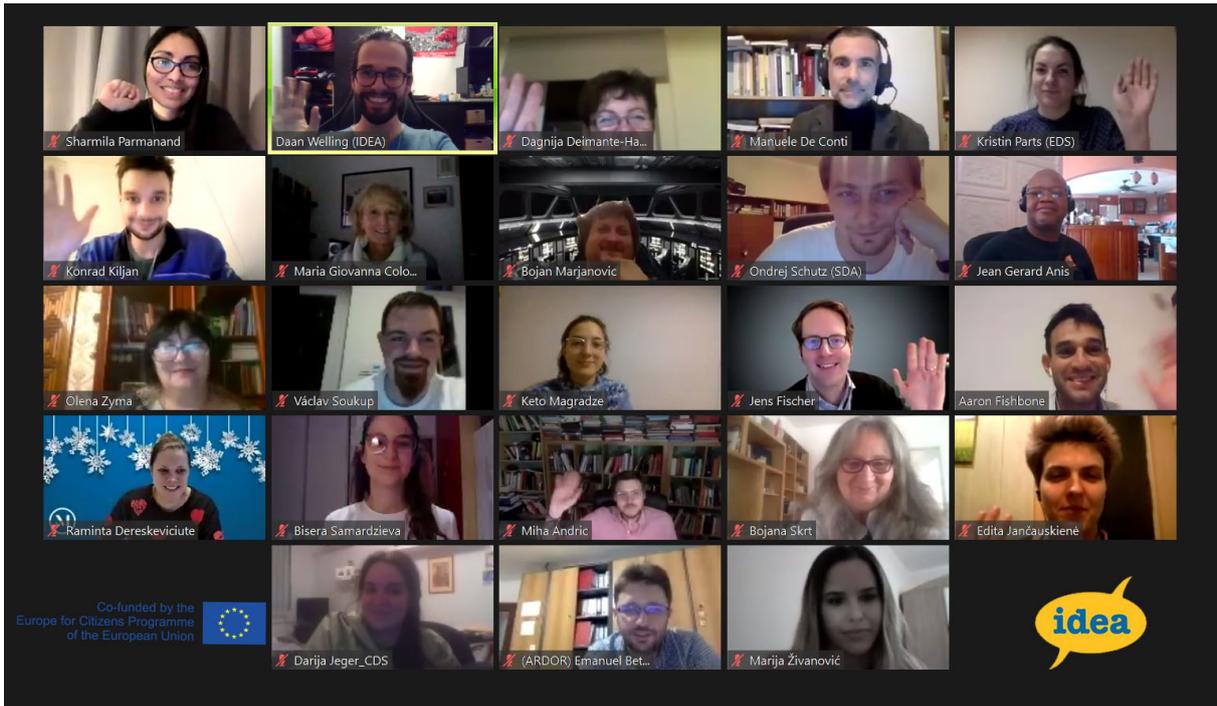


# idebate

international debate education association



## Annual Report 2020

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## *A year the world went silent – and then found its voice again*

2020 was a year in which IDEA wanted to culminate its campaign to bring the importance of debate education to Brussels, and rebuild the Youth Forum. As for all other organisations and human beings, 2020 went differently than planned. With the corona pandemic came new crises and challenges. Following corona, we experienced a new crisis: one of misinformation, one of renewed nationalism through vaccine hoarding, and one of delayed promises to future generations, who have lost a year to education and who see twin challenges of a possible economic crisis and the climate crisis beckon.

But we also saw new opportunities. With a generation of digital-savvy youngsters going online and debating the future of Europe with their peers who could travel to meet up without the stifling costs of travel and accommodation. With digital forums providing new opportunities to reach and educate audiences. And with a renewed drive in donor recognition of the need to stimulate critical thinking and resilient citizenship. IDEA refocused its mission to support the important work of its members across Europe and the world in this new context.

**Development of skills** In 2020 we helped young people develop skills that enables them to form and voice their opinions. Our youth are impervious from fake news, develop their own arguments, listen critically to others, and reason in a reasoned, effective, and persuasive manner. They challenge discrimination, populist thought, and human rights abuses – both during their time as debaters, and later on in their careers. In areas where formal education is deficient, debate is a welcome addition, providing young people with 21<sup>st</sup>-century skills involving curiosity, critical thinking, cooperation, and citizenship. Our campaign #debatechangedmylife and #debatealumni showcased the stories of personal growth and success of alumni of the network’s debate programs.

To improve our debate education, we spearheaded two strategic approaches in 2020. Firstly, through the Erasmus+-funded program IDAC we developed an accredited training program and trained 160 trainers and 20 master trainers across 8 countries. Secondly, through the Structural Grant, we held online capacity building events for debate administrators, enabling strong progress for our members in facilitating debate education across their networks, and launched an educational podcast on debate education. And finally, we supported efforts to use the tools of debate education to help migrants and refugees build up employable skills, through the project consortium DICE.

**Connecting young people** Through the program “Future of Europe Debates” co-funded by Europe for Citizens, IDEA supported members’ work in developing inclusive debate programs for youth in 17 countries across the continent. We are furthermore enthused that we could integrate our three new members – and their youth – into our community. We are proud that this community also looks across the borders of the European Union in expanding its reach.

**Active citizenship** The value of debate education is heard more widely. In order to strengthen this trend and build outreach for debate education across our societies IDEA continued the campaign Debate Changed My Life: Celebrating 20 Years of Debate Education in Central and Eastern Europe. IDEA also supported the continuation of active citizenship in the corona area through supporting members’ activities both financially as well as through education on digital debating.

**Finally**, we are honoured to have continued our work as a selected partner of Europe for Citizens’ Structural Grant, which enables our grassroots-led communities to keep up their work cementing . We thank all young people, (board) members, partners, donors and staff for their resilience to keep debating in 2020!

Aaron Fishbone

President

Bojan Marjanovic

Executive Director

## About IDEA

### IDEA - An Association of Debate Organisations

The International Debate Education Association, IDEA, is established in Amsterdam in November 1999. IDEA is governed by a network of constitutional members. The members are debate (network) organisations who are very active in organising debate events for young people. At the moment we have 22 members in 22 countries. The members form the General Assembly, the highest governing body of IDEA. The General Assembly of IDEA delegates its duty to an international Board of Directors. They delegate the work to the Executive Director who manages IDEA on a day to day basis. Besides the members, IDEA cooperates with a wide variety of affiliated partners such as universities, youth centres, NGOs, knowledge centres or semi- governmental institutes.

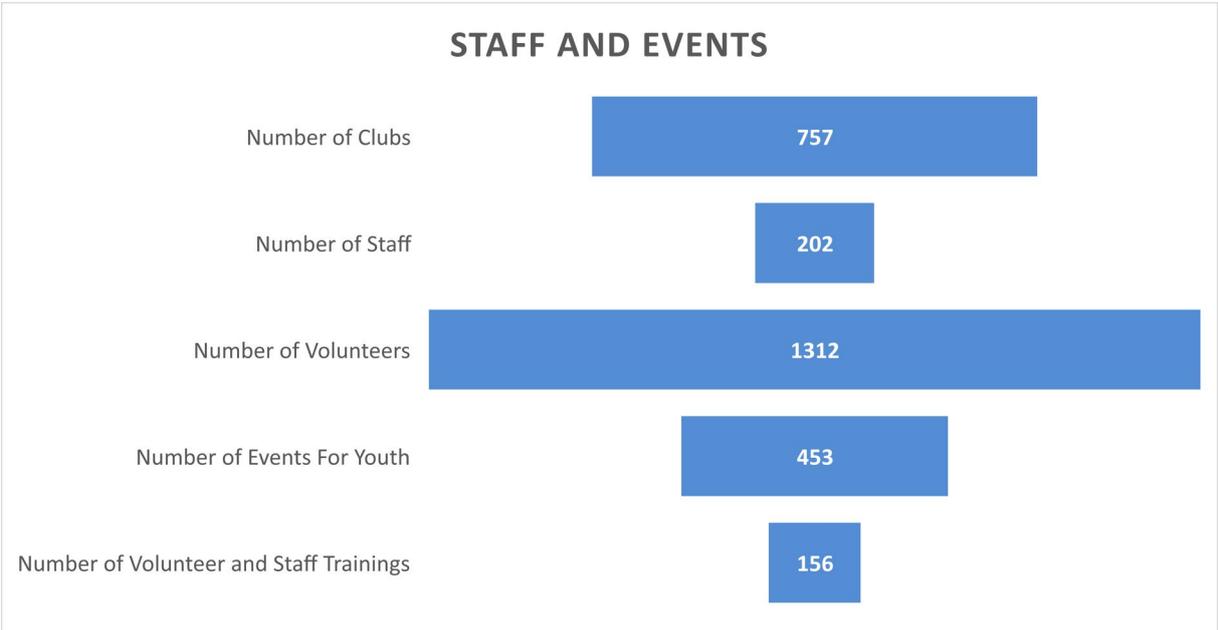
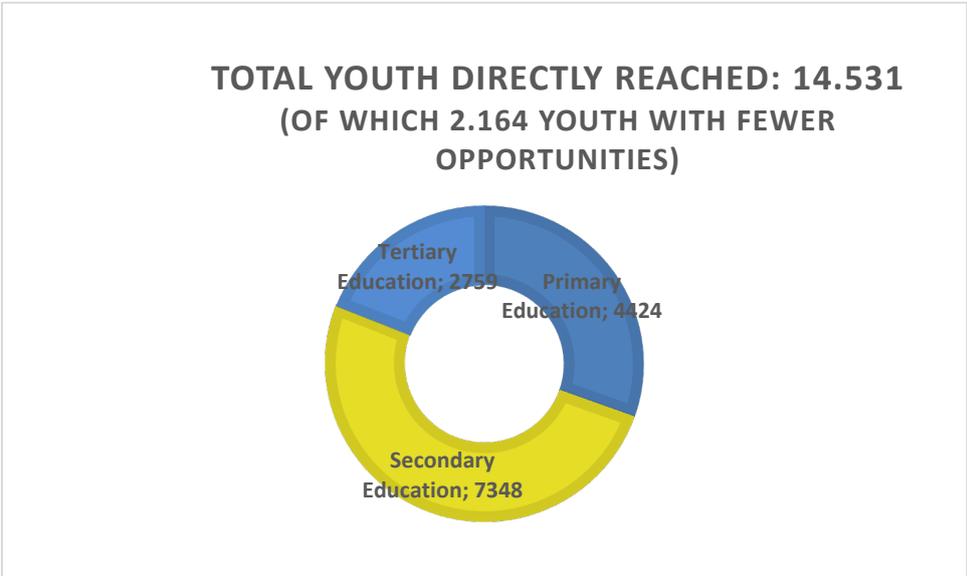
Together with this international network of members and partners we create synergy and progress in this meaningful network. We also implement a number of international and national programs and activities for young people to stimulate them to debate.

The current members operating in 22 countries in 2019:

|    |              |                                                                     |                        |
|----|--------------|---------------------------------------------------------------------|------------------------|
| 1  | <b>ADK</b>   | <b>Asociace Debatnich Klubu</b>                                     | Czech Republic         |
| 2  | <b>ARDOR</b> | <b>Asociatia Romana de Dezbateri, Oratorie si Retorica</b>          | Romania                |
| 3  | <b>CG</b>    | <b>Commun Global</b>                                                | Spain                  |
| 4  | <b>CKD</b>   | <b>Centar za kulturu dijaloga</b>                                   | Bosnia and Herzegovina |
| 5  | <b>DA</b>    | <b>Debate Association</b>                                           | Turkey                 |
| 6  | <b>DC</b>    | <b>Debate Centre</b>                                                | Latvia                 |
| 7  | <b>DiCS</b>  | <b>Debate in Civil Society Public Union National Debate Center</b>  | Azerbaijan             |
| 8  | <b>DSG</b>   | <b>Debating Society of Greece</b>                                   | Greece                 |
| 9  | <b>EDC</b>   | <b>Informal Education Debate Center</b>                             | Lithuania              |
| 10 | <b>EDS</b>   | <b>Estonian Debating Society</b>                                    | Estonia                |
| 11 | <b>FOKAL</b> | <b>Fondation Connaissance et Liberte</b>                            | Haiti                  |
| 12 | <b>FPD</b>   | <b>Fundacja Polska Debatuje</b>                                     | Poland                 |
| 13 | <b>GIDE</b>  | <b>Georgian Institute of Debate Education</b>                       | Georgia                |
| 14 | <b>HDD</b>   | <b>Hrvatsko Debatno Društvo</b>                                     | Croatia                |
| 15 | <b>JAA</b>   | <b>Junior Achievement of Albania</b>                                | Albania                |
| 16 | <b>NV</b>    | <b>New Vision</b>                                                   | Ukraine                |
| 17 | <b>OK</b>    | <b>Open Communication</b>                                           | Serbia                 |
| 18 | <b>SDA</b>   | <b>Slovak Debate Association</b>                                    | Slovakia               |
| 19 | <b>SNDI</b>  | <b>Società Nazionale Debate Italia</b>                              | Italy                  |
| 20 | <b>VDCH</b>  | <b>Association of German Speaking University Debating Societies</b> | Germany                |
| 21 | <b>YEF</b>   | <b>Youth Educational Forum</b>                                      | Macedonia              |
| 22 | <b>ZIP</b>   | <b>Za Im Proti</b>                                                  | Slovenia               |

**The Network at a glance**

The focus of this annual report is on the activities of the network organisation. It would however be amiss to not glance over the important work that our members collectively engage in. Quantitatively, our members can be proud to show the following results over the previous years:



## Mission and vision of IDEA



IDEA works all over the world, with our members, partners, and national organizations. In all of these countries, we are supporting or starting civic dialogue dedicated to broad engagement and open discussion. IDEA's mission is focused on five key areas:

1. **Supporting youth participation and fostering democratic practices** through empowering young people for civic engagement, advancing the dialogue between decision-makers and citizens. The programs in this field were developed for local, national, and transnational levels.
2. **Strengthening Global citizen identities** through engaging young people in the shaping of the future and engaging them with the notion of global citizenship, communicating interdependence, and openness in a globalized world. Activities in this area are focused on inter-European dialogue and dialogue between young people from all over the world, developing a joint framework of thinking for a more inclusive and sustainable future.
3. **Promoting human rights through inclusion and anti-discrimination** programs, giving voice to youth with fewer opportunities. These programs are mainly focused on the immigrant population, religious and ethnic minorities, and non-organized youth.
4. **Advocating for and improving citizenship education with particular focus on tackling threats to democratic governance** through direct citizenship education programs enabled by IDEA and carried out by our members or through programs specifically designed to foster media and information literacy and active participation of young people.

5. **Promoting Debate** both as a tool and methodology of empowering young people to learn, live and work more successfully, highlighting the importance of democratic educational process and participative learning, focusing on the creation of critically thinking active citizens.

We empower young people to become active citizens who participate constructively and in an informed critical way in society at all levels. Increasing their capacity for participation, inclusion, and making them more resilient to anti-democratic tendencies makes young people a key element in the fight against the threats to democracy, sustainability and a more just society.

### Why does debate benefit youth and society?



#### **Debate is a valuable educational tool**

We believe that debate is a valuable educational tool, not only because repeated studies have shown that it improves critical thinking, academic achievement, and public speaking, but also because it encourages the desire to engage in social and political issues from an informed and rational position. In teaching the skills essential for a balanced and worthwhile consideration of and contribution to any issue, we believe that debate is a lively and informative educational tool.

We believe that the skills acquired from even the most basic debate training are important, if not essential, for a valuable contribution to any part of a person’s professional, social and personal development.

**Debate education for all**

IDEA believes that the value of debate as an educational tool isn’t limited to the traditional setting of a classroom, but should be offered to marginalised and disadvantaged communities as a means to offering young people a voice in the societies they live in, as well as their own personal and professional advancement. That is why IDEA has launched the ‘Debate in the Neighbourhood’ program in the UK, the USA, the Netherlands, Macedonia, Estonia and Romania that brings debate to community centres, schools and youth groups in urban communities.

Why does debate education matter now?



From Thijs de Wolff, documentary maker and political communication expert:

“ Over half of young people in Europe have the impression that the young have been marginalised and excluded from economic and social life by the crisis (57%) (source: [Eurobarometer 2016](#)). This can be analysed as a reaction to inter alia globalization, opening borders, threats of migration, and fake news. By fostering a culture of informed debate through both formal and non-formal education, young

people can be equipped with soft skills, enabling them to assume leadership, both personal and in their communities. Do we want them to be narrow-minded by letting social media algorithms provide their outlook on the world? Or open-minded by placing a differing viewpoint into a wider context (international, socio-economic, etcetera)? It is easy to leave out all that does not fit the bill of the establishment.

To the contrary, IDEA is a grassroots organisation engaging youth in political life. Especially there where democratic participation is backsliding most, for example in Central and Eastern Europe. The region in recent years has experienced regression: observers have been reporting a worrying rise of discrimination, polarisation in the public sphere, and erosion of NGOs. Schools and youth lose ground when government determines what must be taught.

IDEA therefore takes the stance that learning objectives must include developing a critical attitude towards sources, political literacy, and dialogue on values. Debating as a must-have in the toolbox of any society that wants to build vivid and sustainable communities, for a number of reasons. First, IDEA members have developed a strong track record to encourage and empower young people to use their voice. Second, their methods can easily be integrated in curricula (History, Civic Education, and Social Studies) where they are capable of reaching vast amounts of people. Last, as schools may lack the theoretical and practical know-how to debating training, a partnership with a debating organisation is

“  
a viable way forward •



The Dutch Ministry of Social Affairs evaluated a program from IDEA as follows:

“  
It deserves a compliment for how you have worked towards cooperation, support and trust with / from the Afro community. You have made yourself vulnerable and, on the basis of

awareness, adjusted the strategy by being more flexible with regard to the design of certain project components, by taking care of the facilitation for you and by involving a broad group of people from the community in both implementation female, male, transgender, artist as intellectual. This fits in with the way in which SZW wants to promote and support the social initiative within the framework of the Decade. It also fits in with the broad Decade objectives of the government, namely raising awareness, promoting connection and strengthening the community by letting them independently implement the Decade so that their quality becomes visible. It is good to read that policymakers from municipalities, the police organization, secondary education students, citizens (also from Belgium) and a number of international organizations such as are involved in the implementation of the project.”

## (Inter)national impact in 2020

### Debate education empowered young people to debate across Europe

Young people need to be prepared to engage with an increasing dynamic and complex world. The skills and attitude that debate education develops are proven to be essential in helping young people overcome these challenges.

Critical thinking is an invaluable tool to understand the world around you and engage within society in a discerning manner. It is necessary to build your own learning pathway and gain success in both academic and vocational training. Debate education contributes to developing skills of critical thinking, argumentation, and an open attitude to differing viewpoints. With societies combatting fake news and populism, young people need to be able to separate fact from fiction. With the interests of young people challenged by the oncoming effects of climate change and a challenging labour market, their voices and solutions need to be heard in the public debate.

The corona pandemic required a serious rethink of our projects. We were unable to host most physical events planned. In particular, the next step of our campaign “Debate Changed My Life”, which would bring debate to new audiences and involve a network campaign proved unworkable during the pandemic, both due to the nature of the campaign and due to the capacity gaps in trying to adapt to the pandemic. A skeleton social media campaign survived, and was bolstered by a podcast in the second half of the year.

We are prouder of the shift that our network managed to achieve for online activities. Some network partners had to holt all of their events due to school closures in spring of 2020, and were unable to host after-school events in fall when schools moved online.

The majority of our network partners were able to create online events as an alternative to planned physical events.

These events attracted diverse crowds, and even breached borders between countries more frequently due to the lower travel costs. Our programs found that those who were in the program would continue joining meetings, but that recruitment of new young people proved a challenge.

Beyond organisation of these new online events, IDEA conducted research and wrote papers on how to move debate education and citizenship participation online, and offered capacity building in the form of online masterclasses about volunteer management, digital debating, and fundraising to partner programs. IDEA hosted an online GA and strategic planning meetings. The board continued to meet on a regular basis.

Via our members’ debate education programs we contributed to citizens’ understanding of important contemporary and timeless issues. University students, secondary school students, and young people out of school have all deepened their understanding of values such as democracy and human rights, they learned about policies and institutions through our debate education methods and international exchanges. They debated about political, cultural, socio-economic challenges of European magnitude such as migration, climate change, employment, exclusion. We taught them to understand root causes of exclusion, to debate pros and cons of constructive solutions and to understand how they can influence decision-making processes.

### Fostering exchanges about the Future of Europe and challenging Euroscepticism

Our participants have learned to look at each issue from both sides. Youth must be ready to argue both in favor and against a particular topic. They also needed to engage their opponents meaningfully rather than just shout over them. They learned to use rational argument against prejudice, stereotypes and

demagoguery. So we have provided young people with tools they need to challenge Euroscepticism. Through debating, youth became better equipped to challenge Eurosceptics, populists and extremists in their countries.

## Debate education creates connected young people across Europe

Our members connected young people from diverse background such as geographical, cultural, socio-economic, gender and with various opportunities and perspectives on Europe, from 17 different countries.

IDEA contributed these important efforts through fundraising and capacitybuilding. Our capacity building exchanges and general assembly deepened connections between members and partners in Europe.

All exchanges offered opportunities in various ways to develop friendships, to develop intercultural communication skills and to interact with others in our European network to understand diverse perspectives on problems. Added this year was a digital dimension, with the challenge of remaining respectful and incisive in new context of online discourse.

We connected young people with policy makers at all levels in the EU, so that they experience democratic participation, through conducting interviews between young people and members of the European Parliament. As citizen activists, journalists and policy makers our members and alumni are inspiring youth too.

We believe that young participants were more inclined to participate in the European electoral process now because they understand better European values, policies and institutions.

## Debate education fostered citizenship in times of corona

We fostered European citizenship and improved conditions for democratic participation via our debate events, trainings, exchanges. As one of the members stated: “The activity of debating engaged both active participants and their audiences in rational and critical discourse. Both sides of controversial topics are given an equal voice and their interaction is judged against standards of good argumentation. Debating provided youth a model for properly conducted public discussions, against public discussion that are often one-sided and/or panders to the audience.”

The Open Up! program for youth with fewer opportunities was blocked by corona rules from engaging with youth directly. Rather, two programs emerged. Firstly, a focus on train-the-trainer projects where professional youth workers and peers learned how to become debaters and teachers. And secondly, Debate on the Street, youth created videos where in vox-pop style young people interview each other about current affairs in urban neighbourhoods in Dutch cities.



## Promoting the network

In september 2019 and continuing through 2020, IDEA kicked off the campaign “Debate changes your life”, celebrating 20 years of IDEA and its involvement with debate education in Central and Eastern Europe. “Debate changes your life” was a collection of testimonies of people involved at various levels in debate education: debaters, trainers, donors and policy makers.

The campaign was based on two important pillars: the online advocacy and the series of events held in Brussels.

The online advocacy was focused on creating engagement in the different social media accounts and website of IDEA. During the campaign, the online channels were constantly updated with posts created in order to highlight the importance of debate education by bringing the testimonies of members and their alumni. Furthermore, IDEA disseminated the international essay contest - “Debate changed your life”. This contest was made possible through the precious collaborative efforts of IDEA members. More than 35 young debaters, from different non and european countries, participated by submitting their own essay about the impact of debate education in their life. The two winners were invited to participate in the final event held in the European Parliament (see below) and were awarded by the MEP host.

## More synergy and progress in our network

We live in an increasingly interconnected, complex world. Therefore, we have built further on partnerships that function as a sustainable, synergetic networks for youth to rely on.

Through Empowering Youth 2 Debate Across Europe, we have built an updated curriculum for debate education based on the latest pedagogical insights across the network. An accredited train-the-trainer program helps scale up the quality of non-formal learning across organisations, and was successfully disseminated in eight countries. These activities will be rolled out in future months and years, and results are available on [the project website](#).

Through the structural grant the network increased its capacities to act as effective and impactful administrators for non-formal debate education. Our subcontracted capacity development officer led an inventarisation of needs and strengths across the network, and engaged in two capacity building events in Brussels and Warsaw.

Secondly, we have had the opportunity to inventarise our capacity development needs and to give it an impulse thanks to the capacity development officer subcontracted via the operational grant. Also we have worked to improve the joint efforts to communicate more impactful and to campaign for the expansion, integration and development of debate education for youth across Europe (see also under activities).

**In summary:**

This network contributed on the long term to social cohesion, intercultural cooperation and deeper understanding of each other's perspectives. It kept debate running in challenging times, and build the legwork necessary to sustain the debate programmes for the duration and after the end of the international lockdown. Debate promoted among participants mutual understanding and informed citizenship. Its lead to increased critical thinking and tolerance.

Activities organized and supported by IDEA directly reached 1634 people, of whom 238 can be considered youth with fewer opportunities.

## International Activities

### Mobilizing young people across Europe

#### Future of Europe Debates (Operational Grant)

In the Structural Grant 12 partners worked together with IDEA NL for the year 2018. These were ARDOR (Romania), BICH (Bosnia & Hercegovina), ADK (Czech Republic), EDS (Estonia), VDCH (Germany), GDS (Greece), DC (Latvia), EDC (Lithuania)HDD (Croatia), OK (Serbia), PD (Poland), ZiP (Slovenia), and Commun Global (Spain).

Partners organized the Future of Europe Debates in 7 countries (number down due to COVID-19 restrictions). We organized online capacity-building sessions and an online GA. We carried out the communication campaign, including a large online campaign “Debate Changed Your Life: Celebrating 20 years of Debate Education in Central and Eastern Europe”. The Grant was also used to cover expenditure related to board meetings and to the General Assembly. It finally was used to cover staff costs, including for an external capacity building officer based in Bratislava, Slovakia for half a year.

In total more than 1500 participants attended events related to the Structural Grant, in particular the Future of Europe Debates.

The Structural Grant has been rewarded again in 2021.

*Donor: Europe for Citizens operational grant, Open Society Foundation and other donors under DIN*

““It is great to be able to meet people from different parts of Europe and make friends. We need to have more of these exchanges, they need to be offline, and they need to take longer!” – participant after YEF Training Forum in december 2020.

“We don’t talk enough about these issues [LBGT rights] in my country [Slovakia]. I am happy to finally be able to hear a thoughtful talk about it!” – participant after workshop on debating LBGT issues.

“These online tournaments meant I could finally speak against people I’ve only heard about. I love all these new people I got to meet now!” – participant after debate event in Estonia.”

### Activities to support synergy in the network

#### International capacity development

IDEA had the opportunity to subcontract one staff worker who could be devoted on capacity building of the network of IDEA. They inventarised the needs of the network and organised a fundraising capacity building workshop, wrote a paper on the digital adaptation of debate, and helped set up the podcast “Improve Debate’s Impact”.

The capacity building workshops included workshops on effective fundraising and partnership creation on a European level, the active communication and promotion of the network and the ability to

effectively create key messages, as well as giving members the chance to provide crucial input on the development of the communication campaign and its contents.

## IDAC

This project collected, analysed and built ahead on best practices of training educators and develop an effective debate education curriculum. Methodology was actively developed and evaluated, with a physical evaluation planned for summer 2021. IDAC aims to build both content for debate skills, as well as integrate a series of lectures on important debate topics.

A key aim for IDAC is to provide an Online Educational Resource (OER) which will allow for students to learn debate education even in the absence of a strong coaching structure in their physical environment. The COVID-19 pandemic underscored the need of strong online learning resources for debate education. This project will continue until 2022.

The members participating in the project include HDD (Croatia, lead applicant), FPD (Poland), DDG (Germany), and SDA (Slovakia).

*Donor: Erasmus+ KA2*

## Activities in the Dutch-speaking areas

### Establishment of Open Up! Connect Youth to Society

At the end of 2019 the decision was made to separate the international activities of the IDEA office for the network and the activities the office conducted in the Dutch-language area by setting up a new successor organization for the national activities. This organization, called Open Up! Connect youth to society was successfully established in October 2019, and with support from the IDEA office has taken up the national activities. The organization aims to become a full member of the IDEA network in the near future.

For 2020 Debate In The Neighbourhood connected with 22 neighbourhoods in 10 cities, and built a debate program set-up including youth-driven voxpop videos, and debate-based learning cycles surrounding racism/discrimination, youth employment/poverty/financial literacy and preventing violence on schools and in the street. The program is ready to be executed in 2021 once community centres are able to open up again post-lockdown.

### WIJ(K)!

The project WIJ(K)! is an intervention aimed at youth and police in neighbourhoods with high levels of mutual distrust, to increase trust between these two groups. The project is a successor to earlier projects Second Wave and a component of the Debate in the Neighbourhood programs.

The project started its second cycle in two neighbourhoods in The Hague, Schildersbuurt and Transvaal, notorious for its frequent escalations between youth and police, and typified in Dutch press for its socio-economic challenges. The program was slated to end in 2020, but due to the Covid-pandemic will be reinvigorated and extended.

Supporting the local program, an international exchange with neighbourhoods in Brussels and Antwerp was set up. A 2020 exchange in The Hague was slated to wrap up the program on both a local and national level, but has been postponed to June 2021.

*Donor: Municipality The Hague and Erasmus+ KA1*

### DICE

The DICE project, co-founded by the Erasmus+ Programme of the European Union, brings together IDEA and 4 other partners from 4 EU countries aiming at creating an open free training for professionals who work with newcomers. DICE intends to boost social inclusion for newcomers, to offer open education and innovative practices in a digital era and to add contribution to Adult Education by involving in this project different beneficiaries such as: professional of all sectors working with newcomers, newcomers, NGOs, trainers and VET/Adult Institutions, local societies/communities and policy makers.

During 2020, IDEA has delivered the final version of the module “Developing the skills of newcomers”, which is part of the Training manual “Diversity Inclusion Citizenship Empowerment” created and written by the partners to improve, reinforce and make the work of professionals who approach newcomers in their daily practice more relevant and effective. IDEA has organized the pilot test for IO1 of DICE in two rounds: the first, involving professionals and volunteers from the University of Assistant Fund, that supports newcomers to get an appropriate education; the second, involving a group of people who work with migrants. The most impactful aspect of this process was that IDEA became to be known as an organization that empowers newcomers as citizens via tools that support the “lense of diversity”, intercultural communication and debate.

A final exchange in Cyprus was cancelled due to Covid. The work packages were finalized and translated to Dutch, with these activities wrapping up the project. The project was awarded “Best Practice” by the French Erasmus+ Agency.

*Donor: Erasmus+ KA2*

### Debate in the Neighborhood

IDEA successfully negotiated a sponsorship with the Adessium Foundation to support a rejuvenation of the Debate in the Neighbourhood program, to be carried out by Open Up!.

Moreover, it has reached out to international partners to keep the Open Up! Learning Cycle going and expand its ability to affect youth work on a European level. The sponsorship is being carried over to Open Up!.

*Donor: Adessium Foundation, VSB Fonds*

## The organisation

The organisation is run by the members through the General Assembly, where they direct the Board. The Board directs the Executive Director and the Office.

### Board members 2019

| <b>Overview of IDEA<br/>NLboard terms</b> <i>Date: December 1<sup>st</sup>, 2020</i> |                      |                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------|----------------------|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Role                                                                                 | Person               | Board member since:                      | Brief CV                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| President                                                                            | Aaron Fishbone       | 2018, elections for second term 2021     | Aaron Fishbone debated for the University of Vermont (USA) from 1998-2002. He spent five years actively involved with the IDEA network, including 4 times as a trainer at IDEA Youth Forums and 3 times as a curriculum committee member. During this time he also served 3 years as a member of the board of the District of Columbia Urban Debate League. Despite doing other things like getting a masters degree in public administration, running political campaigns, serving four years in the Mayor's Office of the City of Seattle (WA, USA), and being a Robert Bosch Foundation Fellow in Germany, Aaron has kept returning to debate projects, serving as the founding director of the Silicon Valley Urban Debate League summer institute in the summer of 2015 and on the curriculum committee of the Debating Threats to Democracy Program in Bratislava in March 2017. For the last 2 years Aaron has been the communications director of two electric mobility companies based in Bratislava, GreenWay and Voltia. |
| Secretary                                                                            | Jens Henning Fischer | 2014, has ended his second term in 2020. | Jens Henning Fischer studied law and political science. He is the co-founder of the Berlin Debating Union, and has taught debate and speaking in dozens of countries. He was the chairman of both the European and World Universities Debating Council, the governing bodies that awards and regulates the respective competitions. Jens owns and operates "Besser Reden", a communications and presentation consultancy based in Berlin and Düsseldorf, Germany. He is the head of legal training of Model International Criminal Court, <a href="http://model-icc.org">http://model-icc.org</a> and president of the German Debate Alumni Society (Deutsche Debattiergesellschaft).                                                                                                                                                                                                                                                                                                                                               |
| Treasurer                                                                            | Elena Micajkova      |                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

|        |                         |                                     |                                                                                                                                                                                                                                               |
|--------|-------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Member | Sharmila Parmanand      |                                     |                                                                                                                                                                                                                                               |
| Member | Miha Andric             |                                     |                                                                                                                                                                                                                                               |
| Member | Raminta Dereskeviciute  |                                     |                                                                                                                                                                                                                                               |
| Member | Gedminė Marija Račkienė |                                     |                                                                                                                                                                                                                                               |
| Member | Daniel Schut            | 2017,<br>Has ended his term in 2020 | Daniel Schut is a debate trainer and lead a communication company in the Netherlands. He has his master in political science and was the European Champion in debating beginning of 2000. Daniel monitors within the board the Dutch program. |

### Staff and volunteers, 2020

#### Secretariat

|                   |                                              |
|-------------------|----------------------------------------------|
| Bojan Marjanovic  | Executive Director                           |
| Annemarie van Ede | Office Manager (volunteer)                   |
| Daan Welling      | International Programme Manager              |
| Enilsa Magjistari | Programme Manager DICE                       |
| Paul van Dijck    | Financial Officer                            |
| Pieter de Wit     | Financial Controller                         |
| Mojmir Stehlik    | Capacity Development Officer (subcontracted) |
| Anastazija Stupar | Fundraising Consultant                       |

#### Projects and Volunteers

|           |                                  |
|-----------|----------------------------------|
| Max Koffi | Project Officer DICE (voluntary) |
|-----------|----------------------------------|

Aybike Aydogan      Communications Intern (voluntary)

José Luis Munoz-Reja, Juan Mamberti, Marcela Gómez, Tito Ortiz, Ana Jankovic

*Content Developers / Project Consultants Future of Europe Debates*

Nathania Engelhardt, Martha Muir, Brian Wong, Paidamwoyo Takayoto, Esinam Akyaa Osei-Bonsu, Noluthando Honono, Tshiamo Malatji

*Expert Consultants for Improve Debate's Impact*

## Financial report

The financial report consists of six parts. Firstly we present the key figures of the financial report. These figures show a simplified balance and statement of income and expense. From this you can see that the organisation has a positive operating result of €8067,-.

The pages thereafter provide a more thorough breakdown of the balance sheet and the statement of income and expense, as required by Dutch law. Following this, a specification is made of the project costs per budget item, and an overview of costs and benefit per project over the past year.

Finally, we present an overview of the accounting principles used.

### NOTES TO THE BALANCE SHEET FISCAL YEAR 2020

#### Financial review Key Figures

Below the key figures of the financial period are presented for 2020.

#### Key Figures

| <b>Balance sheet in euro</b> | <b><u>31/12/2020</u></b> | <b><u>31/12/2019</u></b> |
|------------------------------|--------------------------|--------------------------|
| Non current assets           | -                        | 3.874                    |
| Current assets               | <u>278.424</u>           | <u>270.883</u>           |
| Total                        | <u><u>278.424</u></u>    | <u><u>274.757</u></u>    |
| Equity                       | 164.074                  | 156.007                  |
| Current liabilities          | <u>114.350</u>           | <u>118.749</u>           |
| Total                        | <u><u>278.424</u></u>    | <u><u>274.756</u></u>    |

| <b>Statement of income</b>                        | <b><u>2020</u></b>  | <b>%</b> | <b><u>2019</u></b>    | <b>%</b> |
|---------------------------------------------------|---------------------|----------|-----------------------|----------|
| Income                                            | 294.801             | 100%     | 719.029               | 100%     |
| Work by third parties and other external expenses | <u>(294.581)</u>    | 100%     | <u>(486.252)</u>      | 68%      |
| Gross profit                                      | 221                 | 0%       | 232.777               | 32%      |
| Expenses                                          | <u>(7.846)</u>      | -3%      | <u>110.345</u>        | 15%      |
| Result from operating activities                  | 8.067               | 3%       | 122.432               | 17%      |
| Financial income                                  | <u>-</u>            | 0%       | <u>2</u>              | 0%       |
| Net result                                        | <u><u>8.067</u></u> | 3%       | <u><u>122.434</u></u> | 17%      |

**BALANCE SHEET FISCAL YEAR 2020**

|                                   | <u>31/12/2020</u>     | <u>31/12/2019</u>     |
|-----------------------------------|-----------------------|-----------------------|
| <b>ASSETS</b>                     |                       |                       |
| Tangible assets                   | -                     | 3.874                 |
| Grants receivable                 | 55.905                | 124.121               |
| Other receivables                 | 1.462                 | 5.743                 |
| Cash                              | <u>221.057</u>        | <u>141.019</u>        |
| Total current assets              | 278.424               | 270.883               |
| Total assets                      | <u><b>278.424</b></u> | <u><b>274.757</b></u> |
| <b>EQUITY</b>                     |                       |                       |
| General reserve                   | 144.770               | 122.435               |
| Result fiscal year                | 8.067                 | 22.335                |
| Reserve currency results          | (6.303)               | (6.303)               |
| Safety reserve                    | <u>17.540</u>         | <u>17.540</u>         |
| Total equity                      | 164.074               | 156.007               |
| <b>CURRENT LIABILITIES</b>        |                       |                       |
| Accounts payable                  | 94.076                | 32.768                |
| Deferred grants                   | -                     | 71.286                |
| Nett salary                       | -                     | -                     |
| Tax payable                       | 2.536                 | (2.171)               |
| Employees holidays                | -                     | -                     |
| Accrued expenses                  | <u>17.738</u>         | <u>16.866</u>         |
| Total current liabilities         | 114.350               | 118.749               |
| <b>Total equity and liability</b> | <u><b>278.424</b></u> | <u><b>274.756</b></u> |

## STATEMENT OF INCOME AND EXPENSES FISCAL YEAR 2020

| x€                              | <b>2020</b>    | <b>2019</b>    |
|---------------------------------|----------------|----------------|
| <b>Income</b>                   |                |                |
| Membership                      | 225            | 1.800          |
| Unpaid membership former years  | -              | -              |
| Grants                          | 285.221        | 692.518        |
| Donations from partners         | 9.355          | 20.128         |
| Unreceived donations partners   | 0              | 4.583          |
| Other income                    | 0              | -              |
| Exchange rate USD OSF grant     | 0              | 0              |
| Release safety fund             | 0              | 0              |
| <b>Total income</b>             | <b>294.801</b> | <b>719.029</b> |
| <b>Expenses</b>                 |                |                |
| Project expenses                | 294.581        | 486.252        |
| Wages and salaries              | -11.804        | 55.003         |
| Social security                 | 12.548         | 17.085         |
| Depreciation                    | 0              | 0              |
| Other expenses                  | 10.529         | 38.257         |
| Extraordinary expenses/income   | -19.119        | 0              |
| <b>Total expenses</b>           | <b>286.734</b> | <b>596.597</b> |
| <b>Operating result</b>         | <b>8.067</b>   | <b>122.432</b> |
| Financial income                | 0              | 2              |
| <b>Net result</b>               | <b>8.067</b>   | <b>122.434</b> |
| <b>Appropriation of result</b>  |                |                |
| Added to equity:                |                |                |
| - general reserve               | 8.067          | 122.434        |
| - reserve currency result (OSF) |                |                |
| - safety reserve                |                |                |
|                                 | <b>8.067</b>   | <b>122.434</b> |

## Overview: Project Costs

|                        | Trainers          | Material Development         | Travel             | Subsistence       | Website Development | conferences        | miscellaneous      | Staff Costs         | Subcontracting 3rd parties |
|------------------------|-------------------|------------------------------|--------------------|-------------------|---------------------|--------------------|--------------------|---------------------|----------------------------|
| DICE                   | € 1.696,00        |                              |                    |                   |                     |                    |                    |                     |                            |
| YARIM                  |                   |                              |                    |                   |                     |                    | € 452,42           |                     |                            |
| EfC Structural Grant   | € 1.892,00        | € 2.989,43                   | € 2.137,06         | € 8.974,70        | € 44.080,00         | € 28.069,44        | € 20.196,56        | € 112.941,76        | € 24.650,00                |
| EY2DE Empower Youth    |                   |                              | € 169,62           | € 253,60          |                     |                    |                    |                     |                            |
| IDAC (innovate debate) |                   |                              |                    |                   |                     |                    |                    |                     |                            |
| DIN                    | € 4.250,00        |                              |                    |                   |                     |                    |                    |                     |                            |
| <b>Total</b>           | <b>€ 7.838,00</b> | <b>€ 2.989,43</b>            | <b>€ 2.306,68</b>  | <b>€ 9.228,30</b> | <b>€ 44.080,00</b>  | <b>€ 28.069,44</b> | <b>€ 20.648,98</b> | <b>€ 112.941,76</b> | <b>€ 24.650,00</b>         |
|                        |                   | <b>subsidies 3rd parties</b> | <b>Total</b>       |                   |                     |                    |                    |                     |                            |
| DICE                   |                   |                              | € -                |                   |                     |                    |                    |                     |                            |
| YARIM                  |                   |                              | € -                |                   |                     |                    |                    |                     |                            |
| EfC Structural Grant   |                   | € 30.000,00                  | € 30.000,00        |                   |                     |                    |                    |                     |                            |
| EY2DE Empower Youth    |                   | € 11.828,18                  | € 11.828,18        |                   |                     |                    |                    |                     |                            |
| IDAC (innovate debate) |                   |                              | € -                |                   |                     |                    |                    |                     |                            |
| DIN                    |                   |                              | € -                |                   |                     |                    |                    |                     |                            |
| <b>Total</b>           |                   | <b>€ 41.828,18</b>           | <b>€ 41.828,18</b> |                   |                     |                    |                    |                     |                            |

## Overview: Cost and Income on a Project Level

| Project                       | 2019<br>Deffered<br>grant | 2020<br>Costs  | 2020<br>Income | 2020<br>Deffered grant | 2020<br>Total |
|-------------------------------|---------------------------|----------------|----------------|------------------------|---------------|
| DICE                          | 28.138                    | 1.696          | 0              | 0                      | 26.442        |
| Yarim                         | 0                         | 453            | 3.182          | 0                      | 2.729         |
| EU structural grant           | 0                         | 275.931        | 209.355        | 0                      | -66.576       |
| EY2DE empower youth to debate | 38.854                    | 12.251         | -2.050         | 0                      | 24.553        |
| General Income                | 0                         | 11.273         | 31.448         | 0                      | 20.175        |
| IDAC                          | 1.294                     | 0              | 0              | 0                      | 1.294         |
| Small projects                | 0                         | 0              | 700            | 0                      | 700           |
| DIN (Police-Youth Project)    | 3.000                     | 4.250          |                | 0                      | -1.250        |
| <b>Total</b>                  | <b>71.286</b>             | <b>305.854</b> | <b>242.635</b> | <b>0</b>               | <b>8.067</b>  |
| Interest                      |                           |                |                |                        | 0             |
| <b>Result</b>                 |                           |                |                |                        | <b>8.067</b>  |

## NOTES TO THE FINANCIAL STATEMENT

### Principal accounting policies

#### General

The financial statements are based on the historical costs. Assets and liabilities are valued at their nominal value, unless indicated otherwise. Fees are allocated to the year to which the fees are related. Grants are allocated to the designated project. General grants are allocated to the year mentioned by the grantee.

Transactions in foreign currencies are translated into Euro at the exchange rate at the date of transaction. At year end, assets and liabilities denominated in foreign currencies are translated to Euro at the exchange rate at date of balance sheet. Currency results are added to a reserve on currency results, included under equity.

#### Non-current assets

Tangible fixed assets are valued at purchase price less the accumulated depreciations. The annual depreciation is calculated by means of a fixed percentage of the purchase price on basis of the estimated lifetime. The percentage of depreciation is between 33% and 50%.

#### Current assets

Accounts receivable are valued at historical cost, taking into account risks related to doubtful debts. Cash and cash equivalents are valued at nominal value.

#### Equity

As the balance sheet is prepared after appropriation of result, the result of the year is no longer separately presented under equity (compared to financial statements in previous years). Furthermore, based on 2017, three reserves are included under equity:

- 1) General reserve  
This reserve is held for general purposes and is funded from appropriation of result, taking into account the part of appropriation of result that is added to the reserves as stated below.
- 2) Safety reserve  
This reserve is held for coverage of possible setbacks in the future, due to shortages on general income. This reserve is funded from the appropriation of result 2017 for the part related to the release of the safety fund.
- 3) Reserve currency result USD OSF Grant  
This reserve is held for covering currency results on contracts with a duration for more than one year. Currently this relates to the OSF Grant, which was closed in 2019.

#### Current liabilities

Liabilities are valued as historical costs.

#### Deferred grants

Deferred grants are granted contributions from donors related to projects that have not yet been finalized. Deferred grants are released for the moment spent on the projects in accordance with the grant agreement between the donor and the grantee.

#### Principles for the determination of the result

Determination of the result is based on historical cost. All benefits and related costs are designated to the same period.

Income from grants consists of contributions by the donor, as far as related to the costs of execution for the project in the financial year.

Costs are determined on historical basis and are booked in the financial year to which they refer. Financial income and expense include the received and paid interest as well as exchange results.

Independent Report of Factual Findings – Type II on costs claimed under a Grant Decision  
financed under the “Structural support for European public policy research organisation”

(think thank) Programme

Specific Decision number 617192, EACEA

**Audit Certificate**

of

Financial statement for action entitled

**Democratic engagement and civic participation**

1 January 2020 to 31 December 2020

Mr. Bojan Marjanović, Executive Director  
International Debate Education Association (IDEA)  
Mariahoek 16/17, 3511 LG Utrecht (Randstad), The Netherlands

17 March 2021

Dear Mr. Marjanović,

In accordance with the terms of our engagement letter dated 04 February 2021, with The International Debate Education Association (IDEA) “the Beneficiary” hereinafter referred to as ‘the beneficiary’, we hereby provide our Independent Report of Factual Findings – Type II (‘the Report’), as specified below.

### **Objective**

We, Revizija Finar d.o.o. established in *Zinke Kunc 3, HR-10000 Zagreb, Croatia*, represented for signature of this Report by Rade Krnjeta, Director, have performed agreed upon procedures regarding the cost declared in the Financial Statements<sup>1</sup> of IDEA, the Beneficiary, to which this Report is attached, and which is to be presented to the Education, Audiovisual and Culture Executive Agency, hereinafter referred to as ‘the Agency’, under Grant Decision No. 617192, reference number 2019-0111/001-001 for the following period 1 January 2020 to 31 December 2020. This engagement involved performing the procedures listed in Annex 2 of the engagement letter, the results of which the Agency uses to draw conclusions as to the eligibility of the costs claimed.

This engagement involved performing the procedures listed in Annex 2 of the engagement letter, the results of which the Agency uses to draw conclusions as to the eligibility of the costs claimed.

### **Standards and ethics**

Our engagement was undertaken in accordance with:

- the specific guidance provided by Agency;

- International Standard on Related Services (‘ISRS’) 4400 *Engagements to perform Agreed-upon Procedures regarding Financial Information* as promulgated by the International Federation of Accountants (‘IFAC’);

- the *Code of Ethics for Professional Accountants* issued by the IFAC. Although ISRS 4400 provides that independence is not a requirement for agreed-upon procedures engagements, the Agency requires that the auditor also complies with the independence requirements of the *Code of Ethics for Professional Accountants*.

### **Procedures performed**

As requested, we have only performed the procedures listed in Annex 2 to the engagement letter.

These procedures have been determined solely by the Agency and were performed solely to assist the Agency in evaluating whether the expenditure claimed by the beneficiary in the accompanying Final Financial Report has been claimed in accordance with the Grant Agreement. The auditor is not responsible for the suitability and appropriateness of these procedures.

Because the procedures performed by us did not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the Final Financial Report.

Had we performed additional procedures or had we performed an audit or review of the Final Financial Report of the beneficiary in accordance with International Standards on Auditing, other matters might have come to our attention that would have been reported to you.

### **Sources of information**

The Report sets out information provided to us by the management of the beneficiary in response to specific questions or as obtained and extracted from the beneficiary's information and accounting systems.

### **Beneficiary's VAT status**

We confirm the legal status of the beneficiary:

- Public body: entitled or not to recover VAT;
- Private entity entitled to recover VAT (including the percentage that the entity is entitled to recover);
- Private entity not entitled to recover VAT

*IDEA is a non-profit organization. Particular activities and expenses financed by EACEA operating grant are considered as non-economic activities and therefore VAT is not deductible or recoverable. The Auditor verified that the Beneficiary hasn't recovered any of VAT paid through EACEA operating grant expenses. This practice is in line with the ANBI status of IDEA and Holland Algemene wet inzake rijksbelastingen, Article 5b.*

### **Factual findings**

The above-mentioned Final Financial Report was examined and all procedures specified in Annex 2 to our engagement letter were carried out.

The total expenditure which is the subject of this expenditure verification amounts to EUR 288.467,94.

The Expenditure Coverage Ratio verified by us amounts to 91%.

On the basis of the results of these procedures, we found:

All documentation and accounting information to enable us to carry out these procedures has been provided to us by the beneficiary.

We report the details of the exceptions which result from the procedures that we performed in Annex of this Report.

### **Exceptions**

In December 2020 IDEA meet difficulties with payments from ABN AMRO bank account IBAN: NL64ABNA0594004225, because the online bank accreditation expired. Beside bank account in ABN AMRO bank, In February 2021 IDEA opened new bank account in BUNQ BV bank, IBAN code: NL44BUNQ2056383365. On 25 February IDEA has got permission from EACEA to execute remaining payments to the staff, partners and vendors from new bank account.

Due to the problems with payments, IDEA submitted request and EACEA agreed to extend the deadline for submission of the Final Report related to Specific Decision 617182, till 16 March 2021.

In the table below is the list of the payments from new opened bank account in BUNQ BV bank, IBAN code: NL44BUNQ2056383365.

| Budget Line           | Date of payment | Description of project line                         | Headline                    | Amount in €       |
|-----------------------|-----------------|-----------------------------------------------------|-----------------------------|-------------------|
| 1 Staff Costs         | 11.3.2021       | ED Consultant                                       | Bojan Marjanovic (11/2020)  | 3.615,90          |
| 1 Staff Costs         | 8.3.2021        | ED Consultant                                       | Bojan Marjanovic (12/2020)  | 3.646,40          |
| 1 Staff Costs         | 8.3.2021        | Fundraising Consultant                              | Anastazija Stupar Invoice 4 | 2.302,40          |
| 1 Staff Costs         | 11.3.2021       | Fundraising Consultant                              | Anastazija Stupar Invoice 5 | 2.299,30          |
| 1 Staff Costs         | 11.3.2021       | Personnell Future of Europe Serbia                  | Ana Jankovic                | 330,00            |
| 1 Staff Costs         | 11.3.2021       | Personnel Future of Europe Spain                    | Jose Luis Munoz Rodriguez   | 2.000,00          |
| 1 Staff Costs         | 11.3.2021       | Personnel Future of Europe Spain                    | Juan Manuel Mamberti        | 610,00            |
| 1 Staff Costs         | 11.3.2021       | Personnel Future of Europe Spain                    | Marcella Gomez Valdes       | 220,00            |
| 1 Staff Costs         | 11.3.2021       | Personnel Future of Europe Spain                    | Tito Ortiz                  | 170,00            |
| 1 Staff Costs         | 8.3.2021        | Salary December 2020                                | Paul van Dijck              | 167,80            |
| 1 Staff Costs         | 8.3.2021        | Salary December 2020                                | Pieter de Wit               | 105,82            |
| 3 General Expenditure | 8.3.2021        | Cleaning Costs                                      | Dak netwerk                 | 39,33             |
| 6 Subcontracting      | 12.3.2021       | Learning Wizard Subcontract Learning Platform       | learning wizard             | 43.750,00         |
| 6 Subcontracting      | 11.3.2021       | Subcontract FoE North Macedonia                     | youth educational forum     | 12.335,00         |
| 6 Subcontracting      | 11.3.2021       | Subcontract FoE Slovakia + Subcontract Cap. Buildir | slovenska debatna asocia    | 12.315,00         |
| 6 Subcontracting      | 11.3.2021       | Subcontract FoE Croatia (Winter Holiday Open)       | HDD                         | 17.300,00         |
| <b>TOTAL</b>          |                 |                                                     |                             | <b>101.206,95</b> |

All the expenses paid in March 2021 were incurred during the period of implementation or eligibility in accordance with Article 2.2 of the Specific Grant Decision of the Structural Grant No 617192.

### Use of this Report

This Report is prepared solely for the confidential use of the beneficiary and the Agency and solely for the purpose of submission to the Agency in connection with the requirements as set out in Articles 4.1. of the Grant Decision. This Report may not be relied upon by the beneficiary or by the Agency for any other purpose, nor may it be distributed to any other parties. The Agency may only disclose this Report to others who have regulatory rights of access to it, in particular the European Commission, the European Anti Fraud Office and the European Court of Auditors.

This Report relates only to the Final Financial Report specified above and does not extend to any other financial statements of the beneficiary.

No conflict of interest exists between the auditor and the beneficiary in establishing this Report. The fee paid to the auditor for providing the Report was EUR 3.000,00 Fixed fee. VAT is included. No additional costs has been reimbursed to the auditor.

We look forward to discussing our report with you and would be pleased to provide any further information or assistance which may be required.

Zagreb, 17 March 2020

Revizija Finar d.o.o.  
Zinke Kunc 3, 10000 Zagreb, Croatia



Rade Krnjeta, Director and Authorized Auditor

Attachment 1: Financial statements as reported to EACEA

| BUDGET OF THE OPERATION - 2020                                                             |                   |                                   |                            | Organisation:    | IDEA              |  |                                                                     |
|--------------------------------------------------------------------------------------------|-------------------|-----------------------------------|----------------------------|------------------|-------------------|--|---------------------------------------------------------------------|
| Starting date: January 1, 2020                                                             |                   | Finishing date: December 31, 2020 |                            |                  |                   |  |                                                                     |
| <b>ALL FIGURES IN EUROS - €</b>                                                            |                   |                                   |                            |                  |                   |  |                                                                     |
| <b>Please state your EXPENDITURE &amp; INCOME only by use of these FIELDS !</b>            |                   |                                   |                            |                  |                   |  |                                                                     |
| <b>ORIGINAL BUDGET</b>                                                                     |                   |                                   |                            |                  |                   |  |                                                                     |
| <b>I. EXPENSES</b>                                                                         |                   |                                   |                            |                  |                   |  |                                                                     |
| <b>ELIGIBLE COSTS</b>                                                                      |                   |                                   |                            |                  |                   |  |                                                                     |
| <b>1 Cost of staff assigned to the operation</b>                                           |                   |                                   |                            |                  |                   |  |                                                                     |
| <i>a) Category A (director, project manager, administrator, etc.)</i>                      |                   |                                   |                            |                  |                   |  |                                                                     |
| Actual Expenses                                                                            |                   |                                   |                            |                  |                   |  |                                                                     |
|                                                                                            |                   |                                   |                            |                  |                   |  | Eligible budget as approved in the Grant Decision / Grant agreement |
| Function                                                                                   | Number of persons | Total N° of days                  | Amount in € per day        | Total - €        |                   |  |                                                                     |
| Program officers IDEA NL                                                                   | 1                 | 260                               | 150                        | 39.028,42        |                   |  |                                                                     |
| Executive Director IDEA NL / OPEN UP program                                               | 1                 | 156                               | 224                        | 34.896,80        |                   |  |                                                                     |
| Fundraiser IDEA                                                                            | 1                 | 48                                | 215                        | 10.305,40        |                   |  |                                                                     |
| Communication                                                                              | 1                 | 108                               | 174                        | 18.843,28        |                   |  |                                                                     |
| <b>Total</b>                                                                               | <b>4</b>          | <b>572,00</b>                     |                            | <b>Total (a)</b> | <b>103.073,90</b> |  | <b>89.158,17</b>                                                    |
| <i>b) Category B (assistance functions, etc.)</i>                                          |                   |                                   |                            |                  |                   |  |                                                                     |
| Function                                                                                   | Number of persons | Total N° of days                  | Amount in € per day        | Total - €        |                   |  |                                                                     |
|                                                                                            |                   |                                   |                            | 0                |                   |  |                                                                     |
|                                                                                            |                   |                                   |                            | 0                |                   |  |                                                                     |
| <b>Total</b>                                                                               | <b>0</b>          | <b>0</b>                          |                            | <b>Total (b)</b> | <b>0,00</b>       |  | <b>0,00</b>                                                         |
| <i>c) Category C (secretaries, etc.)</i>                                                   |                   |                                   |                            |                  |                   |  |                                                                     |
| Function                                                                                   | Number of persons | Total N° of days                  | Amount in € per day        | Total - €        |                   |  |                                                                     |
| volunteers contracts for administration IDEA based on formal v                             | 1                 | 52                                | 33                         | 1692             |                   |  |                                                                     |
| Financial staff for IDEA                                                                   | 2                 | 76                                | 40                         | 6043,7           |                   |  |                                                                     |
| volunteer contract for training and development                                            | 5                 | 1                                 | 50                         | 250              |                   |  |                                                                     |
| volunteers contract for support board                                                      | 6                 | 26                                | 32                         | 5036,08          |                   |  |                                                                     |
| <b>Total</b>                                                                               | <b>5</b>          | <b>308</b>                        |                            | <b>Total (c)</b> | <b>13.021,78</b>  |  | <b>16.750,00</b>                                                    |
| <i>d) Category D (fees : auditors, consultants, experts, translators, etc.)</i>            |                   |                                   |                            |                  |                   |  |                                                                     |
| Function                                                                                   | Number of persons |                                   |                            | Amount in €      |                   |  |                                                                     |
| Auditor                                                                                    |                   |                                   |                            | 15730            |                   |  |                                                                     |
|                                                                                            |                   |                                   |                            | 0                |                   |  |                                                                     |
|                                                                                            |                   |                                   |                            | 0                |                   |  |                                                                     |
| <b>Total</b>                                                                               | <b>0</b>          |                                   |                            | <b>Total (d)</b> | <b>15.730,00</b>  |  | <b>15.000,00</b>                                                    |
| <b>Total section 1 (a+b+c+d)</b>                                                           |                   |                                   |                            |                  | <b>131.825,68</b> |  | <b>135.824,02</b>                                                   |
| <b>2 General expenditure</b>                                                               |                   |                                   |                            |                  |                   |  |                                                                     |
|                                                                                            |                   |                                   |                            | Amount in €      |                   |  |                                                                     |
| Office supplies IDEA                                                                       |                   |                                   |                            | 2951,36          |                   |  |                                                                     |
| Maintenance                                                                                |                   |                                   |                            | 150              |                   |  |                                                                     |
| Postal charges                                                                             |                   |                                   |                            | 0                |                   |  |                                                                     |
| insurance board IDEA                                                                       |                   |                                   |                            | 111,59           |                   |  |                                                                     |
| insurance illness staff IDEA                                                               |                   |                                   |                            | 3452,44          |                   |  |                                                                     |
| Legal Fees                                                                                 |                   |                                   |                            | 5,25             |                   |  |                                                                     |
| Bank Charges                                                                               |                   |                                   |                            | 252              |                   |  |                                                                     |
| Other: Salary Administration External                                                      |                   |                                   |                            | 685,97           |                   |  |                                                                     |
| <b>Total section 2</b>                                                                     |                   |                                   |                            |                  | <b>7.608,43</b>   |  | <b>11.256,98</b>                                                    |
| <b>3 Conferences, seminars, workshops, etc.</b>                                            |                   |                                   |                            |                  |                   |  |                                                                     |
|                                                                                            |                   |                                   |                            | Amount in €      |                   |  |                                                                     |
| Hiring of premises & equipment for General Assembly Meeting                                |                   |                                   |                            | 0                |                   |  |                                                                     |
| Participants' travel costs (details in annex A) Board and General Assembly meeting         |                   |                                   |                            | 0,00             |                   |  |                                                                     |
| Participant travel costs Capacity development meetings (1x)                                |                   |                                   |                            | 954,57           |                   |  |                                                                     |
| Participant travel costs Communication Event                                               |                   |                                   |                            | 0,00             |                   |  |                                                                     |
| Participants subsistence Board and General Assembly                                        |                   |                                   |                            | 0,00             |                   |  |                                                                     |
| Participants subsistence Capacity development meetings (1)                                 |                   |                                   |                            | 18943,84         |                   |  |                                                                     |
| Future of Europe Debates                                                                   |                   |                                   |                            | 0,00             |                   |  |                                                                     |
| Speakers' fees and costs                                                                   |                   |                                   |                            | 0,00             |                   |  |                                                                     |
| <b>Total section 3</b>                                                                     |                   |                                   |                            |                  | <b>19.898,41</b>  |  | <b>20.944,14</b>                                                    |
| <b>4 Staff travel expenses and subsistence costs</b>                                       |                   |                                   |                            |                  |                   |  |                                                                     |
| <i>- Details should be given in Annex B (origin, destination, mode of transport, rate)</i> |                   |                                   |                            |                  |                   |  |                                                                     |
| <i>a) Travel</i>                                                                           |                   |                                   |                            |                  |                   |  |                                                                     |
| Actual Expenses                                                                            |                   |                                   |                            |                  |                   |  |                                                                     |
| Mode of transport                                                                          | Number of persons | Total N° of journeys              | Average cost per journey/€ | Total - €        |                   |  |                                                                     |
| Train                                                                                      | 1                 | 9                                 | 105                        | 840              |                   |  |                                                                     |
| Train                                                                                      | 1                 | 12                                | 105                        | 1155             |                   |  |                                                                     |
|                                                                                            |                   |                                   |                            | 0                |                   |  |                                                                     |
| <b>Total (a)</b>                                                                           |                   |                                   |                            |                  | <b>1.995,00</b>   |  | <b>2.205,00</b>                                                     |
| <i>b) Subsistence (accommodation and meals)</i>                                            |                   |                                   |                            |                  |                   |  |                                                                     |
| Number of persons                                                                          | Total N° of days  | Average cost per day - €          |                            | Total - €        |                   |  |                                                                     |
| 0                                                                                          | 0                 | 70                                |                            | 0,00             |                   |  |                                                                     |
| 0                                                                                          | 0                 | 70                                |                            | 0,00             |                   |  |                                                                     |
|                                                                                            |                   |                                   |                            | 0                |                   |  |                                                                     |
| <b>Total (b)</b>                                                                           |                   |                                   |                            |                  | <b>0,00</b>       |  | <b>0,00</b>                                                         |
| <b>Total section 4 (a+b)</b>                                                               |                   |                                   |                            |                  | <b>1.995,00</b>   |  | <b>2.205,00</b>                                                     |

| 5 Rent, leasing and depreciation                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        | Actual Expenses                                                                                                                                                                                                                                                                                                                                                                                                         | Eligible budget as approved in the Grant Decision / Grant agreement |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Renting<br>Amount in € | Leasing<br>Amount in € |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                     |
| - No total purchase costs ! Details of the calculation method should be given in Annex C.                                                                                                                                                                                                                                                                                                                                                                                    |                        |                        |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                     |
| a) Equipment                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 0                      | 0                      | 1000                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                     |
| b) Land                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 0                      | 0                      | 0                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                     |
| c) Immovable property                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 7803,46                | 0                      | 0                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                     |
| <b>Total section 5 (a+b+c)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                               |                        |                        | <b>8.803,46</b>                                                                                                                                                                                                                                                                                                                                                                                                         | <b>12.400,00</b>                                                    |
| 6 Subcontracting                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                     |
| Capacity building of the network                                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        | 9475                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                     |
| Debate Events Future of Europe                                                                                                                                                                                                                                                                                                                                                                                                                                               |                        |                        | 65111,96                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                     |
| Tender for website and social media                                                                                                                                                                                                                                                                                                                                                                                                                                          |                        |                        | 43750                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                     |
| <b>Total section 6</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                        |                        | <b>118.336,96</b>                                                                                                                                                                                                                                                                                                                                                                                                       | <b>104.084,15</b>                                                   |
| 7 Other                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        | Estimated total budget - €                                                                                                                                                                                                                                                                                                                                                                                              | Eligible budget as approved in the Grant Decision / Grant agreement |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        | 0                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        | 0                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        | 0                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                     |
| <b>Total section 7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                        |                        | <b>0,00</b>                                                                                                                                                                                                                                                                                                                                                                                                             | <b>0</b>                                                            |
| <b>TOTAL OF ELIGIBLE COSTS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                               |                        |                        | <b>288.467,94</b>                                                                                                                                                                                                                                                                                                                                                                                                       | <b>285.714,29</b>                                                   |
| II. INCOME                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                        |                        |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                     |
| <b>ELIGIBLE INCOME</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                        |                        | Estimated Income €                                                                                                                                                                                                                                                                                                                                                                                                      | Eligible budget as approved in the Grant Decision / Grant agreement |
| 1a. Executive Agency EACEA                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                        |                        | 200.000,00                                                                                                                                                                                                                                                                                                                                                                                                              | 200.000,00                                                          |
| <i>(i.e. the grant for which this application is being submitted)</i>                                                                                                                                                                                                                                                                                                                                                                                                        |                        |                        |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                     |
| 1b. Public institutions (please specify)                                                                                                                                                                                                                                                                                                                                                                                                                                     |                        |                        |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                     |
| <b>Total section 1b</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        | <b>0,00</b>                                                                                                                                                                                                                                                                                                                                                                                                             | <b>10.000,00</b>                                                    |
| 1c. Private companies (please specify)                                                                                                                                                                                                                                                                                                                                                                                                                                       |                        |                        |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        | 0                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        | 0                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        | 0                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                     |
| <b>Total section 1c</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                        |                        | <b>0,00</b>                                                                                                                                                                                                                                                                                                                                                                                                             | <b>0,00</b>                                                         |
| 2 Contribution by the applicant (self-financing)                                                                                                                                                                                                                                                                                                                                                                                                                             |                        |                        | 88.467,94                                                                                                                                                                                                                                                                                                                                                                                                               | 75.714,29                                                           |
| 3 Direct revenue expected from the operation (please specify)                                                                                                                                                                                                                                                                                                                                                                                                                |                        |                        |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        | 0                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        | 0                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        | 0                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                     |
| <b>Total section 3</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                        |                        | <b>0,00</b>                                                                                                                                                                                                                                                                                                                                                                                                             | <b>0,00</b>                                                         |
| <b>TOTAL OF ELIGIBLE INCOME</b>                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |                        | <b>288.467,94</b>                                                                                                                                                                                                                                                                                                                                                                                                       | <b>285.714,29</b>                                                   |
| This page must be signed by the person legally authorised to commit the beneficiary                                                                                                                                                                                                                                                                                                                                                                                          |                        |                        |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                     |
| <p>The undersigned certifies that the submitted final accounts are true &amp; correct</p> <p>Name: Bojan Marjanovic</p> <p>Position within the organisation: Executive Director</p> <p>Date: 16-03-2021</p> <p>Signature of the Legal Representative: </p> <p>Official stamp of the organisation: </p> |                        |                        | <p>Rate(s) of exchange used (Art. 8.2 of the Specific Grant Decision)</p> <p>exchange conversion shall be made at the average of the monthly accounting rates established by the Commission and published on its website (<a href="http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/inforeuro_en.cfm">http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/inforeuro_en.cfm</a>).</p> |                                                                     |

| <b>Annex 1- Information about the Grant Agreement/Decision Information about the Grant Agreement/Decision</b> |                                                                                                    |
|---------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| Reference number and date of the Grant Agreement/Decision                                                     | Framework Partnership Decision and SPECIFIC DECISION NUMBER – 617182 dated on April 28, 2020.      |
| Programme                                                                                                     | Europe for Citizens Programme                                                                      |
| Country                                                                                                       | The Netherlands (NL), activities across the EU                                                     |
| Beneficiary                                                                                                   | International Debate Education Association, Mariahoek 16, 3511 LG Utrecht, The Netherlands (NL)    |
| Start date of the Action                                                                                      | January 1, 2020                                                                                    |
| End date of the Action                                                                                        | December 31, 2020                                                                                  |
| Total cost of the Action                                                                                      | €286.940,90                                                                                        |
| Grant maximum amount                                                                                          | €200.000,00                                                                                        |
| Total amount received to date by the beneficiary from Agency                                                  | €160.000,00                                                                                        |
| Total amount of the payment request                                                                           | €40.000,00                                                                                         |
| Auditor                                                                                                       | Revizija Finar d.o.o., Z. Kunc 3, HR-10000 Zagreb.<br>Auditor: Rade Krnjeta, rade.krnjeta@finar.hr |

## **Annex 2 - List of specific procedures to be performed**

### ***1. General procedures***

#### **a) Terms and Conditions of the Grant Agreement/Decision**

The auditor obtains an understanding of the terms and conditions of the Grant Agreement/Decision by reviewing:

- a signed copy of the Grant Agreement/Decision, its annexes and other relevant information. Particular attention should be paid to the Description of the Action and the Budget;
- the Final Financial Report (which includes a narrative and a financial section).

#### **b) Final Financial Report and the Grant Agreement/Decision**

- The Final Financial Report must conform to the model annexed to the Grant Agreement/ Grant Decision;
- The Final Financial Report should cover the Action or the Work Programme as a whole, regardless of which part of it is financed by the Agency.

#### **c) Rules for Accounting and Record Keeping**

- The auditor examines whether the beneficiary has complied with the rules for accounting and record keeping in accordance with Articles II.19, II.20 and II.27.2 of the Grant Agreement/ General Conditions n° 19, 20 and 27.2 of the Grant Decision;;
- The accounts kept by the beneficiary for the implementation of the Action must be accurate, up-to-date and exhaustive (including all expenditure and income);

- The auditor examines whether the beneficiary has a double-entry book-keeping system;
- The income and expenditure relating to the Action must be easily identifiable and verifiable;

#### d) Exchange Rates

The auditor verifies that amounts of expenditure incurred in a currency other than the euro have been converted in accordance with the provisions of the Grant Agreement/ Grant Decision. Where the beneficiary is required to use the website of the Commission, this refers to inforEuro.

### ***2. Verification evidence***

The beneficiary will allow the auditor to carry out verifications on the basis of supporting documents for the accounts, accounting documents and any other document relevant to the financing of the Action.

The beneficiary will allow the auditor access to all documents and databases concerning the technical and financial management of the Action (Article II.27 of the Grant Agreement/ General Condition n° 27 of the Grant Decision). **It should also be noted that it is the beneficiary's responsibility to obtain the accounting documents necessary to enable the auditor to verify costs incurred by co-beneficiaries / project partners.**

Supporting documentation must be available in the form of original documents for the beneficiary (or certified copies of originals for the cobeneficiaries) rather than photocopies or facsimiles.

If the auditor finds that the above criteria for evidence are not sufficiently met, this should be reported as an exception.

### ***3. Procedures to verify the conformity of expenditure with the budget and analytical review***

- The auditor carries out a substantive review of the expenditure headings in the Final Financial Report;
- The auditor verifies whether there have been amendments to the budget of the Grant Agreement/Decision;
- The auditor verifies that the budget in the Final Financial Report corresponds<sup>24</sup> to the budget of the Grant Agreement/Decision (authenticity and authorisation of the initial budget) and that the expenditure incurred was indicated in the budget of the Grant Agreement/Decision;
- The auditor verifies any transfers between budget headings by comparing the initial budget with the budget in the Final Financial Report and checks that the provisions of Articles I.8 and II.12 of the Grant Agreement/ Article 8 and General Condition n° 12 of the Grant Decision have been complied with.

### ***4. Selecting expenditure for verification and Expenditure Coverage***

The expenditure claimed by the beneficiary in the Final Financial Report is presented in the budget form provided in the Grant Agreement/Grant Decision.

Expenditure headings can be broken down into expenditure subheadings. Expenditure subheadings can be broken down into individual expenditure items or classes of expenditure items with the same or similar characteristics.

**What percentage of expenditure needs to be verified by the auditor?**

The Expenditure Coverage Ratio ('ECR') represents the total amount of expenditure verified by the auditor expressed as a percentage of the total amount of expenditure reported by the beneficiary in the Final Financial Report (i.e. funded from EU funds and other sources).

The auditor ensures that the overall ECR is at least 70%. If the exception rate is less than 10% of the total amount of expenditure verified (i.e. 7% of total expenditure), the auditor finalises the verification procedures and continues with reporting.

If the exception rate is greater than 10%, the auditor is required to extend the verification procedures until the ECR is at least 85%. In addition to reaching the minimum coverage of total expenditure stated in the previous two paragraphs, the auditor must ensure that the ECR for each expenditure heading in the Final Financial Report is at least 10%.

### **On what basis should expenditure items be selected for verification?**

In order to both meet the minimum ECR above and ensure that the expenditure verification is systematic and representative:

- value should be the principal factor used by the auditor, i.e. an appropriate number of high value expenditure items should be selected; and
- otherwise, the population selected for testing should be selected on a random basis in order to produce a representative sample.

### ***5. Procedures to verify selected expenditure***

#### **(a) Eligibility of costs**

The auditor verifies, for each expenditure item selected, that the eligibility criteria set out below have been met.

##### **– Costs actually incurred**

The auditor verifies that the expenditure for a selected item was actually incurred by and pertains to the beneficiary. For this purpose the auditor examines supporting documentation (e.g. invoices, contracts) and proof of payment. The auditor also examines proof of work done, goods received or services rendered and verifies the existence of assets if applicable.

The auditor verifies that the monetary value of a selected expenditure item is in line with underlying documents (e.g. invoices, payroll documents) and that correct exchange rates are used where applicable.

##### **– Cut-off - Implementation period**

The auditor verifies that the expenditure for a selected item was incurred during the period of implementation or eligibility in accordance Article I.2 of the Grant Agreement/ Article 2 of the Grant Decision. Invoices received during the eligibility period but not yet paid, as well as costs relating to the Final Financial Report, should be reported by the auditor under the 'exceptions'. The costs relating to the Final Financial Report should be reasonable and in line with the provisions of Article II.19 of the Grant Agreement/ General Condition n° 19 of the Grant Decision.

##### **– Classification:**

The auditor examines the nature of the expenditure for a selected item and verifies that the expenditure item has been classified under the correct (sub) heading of the Final Financial Report.

– Necessary / connected

The auditor verifies whether it is plausible that the expenditure for a selected item was necessary for the implementation of the Action and that it had to be incurred for the contracted activities of the Action by examining the nature of the expenditure together with supporting documents.

– Sound financial management / economy

For each selected item, the auditor verifies that the price paid for the goods/services does not represent expenditure that has been incurred excessively or recklessly<sup>28</sup>, e.g. if the beneficiary is using business class flights for the project whereas its normal policy is for employees to fly economy.

– Compliance with sub-contracting and procurement rules:

Where applicable, the auditor checks that the sub-contracted tasks or activities have been provided for in the initial budget or have been approved by the Agency. Where applicable, the auditor examines which procurement rules (as provided for by the Grant Agreement/Decision) apply for any given expenditure (sub)heading, class of expenditure items or expenditure item. The auditor verifies whether the expenditure was incurred in accordance with such rules by examining the underlying documents of the procurement and purchase process, e.g. tenders/quotes. Where the auditor finds instances of noncompliance with procurement rules, the nature thereof as well as their financial impact in terms of ineligible expenditure should be reported as an exception.

#### (b) Direct costs

The auditor verifies the selected expenditure items by carrying out the procedures listed above under (1). In addition, the following specific guidance is provided with regards to staff costs and other direct costs:

#### (c) Staff costs

(i) The auditor verifies the employment status and conditions of employment of the personnel.

For the employees selected, the auditor checks that they were:

- directly hired<sup>30</sup> by the beneficiary<sup>31</sup> in accordance with its national legislation;
- hired under the technical supervision and responsibility of the beneficiary alone;
- remunerated in accordance with the beneficiary's normal practice<sup>32</sup> for its activities, whether or not funded by the EU.

Any employment contract which does not meet these criteria must be reported by the auditor under the category 'exception'.

Reminder: as far as the co-beneficiaries' staff supporting documents are concerned (e.g. payslips), the auditor should accept certified copies.

### **What is the objective of this procedure?**

The Agency seeks to ensure that personnel costs actually relate to employees of the beneficiary carrying out the Action or the Work Programme, and to identify cases where this component may have been effectively 'outsourced' to a different entity despite this not having been provided for in the Grant Agreement/Decision. The Agency also seeks to ensure that no special employment conditions are applied in the case of employees working on the Action which do not form part of the normal practice of the beneficiary.

### **Which documents should the beneficiary prepare for the auditor?**

Employment contracts for the staff in question, as well as standard employment contracts in use for personnel who perform a variety of work for the beneficiary (i.e. are not exclusively devoted to an EU-funded project or Work Programme).

Reminder: as far as the co-beneficiaries' staff supporting documents are concerned (e.g. payslips), the auditor should accept certified copies.

### **What kind of information would give rise to exceptions?**

Any deviation from the above principles should be highlighted by the auditor as an exception. Some examples have been provided below (list not exhaustive).

**Directly hired:** Exceptions should be highlighted if there are indications in the contract that the employee has been hired by a different legal entity, including a legal entity within the same group (e.g. if the beneficiary is XYZ and the contract is with XYZ registered in a different country).

Another exception would be if the employee's services are being charged via a service company or other consulting type arrangement.

**Remunerated in accordance with the normal practice of the beneficiary:** Typical examples of exceptions would include the employee being remunerated by way of a 'lump sum' instead of via a salary arrangement, or any other form of payment / charging which does not form part of the normal practice of the beneficiary.

(ii) The auditor examines employees' time recording (paper / computer, daily / weekly / monthly, signed, authorised).

### **What is the objective of this procedure?**

This procedure will provide the Agency with the information it needs to assess whether the recording of project time is in line with the costs charged for staff working on the project.

Normally, time recording should be carried out regularly and authorised by the project manager to ensure that the time worked on the Action can be traced and charged correctly. For the

employees selected, the hours charged to the Action should have been accurately recorded in the time recording system. Any discrepancies between the amount charged to the Action and the amount in the recording system should be recorded as an exception, as should the absence of a recording system.

**Which documents should the beneficiary prepare for the auditor?**

The beneficiary should provide a description of the time-recording system and, for the employees selected for testing, make available all the time sheets or provide full access to the computer system which records the time of the employees. The auditor should be able to trace the time charged for the sample selected to the time records of each individual employee.

Reminder: as far as the co-beneficiaries' staff supporting documents are concerned (e.g. payslips), the auditor should accept certified copies.

(iii) For the employees selected, the auditor verifies the daily rate by dividing the actual personnel costs by the actual working days and then comparing it to the daily rate charged by the beneficiary.

**What is the objective of this procedure?**

The objective of this check is to verify that the daily rates being charged have been correctly calculated from the actual underlying cost information for the period in question, namely the costs to the employer (salary / wages, including benefits and other employment costs), divided by the number of working days with reconciliation of the payroll information for the selected employees to the accounting records and payments.

**Which documents should the beneficiary prepare for the auditor?**

The actual payroll information for the period in question (base salary, benefits of all kinds, pension contributions, employers' payroll taxes, social security contributions, etc.) and working days<sup>35</sup> figures used to calculate the daily rates. The beneficiary should also provide a reconciliation/calculation showing how the daily rates were calculated from the payroll information.

If the working days or costs of personnel cannot be identified *or justified by the beneficiary*, they must be listed (together with the amounts) as exceptions.

**What employment costs are not considered eligible or should be regarded as exceptions?**

Generally, all employment costs which are part of the normal remuneration policy of the beneficiary are accepted. Costs which have been charged and which relate specifically to involvement in European projects, and are not part of these normal remuneration and/or accounting principles, should be noted as exceptions.

**(d) Other direct costs**

For the purpose of these guidance notes, the heading 'Other direct costs' refers generically to all direct cost categories within the

approved budget other than staff costs, for example, travel & subsistence, equipment, or production & dissemination costs, etc.

**Which documents should the beneficiary prepare for the auditor?**

For most transactions in these cost categories, it should be sufficient proof of expenditure if the beneficiary has kept original third-party invoices (or certified copies for co-beneficiaries).

For air travel costs, please also note that flight tickets and boarding passes may represent suitable documentation where both the cost of the trip and passengers' names / dates / place of departure and destination are evident.

**What are the most common errors made by beneficiaries for 'Other direct costs'?**

a) General: invoices are not detailed enough to establish a clear connection to project activities.

b) Subsistence: subsistence costs claimed may be in excess of the maximum daily rates published in the call for proposal / provided for in the Grant Agreement/Decision.

c) Equipment:

- depreciation may not be calculated correctly in accordance with the terms of the Grant Agreement / Decision;

- the full cost of an item of equipment may be claimed where it should have been depreciated.

d) Production/ dissemination: the beneficiary may not have kept proof of outputs produced e.g. booklets, leaflets, publications, website publicising the Action or Work Programme.

(c) Indirect Costs

The auditor verifies that the indirect costs to cover administrative overheads do not exceed 7% of the total amount of eligible direct costs of the Action.. **This paragraph applies only to Grants for an Action as in the Operating Grants there is no specific category for indirect costs.**

(d) Ineligible Costs

The auditor verifies that the expenditure for a selected item does not concern an ineligible cost as described in Article II.19.4 of the Grant Agreement and General Condition n° 19.4 of the Grant Decision.

(e) Contributions in kind

If contributions in kind are provided for they must be indicated and valued in the budget for the Action and/or in the Grant Agreement/Decision.

The auditor verifies that any contribution in kind included in the initial budget has been delivered to the beneficiary and that the values declared in the Final Financial Report match the values entered in the initial budget. The auditor verifies that the values entered for the contributions in kind in the Final Financial Report are correct.

## ***6. Quantification of exceptions***

Wherever possible, the auditor quantifies the full amount of the verification exceptions found. For example, if the auditor finds an exception of EUR 1 000 with regard to procurement rules for a Grant Agreement/Decision where the EU finances 60 % of the expenditure, the auditor reports an exception of EUR 1 000 and a financial impact of EUR 600 (EUR 1 000 x 60%).

Furthermore, the description of the exception should be sufficiently detailed to enable the Agency to determine which expense item in the Final Financial Report the exception relates to. The wording in the ‘factual findings’ paragraph of the report format (see Annex 3 to this engagement letter) allows details of all exceptions to be provided in the form of an Annex. The auditor’s attention is drawn to the fact that favourable exceptions, i.e. exceptions increasing eligible expenditure, are not permitted.

## ***7. Procedures to verify revenues***

The auditor examines whether revenues which should be attributed to the Action (including *inter alia* grants and funding received from other donors, revenue generated by the Action, contributions in kind, have been allocated to the Action and disclosed in the Final Financial Report. For this purpose the auditor should consult the beneficiary and examine documentation obtained from the beneficiary, e.g. income accounts in the General Ledger.

END OF REPORT