**PREPARATION OF THE FINANCIAL PART OF THE PROJECT INTERIM/FINAL REPORT**

**Olsztyn, 29.09.2020**

1. **PREPARATION OF THE LIST OF EXPENDITURE**
2. **PREPARATION OF PART B. BENEFICIARY FINANCIAL REPORT**
3. **PREPARATION OF PART B. PROJECT FINANCIAL REPORT**

**IMPORTANT!**

THE FINANCIAL PART OF THE PROJECT INTERIM/FINAL REPORT THAT IS SUBMITTED TO THE JTS SHOULD CONSIST OF:

* CONSOLIDATED REPORT – PART B. PROJECT FINANCIAL REPORT (signed by the LB; a template at the Programme website);
* INDIVIDUAL LISTS OF EXPENDITURE OF ALL BENEFICIARIES (signed by the beneficiary and beneficiary’s auditor; Excel forms received by a beneficiary from the LB/JTS). Please note that the Excel forms were supplemented with several additional columns (marked as “nie drukować / не печатать”) that have to be filled in only in the Excel version of the List of expenditure. A paper version of the List of expenditure should not have these additional columns printed out.
* INDIVIDUAL REPORTS – PART B. BENEFICIARY FINANCIAL REPORT (signed by the beneficiary and beneficiary’s auditor; a template at the Programme website) – to be submitted for information purposes only, in scanned versions (original versions to be kept at the LB’s and beneficiaries’ institutions).

1. **PREPARATION OF THE LIST OF EXPENDITURE**

The completed list of expenditure is a source of information for completing Part B. Therefore, the preparation of the beneficiary’s financial report should start from filling in the beneficiary’s list of expenditures.

1. **Data sources**

* Accounting documents (invoices, bills, business trip settlements, payrolls etc.);
* Analytics from the beneficiary’s financial and accounting system;
* Bank statements.

1. **Filling in the Excel form**

PLEASE DO NOT FORMAT THE TABLE OR ADD YOUR OWN FORMULAS (EXCEPT FOR THE COLUMN ‘DOFINANSOWANIE’ (CO-FINANCING). PLEASE MAKE SURE THAT THE CELLS WITH COSTS HAVE THE ‘NUMBER’ FORMAT, ARE ROUNDED TO THE NEAREST EUROCENT AND SHOWN TO TWO PLACES AFTER COMMA. PLEASE USE THE DROP-DOWN LISTS WHERE THEY ARE AVAILABLE.

* Please indicate “LB/B1/B2/etc” in **the name of the Excel file**.
* **The reporting period** should be indicated in the field ‘WNP okres od YEAR-MONTH-DAY do YEAR-MONTH-DAY’ in the upper left corner. The end date of the reporting period is the date of the last expense incurred at the level of the project. Information on the reporting period is to be provided to a beneficiary by the LB.
* **The number of the report** should be indicated in the field in the upper left corner. Information on the number of the report is to be provided to a beneficiary by the LB.
* the paper versions of the list of expenditures should contain **all amounts in EUR** only. To convert an amount in the national currency into EUR, please use the InforEuro exchange rate for the month of payment. Additional working columns added to the list of expenditures show the currency and the exchange rates applied.
* The list of expenditures should include **only real costs** (without the lump sums or the administrative costs, which should be indicated only in part B of the report).

1. **Data sources and instructions on the columns in the Excel form**

* **‘Numer zadania’** (activity number) – please select from the drop-down list the number of the activity, within which an expenditure was incurred, in accordance with the assignment of the budget line (to be checked in the budget) and the numbering of activities (to be checked in p. 3.3 of the Application Form (AF)).
* **‘Numer partnera’** (partner’s number) – please indicate 1 for LB/ 2 for B1 / 3 for B2/etc.
* **‘Nr dokumentu’** (document number) – please indicate the number of an invoice/bill/payroll/other financial document, which is the source of the information provided in the next cells of the row. Please note that identical numbers should not be indicated in this column. In case the same number applies to two rows, please indicate it as X/1 and X/2 (e.g., F363/1 and F363/2).
* **‘Nr ksiegowy lub ewidencyjny’** (accounting or register number) – please indicate the accounting/register number of the above-mentioned financial document from the beneficiary’s financial and accounting system. Please note that identical numbers should not be indicated in this column. In case the same number applies to two rows, please indicate it as X/1 and X/2 (e.g., 5811/1 and 5811/2).
* **‘Rodzaj identyfikatora’** (type of ID) – please select one of the options from the drop-down list:
  + ‘NIP’ – for Polish contractors/service providers only;
  + PESEL – applies to Polish citizens, if the issuer of the document is a private person not pursuing business activity provide their PESEL number;
  + ‘Nr Zagr’ – for contractors/service providers from Russia and other foreign countries;
  + ‘Nie dotyczy’ – in case of business trip settlements and staff costs;
* **‘NIP wystawcy/PESEL’** (NIP of a contractor/PESEL):
  + - if ‘NIP/PESEL was selected in the previous column (for Polish contractors/service providers), please note that there is a limit on the number of characters (checksum); so please enter a string of numbers without any letters;
    - if ‘Nr Zagr’ was selected in the previous column (for contractors/service providers from Russia and other foreign countries), please enter a string of numbers and, if necessary, letters (e.g. 10 digits of the individual taxation number (INN) of a Russian contractor are indicated here);
    - if ‘Nie dotyczy’ was selected in the previous column (in case of business trip settlements or staff costs), please leave the cell empty.
* **‘Data wystawienia dokumentu’** (date of issuing of the document) – please indicate the date when the document was issued, in the <YEAR-MONTH-DAY> format (e.g. 2019-03-12).
* **‘Data zaplaty’** (date of payment) – please indicate the date when the payment was made, in the <YEAR-MONTH-DAY> format (e.g. 2019-03-14). In case of a business trip settlement with 2 dates of payment (i.e. a date of advance payment and a date of trip settlement), please leave this cell empty and fill out the next two columns.
* **‘Data zaplaty od’** (date of payment from) and **‘data zaplaty do’** (date of payment till) – please leave these cells empty if the date of payment was provided in the previous column. In case of a business trip settlement with 2 dates of payment, please indicated a date of advance payment and a date of trip settlement, in the <YEAR-MONTH-DAY> format.
* **‘Nazwa towaru lub uslugi’** (name of product or service) – please provide a clear and concise description of the expenditure in English (what/where/when/who). For example:
* Salary of project coordinator, including taxes, for October 2019;
* Daily allowance (3 days) and hotel accommodation (2 nights), business trip of project coordinator to Gdansk, 12-15 Dec. 2019;
* Translation of leaflet ‘Water protection’ (6 pages, RU to EN);
* Catering for kick-off conference (50 people) in Mamonovo, 15 Nov. 2019;
* Payment for 1st stage of road construction works in Punsk.
* **‘Numer kontraktu’** (contract number) – please select “nie dotyczy” from the drop-down list (the contract number should be entered in the ‘Uwagi’ (comments) column).
* **‘Kwota dokumentu brutto’** (gross amount in the document) and **‘kwota dokumentu netto’** (net amount in the document) – please indicate the EUR equivalents of the gross and net amounts from the financial document. Please note that the document may contain items (products or services) that do not apply to the project or are not eligible in the project but the gross amount must show the value of the entire document. In case no VAT is included in the expenditure, please indicate the same amount in both columns.

For Russian Beneficiaries – please do not show VAT in any case. ‘Kwota dokumentu brutto’ (gross amount in the document) = ‘kwota dokumentu netto’ (net amount in the document).

* **‘Faktura korygujaca’** (corrective invoice) – please select either option from the drop-down list:
* ‘N’ – if no corrective invoice was issued;
* ‘T’ – if a corrective invoice was issued.
* **‘Nazwa pliku zalacznika’** (name of an attached file) – please leave the cell empty.
* **‘Uwagi’** (comments) – please indicate the contract number and the contractor's name (e.g. contract nr. 8054120-VS, with Translation Services, Ltd.). In case a corrective invoice was issued, please indicate an amount of correction/contractual penalty and one-sentence justification.
* **‘Kategoria kosztow – nazwa kosztu’** (cost category – cost name) – please assign the expenditure to the appropriate cost category from the budget by selecting it from the drop-down list.
* **‘Wydatki ogolem’** (total cost) – please indicate the EUR equivalent of the total cost incurred in the frame of the Programme (eligible and non-elligilble). As a rule, it coincides with the EUR equivalent of the gross amount in the financial document indicated in the column ‘kwota dokumentu brutto’. However, it may be smaller in case the gross amount in the financial document includes any costs financed from a different source.
* **‘Wydatki kwalifikowalne’** (eligible cost) – please indicate the EUR equivalent of the eligible cost in the frame of the Programme. As a rule, it coincides with the EUR equivalent of the total cost incurred in the frame of the Programme (indicated in the previous column). However, it should be reduced up to a limit foreseen in the project budget in case this limit was exceeded.
* **‘W tym VAT’** (including VAT) – for Polish beneficiaries - please indicate VAT included in the EUR equivalent of the eligible cost in the frame of the Programme. If no VAT is included, please indicate "0,00”. Russian beneficiaries always indicate “0,00”.
* **‘Dofinansowanie’** (co-financing) – please indicate the amount of the Programme’s co-financing calculated on the basis of the formula that takes into account the percentage of the Programme’s co-financing al the level of a beneficiary: =ROUND(T4 \* (A / B); 2), where T4 is the eligible cost from the column ‘wydatki kwalifikowalne’;

A is *the Indicative Programme co-financing (max. 90% of the total)* of a given beneficiary (to be checked in part 7.4 of the AF);

B is *the Indicative total budget for beneficiary (programme co-financing + own financing)* of a given beneficiary (to be checked in part 7.4 of the AF).

* **‘Kategoria podlegajaca limitom’** (cost category subject to limits) – please select ‘Nie dotyczy’ from the drop-down list.
* **‘Wydatki w ramach limitu’** (expenditure within the limit) – please leave the column empty.

1. **Introducing information on bank fees**

* The document number for the bank commission is the bank statement number;
* **IMPORTANT:** in the case of bank commissions (BC) implemented on the same date,   
  for individual commissions, enter the bank statement number broken into the next digit: BC No. ... / 1,2,3,4, e.g. BC No. 4/1, BC No. 4/2.
* Issue date and payment date for the commission is the same - the commission appears only in the bank statement;
* The commission has no tax identification number, ID number "not applicable";
* Gross commission amount = net amount = total amount = eligible amount;
* example of the commission’s description (English): "The bank fee for foreign transfer + description of the document to which it relates, e.g. invoice paid in foreign currency or settlement of the delegation in EUR"

1. **Introducing information on payrolls**

Option 1

The following method of settling remuneration is recommended:

In the columns gross expenditure amount/net expenditure amount/total expenditure/ eligible expenditure please introduce the total gross amount from the summary for the given payroll (NET + SOCIAL SECURITY CONTRIBUTIONS + TAX).

More than one payment date are usually assigned to employees' payrolls :

* net payment date (what employees get into their bank account),
* date of payment of social security contributions,
* tax payment date.

In the list of expenditures, please enter the first payment date in the column 'Date of payment from' and the last date of final settlement in the column 'Date of payment to'.

For conversion into EUR the exchange rate from the month of last contribution/tax payment i.e. the last expenditure incurred should be used.

At the end of the reporting period, social security contributions and tax payments should be closed by the end of the same month as net payments.

Option 2

The beneficiary may present the settlement of remuneration for a given month in separate lines for net remuneration, social security contributions and tax payments and convert each amount separately at the exchange rate for the month of the given expenditure.

1. **Introducing information on business trip settlement**
   * if the advance payment was paid and it exactly covers the cost of the business trip - then reporting is made according to exchange rate of the month in which the advance payment was transferred.
   * if the advance payment was paid, but the final settlement must be followed   
     by repayment of the advance payment or partial reimbursement of costs incurred, then the entire business trip is reported at the rate of the month   
     of the return of the excessively paid advance payment/refund as one item   
     (in the list of expenditure, please enter the first payment date in the column 'Date of payment from' and the last date of final settlement in the column 'Date of payment to').
   * if there was no advance payment, only the reimbursement of incurred costs - then reporting is based at the rate of the month in which the reimbursement took place.
2. **Self-check of the list of expenditures:**

* numbering of documents: there cannot be several documents with the same number in the column “Nr dokumentu’ (document number)”.
* in the case of one payroll for several civil law contracts, each person payroll number should be broken into the next digit: e.g. 2017/PB /03/02/**1**, 2017/PB /03/02/**2** etc.
* in the case of bank commissions implemented on the same date, for each commission enter the bank statement number broken into the next digit: BC No. ... / 1,2,3,4, e.g. BC No. 4/1, BC No. 4/2.
* checking that all data in the columns are filled.
* checking that the NIP/PESEL number is correct everywhere.
* checking that the contract number is entered in the appropriate cell, i.e. in the "**Comments**" column instead of the "**Contract number**" column.
* checking if the gross value - net value = VAT.
* checking if the summary of budget lines is in line with financial and accounting analytics.
* checking if in the column “wydatki kwalifikowalne”, in the category “staff costs”, the values don’t exceed the monthly unit rates planned in the budget.

1. **Preparation of PART B. Lead Beneficiary/Beneficiary financial report**
2. **B.1** **Lead Beneficiary/Beneficiary expenditure – summary**
   * Table B.1 is recommended to be filled in after table B.2 is compiled.
   * In the column **“LB/B TOTAL ELIGIBLE BUDGET”** please indicate the LB/B Programme co-financing, and the LB/B own contribution and the LB/B total eligible expenditure (in the corresponding lines) according to p. 7.4 of the AF.
   * In the column “Current report” please, first, indicate the LB/B total eligible expenditure in this report. This amount must be equal to the total in line 9 “ LB/B Total eligible costs (7+8)”/column “current report” in table B.2.

Second, indicate the LB/B Programme co-financing in this report. To calculate it, please sum up all the lines in the column “Co-financing”/”Dofinansowanie” in the list of expenditures. Please note that the list of expenditures contains only real costs. Therefore, in case the report also includes the administrative costs and/or the lump sums incurred in the reporting period, please calculate the Programme co-financing for them (by multiplying them by the beneficiary’s individual % of the Programme co-financing from p. 7.4 of the AF; separately for each sum) and add the Programme co-financing for the administrative costs/lump sums to the Programme co-financing from the list of expenditures to get the final amount.

Afterwards, please check this final amount by applying the beneficiary’s individual % of the Programme co-financing to the LB/B TOTAL ELIGIBLE EXPENDITURE (to be rounded to nearest eurocents). If the first cumulative amount exceeds the amount calculated from the LB/B total eligible expenditure, it needs to be adjusted by decreasing the Programme co-financing of the administrative costs/lump sums.

* + In the column “**Approved so far**” please indicate “0,00” in the Interim report and the approved amounts from the Interim report - in the Final report and the additional Interim report.
  + In the column “Remaining budget” please calculate the amount of the budget that has not been spent.
  + In the column “**Total reported so far**” (only in final reports) please sum up the amount from the column “**Current report**” and the column “**Approved so far**”.
  + In the line “**Interest from prefinancing**” please report the value of interest accumulated on the bank account in the following way:

In the Interim report the value of interest accrued on the bank account is 20,00 EUR.

The beneficiary should indicate in the report 001: 20,00 in the column “**Current report**”.

In the Final report the value of interest accrued on the bank account is 50,00 EUR.

The beneficiary should indicate in the report: 30,00 in the column “**Current report**” (EUR 50 - EUR 20) and 20,00 in the column “**Approved so far**”.

* + In the line **“Net revenue”** please report net revenue following the same approach as above. Please do not include bank interest.

1. **B.2 Lead Beneficiary/Beneficiary expenditure – breakdown per budget line**

* In the column “**Budget line”** please indicate all budget lines of the project eligible budget from the latest approved AF, including the approved changes.
* In the column **“LB/B total eligible budget”** please fill in the beneficiary’s budget lines with the values from the latest approved AF, including the approved changes, and other beneficiaries’ budget lines with “0,00”. Please follow the same approach in other columns/lines: the amounts in the budget must relate only to the part of the beneficiary’s budget.
* In the column “**Approved so far**” please indicate “0,00” in the Interim report, and the approved amount from the Interim report – in the Final report and the additional Interim Report.
* In the column “**Total reported so far**” (only in the Final report) please sum up the amounts from the column “**Current report**” and the column “**Approved so far**”.
* In In the column **"Remaining budget"** please calculate the amount of the budget that has not been spent.
* The administrative costs in the column “**Current report**” should be reported by applying the beneficiary’s individual % of the administrative costs (to be checked in the beneficiary’s methodology of administrative costs calculation in the AF) to the amount reported in line 5 “**Subtotal direct costs without infrastructure component”**.

1. **B.3 Lead Beneficiary/Beneficiary expenditure – breakdown per Activity**

* In the column **“Activity number”** please indicate all activities in the project.
* Please indicate the amounts related only to the relevant beneficiary in the columns “**LB/B** **TOTAL ELIGIBLE BUDGET**” and “**Current report**” as well as “**Total reported so far**” (only in the Final report).
* In the column **“Remaining budget”** please calculate the amount of the budget that has not been spent.
* If no expenses were incurred or the activity was not related to the beneficiary, please put “0,00”.

1. **B.4 Lead Beneficiary/Beneficiary expenditure per activity/per area**

* Please provide an answer (YES or NO) in the box “There were expenditures incurred outside the Programme area”.
* The table below the box needs to be filled in only if the answer in the box is YES.
* In the column **“Lead Beneficiary/Beneficiary”** please indicate all activities in the project.
* Please indicate the beneficiary’s expenditures incurred in the Programme area and the expenditures incurred outside the Programme area by Activity.
* In the column **“LB/B Total eligible budget”** please sum up the amounts from the two previous columns.
* If no expenses were incurred or the activity was not related to the beneficiary, please put “0,00”.

1. **Preparation of the PART B. Project financial report**
2. **B.1 Project expenditure -summary**

* In the column **“TOTAL ELIGIBLE BUDGET”** please indicate the Programme co-financing, and the own contribution and the total eligible expenditure (in the corresponding lines) according to p. 7.4 of the AF.
* In the column **“Current report”** please sum up Programme cofinancing, own beneficiaries' contribution and total elligible costs from all individual reports.

Please note that if summed Programme cofinancing is different than the amount calculated from TOTAL ELIGIBLE EXPENDITURE by applying the % of cofinancing from the AF (rouded to the nearest eurocent), the amount should be adjusted by decreasing the cofinancing of administrative costs/lump sums in the report of the Lead Beneficiary.

* In the column **“Approved so far”** please indicate “0,00” in the Interim report and the approved amounts from the Interim report - in the Final report and the additional Interim report.
* In the column “**Total reported so far**” (only in final reports) please sum up the amount from the column “**Current report**” and the column “**Approved so far**”;
* In the column “**Remaining budget**” – please decrease “**TOTAL ELIGIBLE BUDGET**” by the amounts from the columns “**Approved so far**” and “**Total reported so far**” (only in final reports).
* In the column “**Interests from prefinancing**” please sump the value of interests reported by the beneficiaries.
* In the column “**Net revenue**” please sum up the value of revenues reported by the beneficiaries.

1. **B.2 Project expenditure – breakdown per beneficiary;**

* Please fill in the columns **“TOTAL ELIGIBLE BUDGET”** and **“TOTAL PROGRAMME   
  CO-FINANCING”** according to p. 7.4 of the AF.
* In the columns **“Total eligible expenditure in current report”** and **“Programme   
  co-financing in current report”** please insert data from the individual reports from part B1, column Current report.
* In the column **“Programme co-financing in approved so far”** please indicate “0,00” in the Interim report and approved amount of co-financing from the Interim report - in the Final report and in the additional Interim report.
* In the final report in the column **“Total Programme co-financing reported so far”** please add data from the column **“Programme co-financing in approved so far”** and **“Programme co-financing in current report”.**
* In the column **“Remaining Programme co-financing”** – please decrease **“TOTAL PROGRAMME CO-FINANCING”** by the amounts from the columns **“Programme   
  co-financing in current report”** and **“Programme co-financing in approved so far”**.

1. **B.3 Project expenditure - breakdown per budget line**

* In the column **“Budget line”** please indicate all budget lines of the project eligible budget from the latest approved AF, including the approved changes.
* In the column “**Current report**” please consolidate all costs reported in the individual reports.
* In the column “**Approved so far**” please indicate “0,00” in the Interim report and approved amount from the Interim report in the Final report and in the additional Interim Report.
* In the column “**Total reported so far**” (only in final reports) please sum up the amount from the column “**Current report**” and the column “**Approved so far**”.
* Please consolidate the administrative costs in the column “**Current report**”. Please make sure that they don’t exceed the % indicated in the Grant Contract.

1. **B.4 Project expenditure - breakdown per Activity**

* Please indicate all activities in the project.
* Please consolidate amounts from the individual reports in the columns “**Current report**”, “**Approved so far**” and “**Total reported so far**” (only in final reports).

1. **B.5 Project expenditure - overview per LB/B/per area**

* To be filled in only if the answer in the box “There were expenditures incurred outside the Programme area” is YES.
* Please indicate all activities in the project.
* Please consolidate expenditures incurred in the Program area and expenditures incurred; outside the Programme area.
* Please sum up amounts in the column “**TOTAL ELIGIBLE EXPENDITURE**”.