

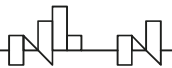
Financial Issues

**Small Grant
Scheme**



Agenda

- Project grant and budgeting – general rules
- Currency
- Expenditure eligibility criteria
- Cost categories
- Payment model
- Proof of expenditures
- Excluded costs
- Q & A

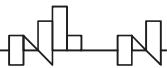


Project Grant and Budgeting – General Rules

- Final cost eligibility date in the programme is 30th April 2024.

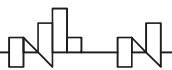
Currency

- The currency used for completing the budget in the application form and payments from the Programme Operator to the Project Promoter is the Polish zloty (PLN).
- The ECB exchange rate from **the date of the call-for-proposal launch** will be used for calculating all costs related to project application and implementation.



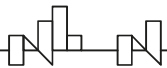
Expenditure Eligibility Criteria

- Incurred within project time frame;
- Connected with the subject of the project contract and indicated in the estimated overall budget of the project; costs are proportionate and necessary for the implementation of the project;
- Used for the sole purpose of achieving the objectives of the project and its expected outcomes, and consistent with the principles of economy, efficiency and effectiveness;
- Identifiable and verifiable through being recorded in the accounting records of the Project Promoter, and incurred in accordance with applicable national laws, and relevant accounting standards;



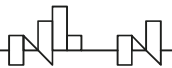
Expenditure Eligibility Criteria

- They comply with the requirements of the applicable public-procurement law;
- They are consistent with the principle of equal opportunities and non-discrimination;
- They are not financing with other funds, other source (the principle of no double financing);
- Expenditures are considered to have been incurred when the cost has been invoiced, paid and the subject matter delivered (in case of goods) or performed (in case of services and works);
- Exceptionally, costs in respect of which an invoice has been issued in the final month of eligibility are also deemed to be incurred within the dates of eligibility if the costs are paid within 30 days of the final date for eligibility (please note that the final eligibility date is 30 April 2024);
- Overheads and depreciation are considered to have been incurred when they are recorded on the accounts of the Project Promoter.



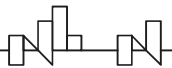
Cost Categories

- Staff
- Consumables and supplies
- Equipment
- Travel
- Other direct costs
- Subcontracting
- Indirect costs (overheads)



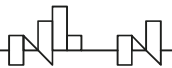
Staff Costs (W)

- Cost of staff assigned to the project, comprising current salaries plus social security charges and other statutory costs included in the remuneration, provided that this corresponds to the Project Promoter' usual policies on remuneration
 - Full-time contracts
 - Assignment to project
 - Timesheets
 - Fixed-term contracts



Consumables and Supplies (CS)

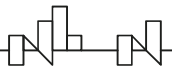
- Cost of materials, consumables and similar products incurred directly in the project
- Types of cost within this category include for example:
 - materials
 - small laboratory equipment
 - reagents
 - plants
 - hay
 - electric cables
 - petridish



Equipment (A)

Cost of equipment and intangible assets (e.g. patents, know-how, software licenses)

- Cost of depreciation of new or used equipment (specifically research equipment and other devices) and intangible assets used for research purposes;
- Eligible costs of depreciation must correspond to the project timeframe and proportional use of the equipment/intangible assets in the project.

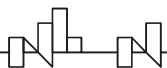


Travel Costs (T)

Travel and subsistence costs only for staff participating in a project

The eligible costs in this category include: travel costs, subsistence, accommodation, and conference fees.

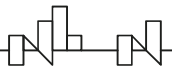
- 1) a trip must be clearly related to the implementation of a project, and an employee of the beneficiary must take part;
- 2) payment made directly by the traveller must be supported by proof of payment;
- 3) the means of transport and accommodation should be selected in line with the principle of sound financial management;
- 4) proof of expenditure should be retained (e.g.. an invoice issued by a travel agency, flight tickets, e-tickets, boarding passes, meal receipts, lists of participants, minutes, agendas, etc.).



Other Direct Costs (Op)

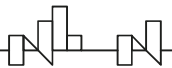
With particular attention to:

- The cost of consulting and equivalent services - e.g. by a technology broker,
- Third party services – maintenance, repair, transport services;
- Cost of training courses for research staff;
- Costs of training courses related to the operation of purchased research equipment;
- Cost of promotional activities (publications, website costs, etc.);
- Cost of publishing and disseminating information;
- Cost of gaining information and knowledge to deliver a project, e.g. translations;
- Cost of the first patent application.



Subcontracting (E)

- Subcontracting shall not include auxiliary activities necessary for the performance of project tasks, such as legal or accounting services.
- **Subcontracting costs are excluded from the basis of calculating overheads.**

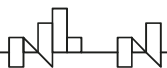


Indirect Costs (Overheads)

- Overheads are settled on a flat-rate basis, as a percentage of the remaining eligible costs of the project, excluding category E (Subcontracting) costs, by applying the following formula:

$$O = (CS + W + A + T + Op) \times 25\%$$

- Overheads which are settled on a flat-rate basis are considered having incurred. The Beneficiary is not obliged to collect or describe accounting documents as part of the project to prove that the expenditures identified as overheads have incurred.

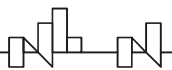


VAT

- If the Project Promoter can recover any VAT paid in project or at a later stage, the VAT paid is not eligible expenditure even if it has not yet been recovered.
 - See: Excluded costs → Recoverable VAT

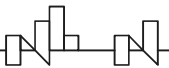
Own contribution

- Own contribution may only take the form of a financial contribution (money)



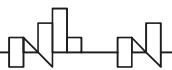
Payment Model

- Advance payment – first payment, up to 30 days after signed contract agreement;
- Interim payments – subsequent payments after consuming at least 70% already paid funds ;
- Co-financing is paid in the form of advance payments and /or refunds
- It is necessary to open separate bank account for funds;



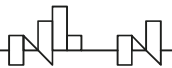
Payment Model

- A payment request is submitted by the Project Promoter;
- The request must contain a summary financial statement for the project at the moment of submitting the request;
- Payment will only be delivered following a positive payment request verification;
- Information about particular costs incurred in the project will be submitted with the periodic report



Excluded Costs

- Interest on debt, debt service charges and late payment charges;
- Charges for financial trans activities and other purely financial costs;
- Provisions for losses or potential future liabilities;
- Exchange losses;
- Recoverable VAT;
- Costs that are covered by other sources;
- Fines, penalties and costs of litigation, except where litigation is an integral and necessary component for achieving the outcomes of the project.



Questions?



Thank you!

