

INTRODUCTION

This financial module is intended to manage the financial data of a grant agreement in a simple, efficient and transparent way for all actors in the process. It is to be used for the submission of a provisional budget when applying for a grant, during implementation, for the presentation of the final financial statement, and finally it calculates the grant amount.

The module consists of six sheets:

- 1) an Identification Form (ID Form),
- 2) the Forecast Budget Calculation,
- 3) the Pivot Table on Budget Calculation,
- 4) the Detailed Budget Execution,
- 5) the Budget and Execution Summary,
- 6) and the Cost Claim for the Final Payment.

As the module is based upon an Excel workbook, all the functionalities and constraints related to this type of document are applicable. The 'Budget & Execution summary' sheet is **protected** to ensure the integrity of the data and formulae, i.e. is inaccessible for editing. The other sheets are **not protected** and therefore we urge you not to remove or modify the formulae, especially in the yellow areas, as this can impact the final calculation!

At the stage of application, you only need to complete the sheets 1) ID Form and 2) Forecast Budget Calculation, and attach the electronic version to your application form in PRIAMOS. For your final declaration, you have to complete 4) the Detailed Budget Execution sheet and 6) the Cost Claim for the Final Payment. These (4 and 6) also have to be printed, dated and signed, and the originals sent by postal mail to the Commission.

1. THE IDENTIFICATION FORM

The ID Form serves to summarize the basic information on the applicant's identity and the project, and the amount of the grant requested.

The cells to be completed have clear, concise headings.

Please note that the cell indicating the amount of the grant requested (cell I 26) is **automatically completed** by a link to the sheet 'Budget and Execution Summary'.

It is the amount balancing the budget.

2. THE FORECAST BUDGET CALCULATION

This sheet is for entering the estimated, provisional budget at the time of the application.

The budget headings are encoded with a letter under 'Ref budget'.

A = Staff costs

B = Travel costs staff

C = Costs for equipment

D = Consumables

E = Other direct costs

F = Indirect costs

G = Contribution in kind (not an eligible cost by definition)

H = Interest on pre-financing (is not included in the calculation of the grant as income but is deducted from the final amount of the grant)

I = Other income (i.e. income from third parties and/or generated by the project)

K = Contribution from beneficiaries

The calculations in the 'Budget & Execution summary' are made on the basis of the reference letter of the budget heading. Please be particularly attentive when encoding the data so as to avoid errors. The order in which you enter the data is not important as the type of expenditure and income are defined by the reference letter.

This forecasted or provisional budget contains descriptions of the actions and items within a specific objective as taken from the application. Providing the requested details on "Who? What? Why? For which price? etc." allows seeing the link between the planned activity and the foreseen expenditure. Please try to be as precise as possible. For the indirect costs and the income, no objective or action has to be indicated.

The contribution in kind is indicated in the table as letter **G** but there are no formulas behind it. Contribution in kind is accepted only in exceptional cases. If so, this is

explicitly indicated in the grant agreement and the formula in the cost claim will have to be adapted accordingly by the Commission.

After encoding all the elements of the estimated budget, it is desirable to sort the table in first instance alphabetically on the budget reference, then by name of beneficiary, then by objective and lastly by action.

3. THE PIVOT TABLE ON BUDGET CALCULATION

The "pivot table" matrix summarizes the amounts contained in the sheet "Forecast Budget Calculation" per co-beneficiary per budget heading. In order to see the correct, integrated data, you only need to place the cursor in cell A3, do a right mouse-click and select in the floating menu "Refresh Data".

4. THE DETAILED BUDGET EXECUTION

This sheet is for entering the data on the actual implementation of the project both in terms of expenditure and income. The encoding has to follow the same logic and order as in the Forecast Budget sheet. Please use the same headings/references, objectives, actions and descriptions. At this stage, it is important to insert the **real incurred costs and the real income**, no estimates, no lump sums (except for the indirect costs)!

Also the pre-financing payments received from the Commission should be included under the budget reference "J".

In addition to the forecasted budget, this sheet has a column for inserting the beneficiary's accounting reference. This accounting reference can be an exact entry in the accountancy or an analytical reference making it possible to consolidate information, in order to facilitate its analysis. In case of an audit, this reference is part of the audit trail.

The columns L, M, N, O and P are reserved for the Commission to analyze the beneficiary's statement and to indicate the rejected amounts which are not considered eligible as well as the amounts not eligible but accepted for the calculation of the **no-profit rule**. The Commission grant may only cover the remainder of the costs necessary

for the project implementation. Consequently, the total revenue related to the project is deducted from the total amount of accepted expenditure. Where there is a surplus, the contribution of the beneficiary/ies is reduced. If the surplus is higher than the beneficiary's/beneficiaries' own contribution, the rest of the profit shall remain with the EU meaning that the EU grant will be reduced up to the balancing figure between accepted costs and other income. The calculation of the no-profit rule results in the amount "C" (cell E28) in the Budget and Execution Summary.

If relevant, the Commission inserts an explanation on specific lines, facilitating the beneficiary to understand the position of the Commission and to identify the amounts retained as ineligible, and as accepted or not.

5. THE BUDGET AND EXECUTION SUMMARY

In this summary, the amounts are automatically inserted and consolidated by budget heading/item. It provides the amounts of the estimated expenditure, the declared, the eligible and the accepted expenditure. It also enlists the estimated and the declared income.

It further shows the final calculation of the amount of the grant and of the final payment or reimbursement.

6. THE COST CLAIM

This last sheet is in fact the final payment request to be completed by the beneficiary. By default, the information introduced in the first sheet 'ID form' is copied to this form. Similarly, the amount of the final payment (cell E33) and the interests yielded by the pre-financing payments (E32) are copied from the sheet 'Budget & Execution Summary'. The declaration regarding the VAT-status must be encoded by the beneficiary (D31 or D32). Finally, the legal representative of the beneficiary has to date and sign the cost claim and send the original paper copy by postal mail to the Commission.