

Miscellaneous Technical Statement

M 45 - Grant Claims

This guidance is issued by the Institute of Chartered Accountants in Ireland in July 2006 to assist reporting accountants when asked to provide reports to agencies listed in this statement. The guidance does not constitute an auditing standard. Professional judgement should be used in its application.

The guidance also reflects good practice for sponsoring bodies and grant paying bodies to requests for accountants' reports on grants.



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Contents

1	Introduction	1
2	Requirements of grant-giving agencies	2
2.1	Obligations of grant-giving agencies	2
2.2	Grant approval and payments	2
2.3	Terms of grant	3
2.4	Information required from grant claimant	3
2.5	Communication with reporting accountant	4
3	Scope of accountant's work and terms of engagement	5
3.1	Nature and extent of the accountants' examination of grant claims	5
3.2	Standardised terms forming part of grant condition	5
3.3	Accountant's liability and duty of care	6
4	Conduct of accountant's work	7
5	Reporting by accountants	8
5.1	Format of report	8
5.2	Purpose of report	8
5.3	Form of report	8
<u>Appendices:</u>		
A	Recommended work programme	10
B	Model Terms of Engagement offered as part of the grant conditions	14
C	Example of independent accountant's report containing unqualified conclusion	18
D	Directors' statement of claim	20

1 Introduction

This Miscellaneous Technical Statement (“MTS”) has been produced in conjunction with the agencies listed below to provide information to businesses and accountants regarding accountants’ reports on grant claims and to confirm the agencies’ agreement to the model terms of engagement and scope of the accountants’ work and reports that it contains. The MTS takes account of the guidance to members of the ICAI in Miscellaneous Technical Statement 39 “*Reporting to third parties*”.

The agencies

The agencies referred to in this MTS comprise the following grant-giving bodies:

Enterprise Ireland

IDA Ireland

SFADCo

Údaras Na Gaeltachta

Fáilte Ireland

Sports Council of Ireland

Bord Bia

Other agencies may agree to the approach set out in the document. Where this is the case they will be added to the above list. Users are advised to check the ICAI website (www.icaei.ie) to ensure they have the current version.

The ICAI Miscellaneous Technical Statement M18 – “*Examining and Reporting on Application for Capital Grants from the Industrial Development Authority - Republic of Ireland*” has been withdrawn from July 2006.

2 Requirements of grant-giving agencies

2.1 Obligations of grant-giving agencies

Grant giving agencies in Ireland are responsible for determining the appropriate allocation of significant amounts of funding from the Irish government and the European Union. In so doing, they are required to ensure that public funds are used in accordance with applicable law and for purposes approved by Government.

Government departments are accountable to the Oireachtas for ensuring that public funds are used appropriately in a manner that meets the over-arching requirements of propriety and regularity.

2.2 Grant approval and payments

Activities qualifying for grant funding by an agency derive from the statutory provisions under which each agency is established and other government directives and are set out by the agencies in their annual reports and other publications. Such activities may take the form of provision of capital, funding for purchase of fixed assets, funding for research and development or other expenditure whose purpose is to expand a business's markets.

Applications for grant funding are assessed and a decision made, taking into account the following key considerations:

- need for financial assistance;
- value for money;
- commercial considerations;
- technical considerations;
- financial track record.

In arriving at a decision, the agencies also take into consideration all appropriate regulations including EU state aid rules and policy direction from relevant Government Departments.

Following approval, the agencies issue a Letter of Offer or Grant Agreement detailing the amount and conditions of grant and other relevant legal documentation for completion, where appropriate.

When conditions of approval have been met, the grant claimant will submit a claim for payment in the agency's prescribed format and accompanied by a Directors' Statement of Claim in the format set out in Appendix D, which is required by the agency to be accompanied by an independent accountant's report following the format set out in Appendix C. For the purposes of this document, an accountant is defined as a member holding a practising certificate or equivalent issued by an accountancy body or a firm that is registered to conduct statutory audits by an accountancy body that is a member of the

Consultative Committee of Accountancy Bodies – Ireland (CCAB-I)¹ or CCAB UK² and who is independent of the grant claimant.

2.3 Terms of grant

The agencies are required to ensure that grants are paid only in appropriate circumstances. Grants are therefore normally only provided for expenditure that is:

- incurred as part of a project approved by the agency concerned;
- incurred during the period specified by the letter of offer or grant agreement;
- fully paid by the enterprise;
- incurred on an arm's length basis; and
- not the subject of any previous grant unless disclosed and reported.

Grants may become repayable in particular circumstances.

The agencies consider each grant application in the light of the grant claimant's business development plan and other relevant matters discussed with the agency's representative. The agency may establish particular terms for each grant. Specific terms for each grant are set out in the letter of offer or grant agreement. Grant claimants are required to indicate their agreement to the terms by signing a copy of the letter or agreement and returning it to the agency concerned.

2.4 Information required from grant claimant

The directors of an enterprise seeking grant funding (or persons holding equivalent positions in non-corporate enterprises) are responsible for providing complete, accurate, relevant and reliable information to the agency concerned to enable it to assess the initial application for funding, and subsequently for providing accurate and reliable details of expenditure for which grant payment is sought, in the prescribed format referenced in 2.2 and the format set out in Appendix D. The directors are also responsible for engaging an accountant to report on that information, as set out in this MTS.

¹ CCAB-I comprises the Association of Chartered Certified Accountants, the Chartered Institute of Management Accountants, the Institute of Certified Public Accountants in Ireland and the Institute of Chartered Accountants in Ireland.

² CCAB UK comprises Association of Chartered Certified Accountants, the Chartered Institute of Management Accountants; the Institute of Chartered Accountants in England and Wales, the Institute of Chartered Accountants in Scotland.

2.5 Communication with reporting accountant

The agencies undertake that, if they become aware of information likely to be material to a particular accountant's report, they will seek to bring that information to the attention of the accountant, subject to their duty of confidentiality to the claimant.

3 Scope of accountant's work and terms of engagement

By requiring grant claimants to obtain reports from accountants, the grant giving agencies obtain independent assurance in relation to the amounts of expenditure for which payment is claimed.

The nature of certain types of grant may facilitate provision of assurance based on examination of evidence relating to all amounts claimed and the totality of related expenditure based on the professional judgement of the accountant. Other types of grant, for example, those providing funding for specified elements of a business's payroll costs, involve documentation that does not permit an equivalent level of assurance to be provided by accountants on the totality of the amounts claimed without incurring costs that may be disproportionate to the level of grant.

Certain factors determining the appropriateness of grant payment relate to matters on which accountants cannot provide meaningful assurance. For example,

- the requirement for expenditure to be incurred on an 'arms length basis' may involve consideration of expert knowledge of industry conditions and appropriate value for money criteria. Consequently, the work to be undertaken by the accountant does not include procedures to assess arm's length values. However the accountant considers the implications for his report of information coming to his attention that in his opinion may be relevant to the agency in the context of the grant claim (see section 5.3);
- conditions for a particular grant may involve non-accounting criteria agreed between the claimant and agency concerned, such as engineering specifications relating to plant and machinery. These criteria may not fall within an accountant's expertise. Where this is the case, the agency obtains any information or confirmations it considers necessary, for example from the relevant agency representative or inspection staff. It does not seek assurance from the accountant on such matters. Where appropriate, the accountant may wish to draw attention in his reports to any areas of technical information relevant to a particular grant where specialist review may be appropriate.

3.1 Nature and extent of the accountant's examination of grant claims

In view of the variations that exist between different types of grant, the agencies have agreed that the assurance they require is best provided by obtaining reports from an accountant setting out conclusions drawn from the procedures set out in Appendix A.

3.2 Standardised terms forming part of grant condition

Agreement of terms for the conduct of work relating to a grant claim reduces misunderstandings or delays at a later stage. To facilitate such agreement, the agencies and

the CCAB-I have developed model Terms of Engagement for an accountant to undertake necessary work for grant claimants. These are set out at Appendix B to this MTS. The agencies have undertaken to publish these model terms on their websites and as a consequence agree to be bound by them in relation to an accountant's report relating to a grant claim.

Once the Terms are incorporated in a letter of engagement accepted by the grant claimant and accountant, an agreement binding on all three parties is formed.

It is intended that the model Terms will ordinarily apply to all engagements for accountant's reports on grant claims, without the necessity for agencies to agree separate Terms in each case. However, in rare circumstances, either the agency concerned or the accountant may consider that a variation is required. Where this is the case, the proposed varied terms will be set out by the agency in its letter of offer or grant agreement, or will be agreed in writing with the agency by the accountant prior to starting work.

3.3 Accountant's liability and duty of care

The agencies expect that the accountant providing reports on grant claims acknowledges a duty of care to the agency concerned. Agreement to the model Terms of Engagement provides that acknowledgement.

3.3.1 Risk management issues

An accountant applies normal risk assessment procedures before entering into an engagement to provide a report in connection with a grant claim. Additionally, the accountant is not legally bound to provide a report to a grant claimant in a particular form specified by a grant claimant without appropriate consultation. Where a grant claimant requests an accountant to provide a report in a format that differs from that set out in this document, the accountant may seek agreement from the agency to a form of report that is consistent with this guidance or may decline to provide a report.

4 **Conduct of accountant's work**

The agencies expect an accountant to undertake his work in accordance with the Fundamental Principles established by the accountancy bodies. The Fundamental Principles require members to:

- behave with integrity in all professional business relationships. Integrity implies not merely honesty but fair dealing and truthfulness;
- strive for objectivity in all professional and business judgements. Objectivity is the state of mind which has regard to all considerations relevant to the task in hand but no other;
- not accept or perform work which they are not competent to undertake unless they obtain such advice and assistance as will enable them to competently carry out the work;
- carry out professional work with due skill, care, diligence and expedition and with proper regard for the technical and professional standards expected of them as members of a professional body; and
- conduct themselves with courtesy and consideration towards all with whom they come into contact during the course of performing their work.

The agencies also expect the accountant to take into account the terms of grant set out in the relevant letter of offer or grant agreement.

The accountant should also have regard to ethical standards and guidance issued by the Auditing Practices Board and the relevant accountancy body.

If an agency is dissatisfied with the work undertaken by an accountant it may refer the matter to the complaints process of the relevant CCAB-I body. Details of these may be found on the websites of the CCAB-I bodies.

5 Reporting by an accountant

5.1 Format of report

The format of report expected from an accountant and reflecting the model Terms of Engagement is set out in Appendix C³.

The accountant's report should make clear:

- the nature of the procedures performed, by;
 - cross reference to the relevant procedures set out in Appendix A;
 - description of amendments or additions to those procedures, as provided for under 5.3 below;
- the accountant's conclusion, noting any limiting factors or qualification to that conclusion;
- any reservations arising from evidence considered in the course of performing the stated procedures that the accountant considers to be of material significance to the agency's assessment of the claim for payment.

5.2 Purpose of report

The accountant's report is made solely to the company's directors, as a body, and to the agency in accordance with the model Terms of Engagement set out in this MTS as varied, if appropriate and agreed with the agency, to reflect specific circumstances set out in the relevant letter of offer or grant agreement. The accountant acknowledges that the report is made available to the agency solely for its use in fulfilling its responsibilities for proper application of grant funds and that it may be made available to relevant Government departments or to agencies of the European Commission. The agencies do not make an accountant's report available to other parties except where the accountant's consent is obtained or disclosure is required for legal or regulatory purposes.

5.3 Form of report

The wording of the report should follow the format and wording set out in Appendix C.

³ Any variation to the format of report (excluding qualification of the accountant's conclusion or other additional information as envisaged in paragraph 5.1) is subject to paragraph 5.3.1.

Appropriate additional comment should be included to reflect circumstances in which the accountant concludes that the conclusion should be qualified or where it is considered necessary to bring certain matters to the attention of the agency. It is envisaged that these situations will fall into three categories:

- (i) where the amount of an item of expenditure is determined on a basis involving a significant degree of subjective judgment, e.g., an apportionment of expenditure common to assets included in a grant application and assets excluded from the application, or allocation of the grant claimants' own wages or overhead expenditure. The reporting accountant should deal with such issues by including appropriate additional commentary in the report, e.g., by setting out the basis of apportionment or allocation therein;
- (ii) where expenditure is supported by relevant documentation but there are attendant circumstances of which the agency should be aware so as to ensure that there is no misunderstanding;

Some examples are:

- o where the supplier is a member of a group of companies to which the grantee belongs,
- o where the party invoicing and/or being paid by the grantee is not the actual supplier but an intermediate body, e.g., a project management company, which in turn is invoiced by and/or pays the actual supplier.

This type of situation should also be dealt with by way of inclusion of additional information in the independent accountant's report, i.e. the facts should be outlined explicitly therein.

- (iii) where the reporting accountant is unable to agree expenditure to relevant documentation or establishes that it has not been incurred and/or paid, or where the expenditure is not in accordance with the grantee's books and records, e.g., it is classified differently in the application and in the books of account. These circumstances require a qualification of the reporting accountant's opinion given in the report.

5.3.1 Variations in format of report

Where in exceptional circumstances, the accountant considers that a variation to the format of report is appropriate, the accountant should inform the agency in writing of the proposed alternative format of report and obtain written agreement to it, prior to commencing work.

Appendix A

Recommended work programme

An accountant should use professional judgement when undertaking the procedures set out in the following work programmes and may carry out additional procedures if considered appropriate to do so in the light of particular circumstances.

Completion of these procedures is considered sufficient as the basis for an accountant's report on a grant claim in normal circumstances. If, in exceptional cases, an accountant forms the view that the work programme requires amendment, the accountant should inform the agency of the proposed alternative programme in writing and obtain its written agreement prior to commencing work.

Appendix A

Work Programme

<p>1. Read the letter of offer or grant agreement. Where there is a lack of clarity in relation to any aspect of the terms of the agreement, the accountant should request the grantee to seek clarification from the granting agency. Note the terms of the grant and any specific requirements.</p>	
<p>2. Obtain a copy of the directors' statement of claim and assess whether the classes of expenditure are worded consistently with the terms set out in the letter of offer or grant agreement.</p>	
<p>3. Enquire about and document the process by which the grant claimant identifies each class of expenditure eligible for grant.</p> <ul style="list-style-type: none"> - identify controls operated in that process. - (where relevant) undertake walkthrough tests to establish that such processes/procedures operate as expected. - determine the extent to which reliance can be placed on the operation of those controls for the purpose of reporting on the grant claim. 	
<p>4. For expenditure on payroll costs (if included), obtain schedule of relevant costs and</p> <ul style="list-style-type: none"> - agree totals to company's books of account. - check arithmetical accuracy. - test operation of relevant controls over determination of relevant payroll. - trace a sample of payments from schedule to payroll records and to bank records evidencing payment. - examine employment contracts establishing identity, employment status and role of the personnel identified in the sample above and named in the grant claim. - assess whether information concerning employee's role in the employment contracts examined appears consistent with expenditure eligible for grant. 	

Appendix A

<p>5. For expenditure other than payroll, obtain a schedule of relevant costs and</p> <ul style="list-style-type: none"> - agree amounts to company's books of account. - check arithmetical accuracy. - test check controls over compilation of relevant costs. - trace a sample of payments to source third party invoices or other appropriate source documents and to bank records. - assess whether source documents indicate that expenditure falls within approved categories as set out in the letter of offer or grant agreement. 	
<p>6. Employment Grants</p> <p>Obtain a copy of the directors' statement of claim and check</p> <ul style="list-style-type: none"> - the total number of eligible employees in the company at the claim date. - the total number of employees previously grant aided. - the increase in employee numbers for which grant is now being claimed. - arithmetical accuracy of the claim. <p>Examine employment contracts for those employees who are the subject of the grant claim and check that they are in accordance with the terms of the Grant Agreement. (Employment contracts for replacement employees should also be checked in the same way).</p>	
<p><i>Note: for steps 3 to 6, accountants should determine an appropriate sample size in accordance with their professional judgement⁴, taking into account the nature of the expenditure concerned and the quality of the claimants' procedures and controls. Sample sizes should be selected with the objective of reducing risk to an acceptably low level as a basis for the accountant's opinion.</i></p>	
<p>7. Obtain such explanations and information from the directors as considered necessary to assess whether expenditure incurred and paid and/or employment numbers meet(s) grant conditions.</p>	
<p>8. Review previous claims made under this agreement, and management's control processes to ensure that no duplication occurs.</p>	
<p>9. Consider the results of the work performed and whether evidence obtained in the course of carrying out these procedures warrants expression of a reservation</p>	

⁴ In arriving at sample sizes accountants should have regard to guidance on best practice for example as set out in International Standard on Auditing (UK and Ireland) 530 'Audit sampling and other means of testing'.

Appendix A

concerning information in the grant claim. Prepare a report appropriately reflecting conclusions drawn.	
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Appendix B

Model Terms of Engagement offered as part of the grant conditions

An agreement between a grant claimant, its reporting accountants and the relevant agency on these terms is formed when the accountant signs and submits a report as set out in these Terms.

In these terms of engagement:

“the grant claimant” refers to the organisation that is applying for funds;

“the accountant” refers to the grant claimant’s independent reporting accountant.

“the agency” refers to the grant giving agency concerned.

1. Introduction

[*insert name of grant claimant*] is required to submit to [*insert name of the agency*] reports as set out in Clause 3 below that are also signed by an accountant to provide independent assurance. These terms of engagement set out the basis on which the accountant will sign the report.

2. The grant claimant’s responsibilities

- 2.1. [*grant claimant*] is responsible for the completeness and accuracy of the grant claim, and for full compliance with all terms of the grant agreement. [*grant claimant*] is responsible for producing the [*data*], maintaining proper records complying with the terms of any legislation or regulatory requirements and the [*agency*]’s terms and conditions of grant (“the grant conditions”) and providing relevant information to the [*agency*] on a basis in accordance with the requirements of the grant conditions. [*grant claimant*] is responsible for ensuring that the non-financial records can be reconciled to the financial records.
- 2.2. The management of [*grant claimant*] will make available to the accountant all records, correspondence, information and explanations that the accountant considers necessary to enable the accountant to perform his work.
- 2.3. [*grant claimant*] and the [*agency*] accept that the ability of the accountant to perform his work effectively depends upon the grant claimant providing full and free access to the financial and other records, and [*grant claimant*] shall procure that any such records held by a third party are made available to the accountant.

Appendix B

3. Scope of the accountant's work

- 3.1. [grant claimant] will provide the accountant with such information, explanations and documentation that the accountant considers necessary to carry out his responsibilities. The accountant will seek written representations from management in relation to matters for which independent corroboration is not available. The accountant will also seek confirmation that any significant matters of which the accountant should be aware have been brought to the accountant's attention. Such representations will be attached to the accountant's report.
- 3.2. The accountant will perform the procedures⁵ set out in Appendix A of Miscellaneous Technical Statement M45 – “Grant claims” (“the MTS”) issued by [insert name of appropriate CCAB body].
- 3.3. The accountant accepts his obligation to the [agency] to perform his work with reasonable care as set out under conduct of accountants work in Section 4. The failure by [grant claimant] to meet its obligations may cause the accountant to qualify his report or be unable to provide a report.
- 3.4. The accountant will not subject the information provided by [grant claimant] to checking or verification except to the extent expressly stated. While the accountant will perform the accountant's work with professional skill and care, the accountant's work should not be relied upon to disclose all misstatements, fraud or errors that might exist.
- 3.5. Subject to any adverse findings, the accountant will produce a report in the form set out in Appendix C of the MTS.

4. The accountant's report

- 4.1. The accountants' reports are prepared on the following basis:
 - 4.1.1. The accountant's reports are prepared solely for the confidential use of [grant claimant] and the [agency] and solely for the purpose of submission to the agency in connection with the [agency]'s requirements in connection with [name of grant]. They may not be relied upon by the [grant claimant] or the [agency] for any other purpose except as provided in 4.1.2 below;
 - 4.1.2. The [agency] may only disclose the reports to others who have statutory rights of access to the report. ;
 - 4.1.3. Neither [grant claimant] nor the [agency] may rely on any oral or draft reports the accountant provides. The accountant accepts responsibility to [grant claimant], the [agency] for the accountant's final signed reports only;

⁵ It is anticipated that the standard procedures set out in the Appendix will ordinarily apply. In rare circumstances, an agency may consider amended procedures appropriate and if so will set out its expectations in the letter of offer or grant agreement. In such cases, this paragraph should be amended to reflect the varied scope of the accountants' work.

Appendix B

- 4.1.4. The accountant's reports must not be recited or referred to in whole or in part in any external document (including, without limitation, any publication issued by the [agency] without the prior written approval of the accountant);
- 4.1.5. Except to the extent required by court order, law or regulation or to assist in the resolution of any court proceedings, the accountant's reports must not be made available, copied or recited to any other person outside the agency (including, without limitation, any person who may use or refer to any of the [agency]'s publications);
- 4.1.6. Except as provided by 4.1.2 herein, the firm of accountants, its partners and staff neither owe nor accept any duty to any other person (including, without limitation, any person who may use or refer to any of the [agency]'s publications) and shall not be liable for loss, damage or expense of whatsoever nature which is caused by their reliance on representations in the accountant's reports.

5. Liability Provisions

- 5.1. The accountant will perform the engagement with professional skill and care in accordance with Fundamental Principles established by the accountancy bodies, which require that accountants
- behave with integrity in all professional business relationships. Integrity implies not merely honesty but fair dealing and truthfulness;
 - strive for objectivity in all professional and business judgements. Objectivity is the state of mind which has regard to all considerations relevant to the task in hand but no other;
 - not accept or perform work which they are not competent to undertake unless they obtain such advice and assistance as will enable them to competently carry out the work;
 - carry out professional work with due skill, care, diligence and expedition and with proper regard for the technical and professional standards expected of them as members of a professional body; and
 - conduct themselves with courtesy and consideration towards all with whom they come into contact during the course of performing their work.
- 5.2. The accountant acknowledges that he will be liable to [grant claimant], the [agency] for losses, damages, costs or expenses ("losses") caused by its breach of contract, negligence or wilful default, subject to the following paragraphs.
- 5.3. The accountant will not be so liable if such losses are due to the provision of false, misleading or incomplete information or documentation or due to the acts or omissions of any person other than the accountant, except where, on the basis of the enquiries normally undertaken by an accountant within the scope set out

Appendix B

in these terms of engagement, it would have been reasonable for the accountant to discover such defects.

- 5.4. Any claims, whether in contract, negligence or otherwise, must be formally commenced within 6 years after the party bringing the claim becomes aware (or ought reasonably to have become aware) of the facts which give rise to the action.
- 5.5. This engagement is separate from and unrelated to the accountant's audit work on the financial statements of the [grant claimant] for the purposes of the Companies Act 1963-2005 or other legislation and nothing herein creates obligations or liabilities regarding the accountant's statutory audit work, which would not otherwise exist.

Fees

The accountant's fees together with VAT and out of pocket expenses, will be agreed with and billed to [grant claimant]. The [agency] is not liable to pay the accountant's fees.

Quality of Service

The accountant will investigate all complaints made known to him. The [agency] or the [grant claimant] have the right to take any complaint to [insert name of CCAB-I member body]. The [agency] or [grant claimant] may obtain an explanation of the mechanisms that operate in respect of a complaint to the ICAI from the ICAI website, www.icaire.com. [insert appropriate details for other bodies]

6. Applicable law and jurisdiction

- 6.1. This agreement shall be governed by and interpreted and construed in accordance with Irish Law.
- 6.2. [grant claimant], the [agency] and the accountant irrevocably agree that the courts of Ireland shall have exclusive jurisdiction to settle any dispute (including claims for set-off and counterclaims) which may arise in connection with the validity, effect, interpretation or performance of, or the legal relationship established by this agreement or otherwise arising in connection with this agreement.

7. Alteration to Terms

Additions, amendments and variations to these terms of engagement shall be binding only if in writing and signed by the duly authorised representatives of the parties. These terms supersede any previous agreements and representations between the parties in respect of scope or the accountant's work and the accountant's report or the obligations of any of the parties relating thereto (whether oral or written) and represent the entire understanding between the parties.

Appendix C

Example of independent accountant's report containing unqualified conclusion

Independent accountant's report to [name of agency] and the directors of XYZ Ltd ('the company') on the financial information supporting a claim of grant by the company from [agency] under [[the letter of offer] [grant agreement] dated ...] [grant number xx] [delete if not appropriate: for the period [date] to [date]].

We have completed the procedures agreed in our letter of engagement dated... in relation to the financial information contained in the attached directors'⁶ statement supporting the company's application for grant of € , dated [date] made under [the letter of offer dated ... and] [agreement number xx] and signed on behalf of the company] on [date].

Respective responsibilities of directors and accountants

The directors of the company are solely responsible for providing [name of agency] with a statement setting out relevant financial information, prepared in accordance with the letter of offer or grant agreement . The directors are responsible for providing accurate and reliable details of expenditure for which grant payment is sought. Our responsibility is to carry out the agreed procedures and to report our conclusions based on those procedures to you.

Procedures

Our work was undertaken in accordance with Miscellaneous Technical Statement M45 – "Grant claims") and consisted of procedures set out in Appendix A to that document [*if applicable - with the following modifications: agreed by (agency) in writing.....*], and appended to this report. Our procedures included obtaining representations from the directors in relation to certain judgemental matters, and these representations are attached hereto for ease of reference.

These procedures do not constitute an audit, were restricted to the matters specified in the statement of grant claim and did not extend to the company's financial statements taken as a whole. Therefore this report does not express any assurance in relation to the financial statements of the company.

This report is made solely to the company's directors, as a body, and [name of agency] in accordance with our letter of engagement. Our work has been undertaken so that we might report to the directors and agency those matters we are required to state to them in an accountant's report on a grant claim and for no other purpose. Our report is addressed to [the agency] solely for its use in fulfilling its responsibilities for proper application of grant

⁶ Or equivalent persons in unincorporated organisations

Appendix C

funds. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's directors and [agency] as a body, for our work, for this report, or for the opinions we have formed.

Conclusion

Based on the procedures set out above, in our opinion, the statement of grant claim attached dated [date] is consistent with the records we inspected and has been prepared, in all material respects, in accordance with the requirements set out in the letter of offer or grant agreement dated [date].

Appendix D

Directors' statement of claim

The template in this Appendix sets out the required elements of a statement of claim. Specific details to be provided within this framework in support of a claim are determined by reference to the type of activity for which grant funding is provided and terms of the grant agreement. Statements of claim are required to be accompanied by a: independent accountant's report following the format set out in Appendix C

EXAMPLE GRANT CLAIM

On Company Letterhead

The Manager
Grant Payments Section
AGENCY

Summary of Claim to Accompany Accountant Report

Date
Dear Sir / Madam

Re: (State name of Company)
Grant Contract Dated:
Claim No.

In accordance with the above contract under which a **Research and Development Grant (Product and Process Development)** amounting to €(State Amount) (%) was approved for (Name of Grantee), we hereby apply for a grant instalment amounting to €(State Amount).

The following amounts have been paid to date, are exclusive of VAT and Employer's contribution to Pay Related Social Insurance and are in accordance with the books and records of the Company.

		Salaries & Wages	Materials	Fees	Travel	O/Heads	Total
Cumulative Expenditure to last claim	1						
Deduct: Disallowed expenditure to date	2						
Sub-Total (1 - 2)	3						
Expenditure per this application	4						
Total Expenditure	5						
Amount Payable (% of 5)	6						
Amount of grant already received	7						
Instalment now being claimed (6 - 7)	8						

Details of expenditure in respect of the present application are attached and supporting invoices, statements etc. in respect of this application can be inspected at the Company's premises at (State Address).

Yours faithfully

Managing Director or Two Directors