



# Invest Northern Ireland

## Cost Based Claims Guidance Notes

Claims Guidance Notes		
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# 1. PREPARING YOUR CLAIM

All Cost Based claims must be completed using MS Excel. The Cost Based Claim Pack cannot be completed using Apple MACs and any claims which are submitted via a MAC will not be logged.

## 1.1 Complete Cost Schedules

Enter required information onto relevant Cost Schedules for all expenditure to be claimed in the Claim Period. Refer to further guidance below on how to complete relevant schedules.

Different types of cells contained within the claim pack and how to complete them:

- Clear cells  
These need to be completed for all schemes.
- Pale coloured cells  
These only need to be completed if they are applicable to the specific scheme/foreign currency.
- Greyed out cells  
These cells are completed automatically when related cells are completed.

## 1.2 Claim Periods

Claimed Expenditure relating to **eligible** project activity can only be claimed when **all** of the following criteria have been met:

- Expenditure has been **incurred** in the grant earning period
- Expenditure has been **paid** before the end of the claim period
- Invoiced Goods and Services have been **delivered / completed** before the end of the claim period



**Expenditure must be claimed in the first claim period where all of the above criteria have been met**

### Example

ABC Ltd is in receipt of a development Letter of Offer issued 1 February 2016 providing assistance on eligible project activity from the date of issue until 31 January 2019 (the grant earning period)

ABC Ltd booked accommodation and flights in June 2016 relating to eligible project activity scheduled for later that year in November 2016. The flights were paid in full at the time of booking in June 2016. A deposit in respect of the accommodation was charged to the company credit card in July 2016 and the balance was paid directly to the hotel at the end of the hotel stay in November 2016. The business submits quarterly claims on calendar year basis.

The above expenditure should be included in the claim submitted for the quarter ended 31<sup>st</sup> December 2016 as this is the quarter when all qualifying criteria have been met. Claims cannot be submitted in earlier quarters because the services (flight and accommodation) had not been delivered / completed.

### 1.3 Grant Paragraphs / Grant Types

Please note that your Letter of Offer may contain a number of grant paragraphs offering different types of grant for separate activities (e.g. Key Worker Grant, Development Grant, Employment Grant etc.).



**Please note that a separate claim must be completed and submitted for each grant type and paragraph.**

### 1.4 Independent Accountants Reports

An [Independent Accountants Report](#) (IAR) prepared in accordance with Invest NI's standard format is required for all claims over £25,000 grant.



**You should only submit your claim when:**

- The IAR accompanies your submission, or
- The Independent Accountant has confirmed to you that the IAR has been completed and submitted to Invest NI.

### 1.5 Supporting Documentation

It is not necessary to include electronic copies of supporting documentation (e.g. Invoices, bank statements) when submitting the claim. A request for a sample of supporting documentation will be issued as part of the vouching process.

### 1.6 Further Guidance

Before completing your claim refer to our [guidance on eligible costs](#) available on our website.

## 2. SUBMITTING YOUR CLAIM

All Cost Based claims must be completed using MS Excel. The Cost Based Claim Pack cannot be completed using Apple MACs and any claims which are submitted via a MAC will not be logged.

Please submit claims electronically via email to:

[claims@investni.com](mailto:claims@investni.com)

Please include a subject title in the email when submitting your claim using the following naming convention:

Subject: **Claimant Name**/Letter of Offer Ref/**Claim Sequence Number**

Example:

Subject: **Business Ltd**/1345-101213456/**Claim No. 5**

### 3. COMPLETING YOUR CLAIM

The Claim Pack consists of a Claim Form, Cost Schedules and Supporting Schedules.

The following documents MUST be submitted when claiming drawdown of grant:

- **Claim Form**
- **Cost Schedules (see table below)**
- **Supporting Schedules (see table below)**
- **Employee Reference Schedule**

GRANT TYPE	COST SCHEDULES			SUPPORTING SCHEDULES				Additional Schedule*
	Project Costs	Labour Costs – Full Salary	Labour Costs – Project Hours	PHR	Activity List	Stores Issues	Depreciation	
Capital	●							
Capital - Tourism	●							
CDS	●							
Collaborative Network	●							
Collaborative Grant for R&D	●	●	●	●		●	●	●
Technical & Commercial POC	●	●	●	●		●	●	●
Development	●							
E-Business Investment	●							
Grant for R&D	●	●	●	●		●	●	●
Key Worker		●						
Management Salary		●						
Operating	●							
Project Definition	●		●	●		●	●	●
Resource Efficiency Capital	●							
Skills Advancement	●				●			
Skills Growth	●		●	●	●			●
TDI	●							
Brexit	●	●						

\* Note – The Employee Reference Schedule is separate from the Claim Pack and can be downloaded from our website when required to be included in support of a claim. The Employee Reference Schedule identifies an individual name against the Unique Employee Reference number provided in the Claim Pack. We ask that the information is provided on a separate schedule in the interests of Data Protection.

## 4. THE CLAIM FORM

The claim pack is protected to ensure the integrity of formulas. Unprotecting the claim form and/or individual schedules may compromise the integrity of computations and result in the claim being returned.

### Letter of Offer Details

Section	Guidance
Claimant Name	The name of the legal entity submitting the claim.  You must contact your Client Executive where this is not the name of the entity to which the Letter of Offer has been issued prior to submitting a claim.
Offer Reference (LoO)	Please complete using the details on the front page of your Letter of Offer.
Project Title (if applicable)	Note: For Key Worker/Management Salary offers the supported Job Title should be entered under Project Title

### Claim Details

Section	Guidance
Claim Period Start Date	These cells are automatically populated. For information: Expenditure should be included in a claim period only when <b>all</b> of the following criteria hold: <ol style="list-style-type: none"> <li>1. Expenditure has been <b>incurred</b> in the grant earning period</li> <li>2. Expenditure has been <b>paid</b> before the end of the claim period</li> <li>3. Invoiced Goods and Services have been <b>delivered/completed</b> before the end of the claim period</li> </ol>
Claim Period End Date	
Grant Paragraph Number	Enter the grant paragraph relating to the claim.  Your Letter of Offer may contain a number of grant paragraphs offering different types of grant for separate activities (e.g. Key Worker Grant, Development Grant, Employment Grant etc.). <b>A <u>separate claim</u> must be completed and submitted for each grant type and paragraph.</b>
Number of Workers	The total number of workers employed in the business at the date of this claim.

## THE CLAIM FORM (Continued)

### Amount Claimed

Section	Guidance
Expenditure Claimed	Automatically populated from Cost Schedules.
Grant Rate Percentage	Enter the grant rate as stated under the relevant grant paragraph in the Letter of Offer.
Grant Amount	Automatically calculated.

### Declaration



Please note your claim will be returned if the declaration has not been complied with.

Section	Guidance
Declaration Statements	Read each statement carefully and ensure your claim is compliant.
Submitted by	
Name	The full name of the person submitting the claim on behalf of the company.
Date	The date on which the claim was prepared/submitted.
Position	The position of the person who submitted the claim on behalf of the company.
Preferred Point of Contact	
Name	The full name of the person chosen by the Claimant to be the main Point of Contact during the processing of the claim.
Phone Number	The name and contact details of your preferred point of contact who we will phone/email during the claims process
Email Address	



## 5. PROJECT COST SCHEDULE

### Invoice Details

Section	Guidance
Supplier Name & Address	The supplier's name and address as they appear on the invoice.
Related Party	Select 'Yes' to indicate if the goods were purchased from a Related Party.(See Definition) Otherwise select "No"
Internal Reference Number	Internal reference number - The unique code/reference used in your accounting system to identify the invoice.  If no internal reference used enter 'N/A'
Invoice Number	The invoice number as it appears on the invoice.
Invoice Date	The invoice date as it appears on the invoice.

### Expenditure Details

Section	Guidance
Cost Category/Activity Code/Fixed Asset Reference Number (not applicable for R&D)	<b>Skills Growth and Advancement Offers:</b> Enter the relevant Training Activity Codes from your training plan.  <b>Other grant types:</b> the relevant Cost Category against each line item where identified on the Letter of offer Annex.  <b>Capital Grants:</b> The unique reference number allocated to the piece of equipment on the asset register
Subhead (R&D Grants Only)	Please select the relevant Subhead from the dropdown menu as referenced in your Letter of Offer Annex.
Description of Expenditure (Goods & Services)	A brief description of the expenditure as per the narrative on the suppliers invoice sufficient to confirm the nature & eligibility of the cost
Description of Expenditure (Travel & Accommodation)	<ol style="list-style-type: none"> <li>1. Name of employee(s) travelling</li> <li>2. Date(s) of Travel</li> <li>3. From / To</li> <li>4. Purpose of Travel (Sufficient Narrative to confirm eligibility)</li> <li>5. Name(s) of persons / organisations being visited</li> </ol>
Description of Expenditure (Training Grant)	A brief description and the training course and the date it was undertaken
Description of Expenditure (Capital Grants)	Minimum Information Required: The business premises the asset being claimed is located. Preferred: Exact location as per asset register

## Payment Details

Section	Guidance
Statement Transaction Reference (Optional)	The payment reference number (e.g. the cheque number or the BACS reference number) which allows tracing to a remittance advice and normally appears on the Payment Account statement.
Paid Date	The date that the payment cleared as evidenced on the relevant statement. (Please note this is not the date that a cheque was written or a payment approved.)
Last 4 Digits of Account form which payment has been made	The last 4 digits of the company bank account or company credit card.

## Expenditure (Sterling /Sterling Equivalent)

Section	Guidance
£ Gross Invoice Amount	The total invoice amount paid. (Equivalent sterling amount for non-sterling)
£ Claimed Expenditure	The actual eligible expenditure. This will <b>exclude VAT</b> and any other costs not eligible under the terms of the Letter of Offer.  Please note: Where an invoice includes items which are not eligible, the description of expenditure should be sufficiently detailed to facilitate the identification of the claimed expenditure.

## Non-Sterling Currency Transactions Only

Section	Guidance
Currency of Invoice	For non-Sterling invoices provide the currency in which the invoice was issued.
Gross Invoice Amount	The gross amount (in currency of invoice) as stated on the invoice including tax.
Exchange rate (£1= )	The actual exchange rate applicable to the amount ultimately settled in a Sterling a/c.  Transactions settled from non-sterling financial accounts should be translated by reference to a recognised foreign exchange website using the <b>payment</b> date for the date of translation. Notional exchange rates are not acceptable.

## 6. LABOUR COST SCHEDULE

Invest Northern Ireland grant supports the following two labour cost types:

- Full Salary: where the employee works exclusively on the project.
- Project Hours: where the employee does not work exclusively on the project.

### 6.1 Labour Cost Schedule - Full Salary

Timesheets will not be required where the employees' time on the project is supported by an underlying document that:

- a) Expressly states that the employee will work exclusively on the project for a period determined with a start and end date
- b) The document is signed by the employer
- c) The document is signed by the employee

### COMPLETING THE LABOUR COST SCHEDULE FOR FULL SALARY COSTS

Section	Guidance
Job Title	The employee's job title as per their contract of employment.
Employee Reference / Number	Labour Cost Schedules are be completed with employee numbers and not names in the interests of Data Protection.  Enter the unique employee reference number (usually a payroll number) that identifies the employee in your records.
Pay Period Ending	The end date of the pay period claimed (dd/mm/yyyy).
Basic Gross Salary	The Basic Gross Pay for the period being claimed.

## 6.2 Labour Costs – Project Hours

The cost of labour spent on eligible project activity by employees who do not work exclusively on the project is determined by:

$$\text{Project Labour Cost} = \text{Eligible Hours} \times \text{Project Hourly Rate}$$

**Eligible Hours** are those spent by employees on eligible project activity and are:

- Capped to a maximum of 8 standard hours per day (unless expressly agreed otherwise in the Letter of Offer)
- Supported by a signed attendance record that includes as a minimum:
  1. Description of activity/training undertaken (and activity code if applicable)
  2. Date of activity/training
  3. Hours Spent on the activity/training
  4. Signature of Employee who undertook activity/training
  5. Signature of Appropriate Authoriser / Approver

### **Project Hourly Rate**

The Project Hourly Rate is determined either as:

1. A standard rate for all employees expressly stated in the letter of offer (R&D offers)
2. An employee-specific Project Hourly Rate (PHR) as calculated in the PHR schedule of the claim pack\*

\*Note: The Claim Pack PHR schedule supersedes and replaces previous Claim Pack versions (i.e. GEHR & Published Lists)

Please refer to your Project Owner or Client Executive in the event of any query.

## **COMPLETING THE LABOUR COST SCHEDULE FOR PROJECT HOURS**

A separate line needs to be completed for each daily record against project activity.



The following Sections have to be completed for claims under Skills Growth only.

<b>Section</b>	<b>Guidance</b>
Activity Code	As per the Training Plan.
CTP %	The Contribution To Production (CTP) % rate as per the agreed Training Plan if applicable.  CPT% is <u>not</u> applicable to Trainers and should be left blank if claiming for Trainer costs (unless otherwise specified in the Letter of Offer)
Trainer	Select 'Trainer' from the drop-down list where the employee has acted in the capacity of trainer.



The remaining Sections have to be completed for ALL claims.

Section	Guidance
Date	The date on which the project activity took place. <b>Hours spent on eligible project activity must be claimed daily – i.e a separate line item is required for daily hours for each employee claimed,</b>
Daily Training/Project Hours	The total actual hours engaged on the activity / project on the day claimed (capped to 8 hours per day)
Employee Number	Labour Cost Schedules are to be completed with employee numbers and not names in the interests of Data Protection.  Enter the unique employee reference number (usually a payroll number) that identifies the employee in your records. Individual employees are identified against Unique Employee Reference Numbers in an Additional Schedule – “Employee Reference”
Day	Automatically calculated from information entered
Project Hourly Rate	Automatically populated from information provided in the PHR Schedule. (it is important to ensure that relevant information has been entered on the Employee Reference Schedule for all workers claimed)
Eligible Cost	Automatically calculated from information entered
Eligible Hours	Automatically calculated from information entered

## 7. SUPPORTING & ADDITIONAL SCHEDULES

### 7.1 PHR Schedule

- This schedule determines the Project Hourly Rate that will be used to calculate the eligible cost of time spent on eligible project activity by employees.
- Employees need only be entered once in the lifetime of a project
- The PHR schedule should be copied onto subsequent Claim Packs so that the schedule needs only to be updated with new employees working on the project.
- The Project Hourly Rate [PHR] for employees on the “Labour Costs – Project Hours” cost schedule will be updated automatically from the PHR schedule
- The PHR schedule must include all employees engaged in Project Activity.

Section	Guidance
Employee Number	The unique payroll reference number for the employee
Labour Cost Type	Select appropriate type from drop down menu: <ul style="list-style-type: none"> <li>- Salaried</li> <li>- Hourly Paid</li> <li>- R&amp;D Unit Cost (select relevant rate as per letter of offer)</li> <li>- Agency Staff (not applicable to R&amp;D)</li> </ul>
Basic Salary / Basic Hourly Rate Amount	All payroll information must relate to the first payroll period immediately preceding: <ul style="list-style-type: none"> <li>• the project start date; or</li> <li>• the first claim submitted for the project using the PHR schedule; or</li> <li>• the employee start date (if late than periods above)</li> </ul> <p>Basic Salary – enter the gross salary payable for the salary frequency selected (see below). For example, James is employed at an annual salary of £24,000 paid monthly. This can be entered as Basic Salary = £24,000, Frequency = Annual or Salary = £2,000, Frequency = Monthly</p> <p>Hourly Paid - the gross hourly rate as shown on payslip  R&amp;D Unit Cost - actual salary / wage of worker  Agency Staff - hourly rate as invoiced from agency</p>
Salary Frequency (Salaried Employees Only)	This box only needs to be completed for Salaried employees. Select relevant option from the drop down menu: <ul style="list-style-type: none"> <li>- Monthly</li> <li>- 4-Weekly</li> <li>- Fortnightly</li> <li>- Weekly</li> </ul>
Contracted Weekly Hours	The contracted weekly hours as per contract
Standard Full-time Weekly Hours	Defaults to Contracted Weekly Hours for Full Time employees.  <u>For Part Time salaried Employees only:</u> Enter the contracted weekly hours worked by a full time employee in an equivalent job
PHR	This will automatically calculate from data entered on the PHR Cost Schedule

## **7.2 Additional Schedule – Employee Reference**

This is a separate document from the Claim Pack and can be downloaded from our website and should be provided separately in the interests of Data Protection.

Labour Cost Schedules are completed with employee numbers and not names in the interests of Data Protection.

The Employee Reference schedule listing the name of the relevant individual and the Unique Employee Reference Number (usually payroll number) used on the claim pack must accompany the claim.

For R&D claims, you must also provide the Job Title in respect of all claimed workers.

## **7.3 Activity List (Skills Growth Claims only).**

Enter the Activity Code and Activity Description as per your daily training record for all activities claimed.

## **7.4 Stores Issues\* – (R&D Claims only).**

\*This schedule is hidden within the Claim Pack. If required please unlock it by right clicking on the tabs, clicking 'Unhide' and selecting it from the list.

The stocks and stores schedule is designed to collate the information relating to expenditure for items taken from internal stores.

If you have taken any materials from internal stores, enter the total amount of each stores requisition form as a single line on the Project Cost Schedule. The details of the individual items on each form should be entered onto the supporting Stores Issues Schedule.

The cost of items used from internal stores can only be reimbursed if a signed stores requisition form is available that clearly identifies the project.

The basis of determining unit costs must be as per normal and usual business practice – methodologies constructed exclusively for the purpose of drawing down grant are not eligible.

Additional costs such as overheads included in Unit Costs are not eligible.

A separate line for each material type should be entered.

## Stores Issues – (R&D Claims only) Continued

Sections to be completed:

Section	Guidance
Stores Requisition / Materials Issue Number	The unique number on the document that identifies the materials taken for use on the project.
Issue Date	The date that the requisition was signed or the date the materials were issued.
Material	A description of the materials taken from Stores.
Unit Cost	The cost per item that has been charged to the project.
Basis of Cost	<p>The calculation methodology used to determine a unit cost e.g.</p> <ul style="list-style-type: none"> <li>• Average – Costs for set period (usually annual) averaged</li> <li>• FIFO – First In First Out – cost charged based on price on earliest invoice</li> <li>• LIFO</li> <li>• Current</li> <li>• Other</li> </ul>
Quantity	The number of units of material taken from stores.
Claimed Cost	This is the total amount claimed for each Store Requisition.



## 7.4 Depreciation\* (R&D Claims Only)

\*This schedule is hidden within the Claim Pack. If required please unlock it by right clicking on the tabs, clicking 'Unhide' and selecting it from the list.

The Depreciation Schedule is designed to collate the information relating to the costs for project equipment usage.

The Depreciation Schedule has to be completed to determine expenditure claimed for equipment which will not be fully utilised during the life of the project (i.e. equipment which will exist beyond the life of the project).

The total Depreciation Charge as per the Depreciation Schedule has to be entered into the Project Cost Schedule in one line under Depreciation Costs.

Section	Guidance
Description of Equipment	A brief description of the expenditure as per the narrative on the suppliers invoice. The description must be sufficient to identify the cost for the equipment as being eligible under the Letter of Offer.
Location	The location at which the equipment is kept.
Supplier Name & Address	The name and address of the supplier.
Invoice Number	The invoice number as it appears on the invoice.
Invoice Date	The invoice date as it appears on the invoice.
Gross Invoice Amount	The sterling equivalent of the total invoice amount paid.
Net Invoice Amount	The actual eligible claimed expenditure. This will exclude VAT and any other costs not eligible under the terms of the Letter of Offer. Where an invoice includes items/elements which are not eligible, the description of expenditure should be sufficiently detailed to facilitate the identification of the expenditure which is being claimed.
Paid Date	The date that the payment was cleared through the Payment Account. Please note, this is not the date a cheque was written or a payment approved but the date on which the payment left the Payment Account controlled by the Claimant.
Fixed Asset Register Reference	The unique reference number allocated to the piece of equipment.
Number of Months Claimed	The number of months included in the claim.
Monthly Depreciation Charge	The monthly depreciation charge for the piece of equipment.
Depreciation Charge for Period	The total depreciation charge for the claim period is calculated automatically.

## GLOSSARY

- **Claimant** – the legal entity named on the Letter of Offer.
- **Cost Schedule** – fully itemised list of all expenditure being claimed.
- **Supporting Schedule** – schedule providing further information in support of particular expenditure claimed on Cost Schedules.
- **Grant Paragraph Number** – the grant paragraph under which the expenditure is claimed (as per your Letter of Offer).
- **Funding Submission** – the business plan or the application form (as appropriate) submitted to Invest NI by the Client and approved by Invest NI in support of the Client's application for the Financial Assistance setting out details of the Project and its implementation and completion. This includes any variations or amendments approved by Invest NI.
- **Grant Amount** – this is the amount of grant claimed on the Grant Claim Form (calculated as Expenditure Claimed multiplied by Grant Rate Percentage).
- **Payment Account** – all expenditure claimed must have ultimately been paid from a payment account held under the control of the legal entity to which the Letter of Offer is issued. Bank Account, Credit Card Account, PayPal (or other online payment) Account etc. Note that where the legal entity is an incorporated company, evidence of payment through personal director or employee accounts or personal credit cards is not sufficient. Payment must ultimately be paid from a payment account held under the control of the legal entity.
- **Earning Period** – the time period in which allowable expenditure must be incurred and paid to be eligible under the Letter of Offer. This is stipulated in the Letter of Offer.
- **Related Party** – a related party is:
  - a. A person or other entity that has control or significant influence, directly or indirectly through one or more intermediaries, over the reporting entity;
  - b. Another entity over which the reporting entity has control or significant influence, directly or indirectly through one or more intermediaries; or
  - c. Another entity that is under common control with the reporting entity through:
    - i. Common controlling ownership;
    - ii. Owners who are close family members; or
    - iii. Common key management.