

A. Guidance for Coordinating Beneficiaries to complete the cost summary sheet for budget shift purposes

The new version of the Cost Summary Sheet provides the possibility to indicate budget shifts that do not require a formal amendment i.e. within the 20% eligible cost threshold for the project. Those budget shifts are only to be indicated on project level (in a previous version of the consolidated financial statement this was at individual beneficiary level).

To help Coordinating Beneficiaries to optimise the budget, we recommend them to:

1. First, encode, the **Total Contractual Budget** per budget category in the yellow line. This budget is the latest budget approved by EASME either at the time of the signature of the grant agreement or at the time of a formal amendment;
2. Secondly, encode the declared costs per beneficiary and budget category. The sheet will calculate automatically the **Total Declared Costs** in the blue line;
3. After that, the Coordinating Beneficiary must encode the **Total Final Budget** (green line) to finance the 'declared costs' and if there has been overspending in some categories; the CB can optimise the use of the available budget while respecting the 20% flexibility. **Please note that the overall Total Final Budget should be the same as the overall Total Contractual Budget.**

To support this exercise, the sheet will automatically calculate the variance between the Total Contractual Budget and the Total Final Budget (in total and per category) and will indicate if the percentage of the shift 20% is respected or not.

In practice, please compare per category the amounts included in the line **Total Declared Costs** with the ones of **Total Contractual Budget**

1. When the Total Declared Costs for the project are inferior or equal to the Total Contractual Budget, then in principle all costs can be covered by the budget so make sure that the proposed amounts included in the Total Final Budget per cost category are at least equal to the amounts of the declared costs for that particular category. The difference between the Total Final Budget and the Total Contractual Budget can then be added to the cost categories of your choice to ensure that Final and Contractual budget are in balance (variance = 0);
2. if the amount of the Total Declared Costs is higher than the Total Contractual Budget, then there is a general overspending on the project and not all costs can be financed by the Total amount of the Contractual Budget. The Coordinating Beneficiary will decide on the amount of the Final Budget to be allocated to each of the cost categories. It should be ensured that Final Budget for a given cost category is not higher than the amount of the Declared Costs for that same cost category. Also take into account that the Total Final Budget in the end equals the Total Contractual Budget.

B. Specific guidance for Integrated Project Coordinating Beneficiaries:

At the end of each phase, a consolidated financial statement needs to be filled for each interim report (including the project costs and income for the related phase).

An extra consolidated financial statement (besides the one related to the last phase) will have to be filled at final report stage. This statement will integrate all the costs & incomes for the entire project period. This statement will be important for checking the compliance with 2% rule, the budget shift

etc. Please note that it may be useful to start updating this additional consolidated financial statement as of phase 2 since it will provide the consortium with the overall cost and income situation.