connection to project activities.
- Deductible VAT is included in the invoice and charged as project expenditure;
- Tendering procedure is not applied for the purchase of goods or services exceeding 25.000 EUR;
- Purchase of equipment is split into smaller contracts with individual amounts lower than the 25.000 EUR threshold;
- Proof of expenditure is a pro-forma invoice, an offer or a quotation instead of an invoice.

Staff costs

- Prove that the activities have been actually and properly implemented and the output produced
- unit costs were applied according to the correct staff category and applicable country category (timesheet)
- the number of unit costs declared by the beneficiary corresponds to the total number of days worked for the implementation of the project (joint declaration)
- declared working days per individual may not exceed 20 days per month or 240 days per year
- were hired by the beneficiary in accordance with its national legislation (contract, a letter)

Exceptions should be highlighted

- if no reasonable activity or output could be verified for the working days declared.
- if there is no reasonable assurance that the number of unit costs declared corresponds to the number of working days dedicated to the project in terms of workload and tangible outputs.
- if there are indications in the employment contract that the employee has been hired by a different legal entity.
- if the employment relation between the staff member and the employing organisation is questioned.

Travel costs & Costs of stay

- the auditor verifies that the journeys actually took place and they are connected to specific and clearly identifiable project-related activities (agendas, participants lists)
- the distance have been applied correctly (ITR)
- the number of unit costs declared corresponds to the actual number of days of the activities (invoices, boarding passes etc.)

Exceptions should be reported for:

- Travel costs and costs of stay which do not correspond to concrete outputs in terms of activities linked to the projects,
- or travel costs which cannot be justified by supporting documents demonstrating that the travel took place for the duration of the journey;
- Travels of students or staff not enrolled in or employed by a beneficiary organisation
- Travels outside the partnership countries
- Travels shorter than the minimal or exceeding the maximum duration.

Conclusion

- Revise the rules
- Finalise and send your reports till 28/10/18 (scanned and by post)
- Check your documents before sending
- Be ready: Prepare every document related to this project in case we need an ASAP action

If any questions, please contact us:

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