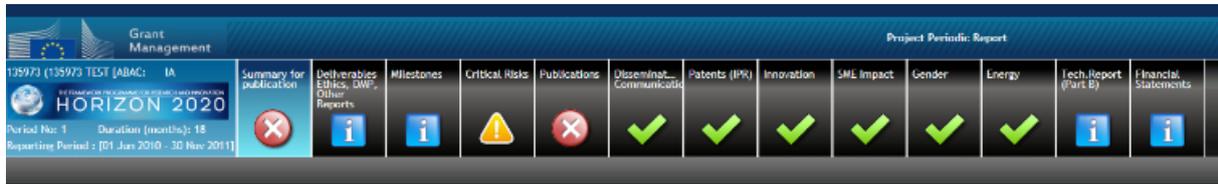


# Financial Reporting & cost monitoring

## Year 2 financial report is due



As in every project year, all consortium partners need to complete their financial report statement by the end of August 2020 (over period 01.05.19 – 31.07.20, M13-M27). The financial reports will be compiled and checked for consistency by the project office before they are submitted to the EC. Details on how to complete the Financial Report can be found in the SECREDAS Handbook, which is stored on the SECREDAS Sharepoint site. The approval of the Financial Report will trigger the next round of payment by the EC to the consortium. The money will come to NXP as the coordinating organisation and will then be transferred/distributed accordingly. We currently expect that the next payment transfer will take place by the end of the year or early in 2021. If you have any question or concern on completing the financial forms in the Participant Portal, please contact Patricia Smits. Please complete the forms as a matter of urgency, as part of the data is also incorporated into the annual Technical Report.

### Avoiding common financial reporting mistakes

The formal cost reporting requirement in the Participant Portal puts pressure on internal monitoring and record keeping systems of each partner organisation. To make sure that all costs are incorporated into the reporting statement and comply with the Regulation, we advise you to check the Annotated Grant Agreement (AGA) again. Did you know, for example, that 70,5%



of the most common error findings after the first ex-post audits on H2020 grants are related to personnel costs? Most errors are found in:

- Incorrect time working on action has been claimed.
- Incorrect calculation of productive hours.
- incorrect remuneration costs for both actual personnel costs and unit costs for personnel.

*So here are some well-meant do's and don'ts:*

1. Ensure that the total number of hours declared for a person for a year is not higher than the number of annual productive hours used to calculate the hourly rate. The total amount of personnel costs declared for a person for a year must also not be higher than the total personnel costs recorded in your accounts (double ceiling).
2. Make sure that you use one of the three calculation options mentioned in the AGA and that the chosen option is used consistently for each personnel group employed under similar conditions and is used for the full financial year.
3. Do not claim hours during staff absence, such as annual leave or sick leave.

If support is needed for the calculation of the personnel costs you can use the personnel calculation wizard, which is offered within the reporting module (financial statement) of the EC Portal. Please remind this on a voluntary basis and not obliged to fill out. The so-called personnel cost wizard is a handy tool to help you do your calculations right. You can find the tool [HERE](#).

Further information about common error findings after audits on H2020 grants can also be found [HERE](#).