

GUIDELINES FOR FILLING IN *DECLARATION OF VALIDATION OF THE BENEFICIARY EXPENDITURE BY FIRST LEVEL CONTROLLER IN A SMALL PROJECT*

Having checked the Progress Report and verified the expenses on Project Beneficiary the First Level Controller (hereinafter FLC) is obliged to sign each page of the Progress report and to fill in the *Declaration of validation of the beneficiary expenditure by the First Level Controller in a small project* form (hereinafter *Declaration*).

The standard form of the *Declaration* is available for download in section *Documents* of the Programme website: <http://www.lietuva-polska.eu>. General information on validation on both Project beneficiary and Lead beneficiary levels can be found in Programme Manual (part 4.3), detailed requirements regarding filling in reporting forms can be found in the *Progress Report form including guidelines* (refer to valid versions of the documents at www.lietuva-polska.eu).

FILLING IN THE *DECLARATION*

The descriptive part should be filled in.

<i>Beneficiary submitting Progress Report:</i>	<i>No and name of the beneficiary</i>
<i>Project title:</i>	
<i>Project number:</i>	
<i>Report number:</i>	
<i>Reporting period:</i>	<i>from yyyy/mm/dd to yyyy/mm/dd</i>

The number of the beneficiary should be indicated according to the numbering in the approved Application Form. The name of the beneficiary, the project title and the project number should be filled in accordingly. The report number and reporting period should match the data indicated in the checked Progress Report.

Note: correct Progress Report number consists of the following four parts No. A-B-C-D, where:
 A – number of project e.g. LT-PL-xx-xxx
 B – type of report i.e. in case of Progress report the number of beneficiary submitting the report LB, B2 or B3 ... B8 should be marked.
 C – number of report indicated in the annex No. 4 to Subsidy Contract, e.g. 1 (reporting periods are also indicated in this document).
 D – number of version of the report, starting from 1, e.g. 1.

The fields referring to the report number and reporting period should be filled in thoroughly, as the wrong and / or contradictory data (e.g. the discrepancy between the report number and the reporting period) results in the *Declaration* being not valid.

Based on my examination, I hereby confirm that:

1. All services, works, supplies referring to this Progress Report and subject for co-financing were delivered.
2. All expenditures incurred by the beneficiary in the current reporting period are justified and were incurred in line with the budget included in the approved Application Form.

3. All expenditures referring to this Progress Report were incurred in compliance with national and EU regulations. The conditions of Subsidy Contract (Decision Letter and Subsidy Contract (including Annexes)), rules concerning co-financing activities from ERDF, rules of state aid, publicity and information, equal opportunities, protection of environment, competition and public procurement) were observed.
4. All expenditures referring to this Progress Report are eligible according to the rules defined in the Programme Manual and national and EU provisions.
5. The adequate and reliable accounting system and the audit trail are maintained at all levels of the beneficiary institution.
6. Accountancy documents referring to this Progress Report (invoices/documents with equivalent probative value) are formally in line with the requirements set in Programme, national and EU rules.
7. The expenditures referring to this Progress Report reflected in the submitted accountancy documents (invoices/documents with equivalent probative value) were actually paid.
8. Correct exchange rate was applied to convert expenditure incurred in other currencies than euro.
9. The expenditures referring to this Progress Report were not double-financed from any other financial instrument (e.g. EU, international, national or regional).
10. The project management structure has been established by the beneficiary as described in the approved Application Form (part II.12).
11. Advance payment:
 - was not transferred to the beneficiary.
 - was transferred to the beneficiary amounting to EUR (in words ... EUR), it was accounted according to the Programme requirements. The requested ERDF amount of the reporting period has been decreased by EUR (in words ... EUR).
12. Information submitted in the Progress Report is correct.

Point 11 should be filled in by selecting the relevant option and (if applicable) indicating appropriate ERDF amount (in numbers and words) of the advance payment received by the project beneficiary. **Information regarding received advance payment should be provided in the declaration of each reporting period in order to have a proper audit trail in the reimbursement of advance payment process.**

The advance payment paid to the beneficiary will be deducted from the Progress Reports during the project implementation period. The deductions must be done following point 4.6 of the Subsidy Contract. It is recommended to start the deduction when the amount of ERDF requested in the Progress Reports reaches 70% of the total ERDF amount granted to the relevant project beneficiary. The appropriate amount of deductions (if applicable) should be indicated in numbers and in words. In case no deductions were made, the amount of 0,00 EUR should be indicated. **Information about decreased amount in the last sentence relates only to the particular reporting period. Please be reminded to check if the information is matching the indicated amounts in the parts 1.4.3. and 1.4.4. of the Progress Report prepared by the beneficiary.**

13. During the reporting period the check on spot (was/was not) carried out (the report on check on spot is enclosed as an annex if the check on spot was performed):

Beneficiary number and name	Date of check on spot	First level control institution

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In case when check on spot was performed by the FLC in the reporting period, the table in point 13 should be filled in, reflecting beneficiary's number and name, date of check on spot and the FLC institution that performed it.

Note: The report on results of check on spot prepared according to the guidelines set by the Managing Authority (for the Lithuanian beneficiaries) and the National Authority (for the Polish beneficiaries), should always be enclosed when applicable.

14. During the reporting period the amount of EUR (in words ... EUR) was suspended:				
Beneficiary number and name	Budget line	Item(s)	Suspended amount, EUR	Reasons

FLC has a right to suspend expenditures which were deemed ineligible or irregular in the given reporting period and to finalize its work and certify only those expenditures which were not questioned. In such cases the expenditures which are deemed ineligible or irregular in the given reporting period, but the FLC did not finalize its work, shall be described separately and the final decision regarding such expenditures must be done during the verification of the following reporting period (expenditures can be shifted only to the next reporting period). If the previously suspended expenditures appear to be eligible (after additional clarifications/corrections), they shouldn't be included in the PR of next reporting period. They should only appear in part 1.6.4 and detailed description regarding the case should be provided by the FLC in the Declaration.

Please note that if the FLC suspends any direct costs declared in the Progress Report in budget categories from 3 to 6, the appropriate (proportional) amount of the indirect costs reported in the combined budget categories 1. "Staff costs" and 2. "Office and administrative expenditure" should be suspended as well.

<p>On the basis of the control carried out I confirm that for this Progress Report total eligible expenditure amounts to ... EUR, (in words: ... EUR), out of which: ... EUR, (in words: ... EUR) were incurred during the current reporting period and ... EUR, (in words: ... EUR) of the amount suspended in the previous reporting period are being currently approved.</p>
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The FLC fills in the table devoted to the amount of money spent in the reporting period in *Progress Report*. The total paid eligible expenditure should be filled in numbers and in words.

<p>The total amount of ineligible expenditure amounts to _____EUR and has been removed from the total certified eligible expenditure.</p>

Beneficiary number and name	Budget line	Item(s)	Ineligible amount, EUR	Reference to the breached ES regulation(s), Programme rule(s), national legislation

In case ineligible expenditure is detected by the FLC during the verification of the given Progress Report or as a result of the re-verification carried out upon the request of other Programme institution (e.g. Joint Secretariat), the total amount of ineligible expenditures should be indicated and **all the ineligible expenditures should be listed in the table** presented above. Beneficiary's number and name, budget line, item(s) concerned, amount in EUR, as well as reference to the provisions of a breached document (EC regulation, Programme rules, national legislation) should be provided. Information on the ineligible costs must be indicated in the FLC Declaration regardless the ineligible costs were removed from the final approved version of the given Progress Report or not.

Please be reminded that if the FLC detects any ineligible costs declared in the Progress Report in budget categories from 3 to 6, the appropriate (proportional) amount of the indirect costs reported in the combined budget categories 1. "Staff costs" and 2. "Office and administrative expenditure" should be removed from the total certified eligible expenditure as well.

It is crucial to follow the audit trail during the reporting period.