1. INTRODUCTION

This guidance provides grantees with information on budgeting, reporting, and the claiming of funds from AmplifyChange. The guidance also provides basic instructions on how grantees can complete the Financial Template.

This guidance is meant for Strengthening, Network and Strategic grantees who received 6 months and 15% of their budget as their first disbursement (please refer to the payment disbursement schedule in Section 2.2 or 3.2 of your grant agreement).

Throughout this document, we refer to grantees as ‘you’ and AmplifyChange as ‘we’.

2. GRANT INFORMATION

All grantees should complete the Financial Template's first tab (sheet 1), which is labelled ‘GrantInformation’ in the list of tab names along the bottom. Cells C11 and C12 are particularly important – this is where you should provide the name and email address of the staff member responsible for the financial report. For smaller organisations this might be the main grant contact; but for others this might be a specific member of finance staff who is responsible for the budget and financial reporting.

Please use Cell C16 to indicate the methodology you have used for converting payment currency into EUR for reporting. For more details on the allowable exchange rate methodologies please see the #3 Exchange rates guidance.
3. BUDGET

You have already submitted a draft budget with the application. You can revise and finalise this during the pre-contracting stage of grant setup during discussions with your Grant Support Team Member. Once agreed by your Grant Support Team Member, the final budget will be included as an Annex to the Grant Agreement. Strategic / Network / Strengthening grants are for a period of up to two years and budgets should reflect the length of the grant. The budget template is found in the third tab of the Financial Template called 'AgreedBudget'.

You need to structure your budget between the five standard budget headings – Project Activities, Staff Costs, Monitoring and Evaluation, Organisational Strengthening / Capacity Building / Sustainability, and Indirect Costs. We explain these classifications in more detail in the #2 Budget classification and budget management guidance.

You will need to insert lines as required under each of the five budget heading sections. To ensure that the formulas/calculations are copied into the new rows, please copy a row and click 'insert copied cells' (it will NOT work if you just insert a new blank row).

Budget heading name

The budget heading name in Column B must conform to the five standard budgeting headings (Project Activities etc). Please ensure that they are in the exact same format e.g. no space between the words 'Project' and 'Activities' (see format below), as we use this for data analysis. The budget headings names/formats are:

- ProjectActivities
- StaffCosts
- MonitoringAndEvaluation
- OrganisationalStrengthening
- IndirectCosts

Activity name

This is found in Column C and should be used within the Project Activities budget heading. Here, please choose the appropriate activity name for your project’s activities. We suggest you keep this simple such as ‘Activity 1’, ‘Activity 2’. The activities in the activity name column should match the activities agreed in your project workplan. For all other budget heading sections, the activity name should be ‘n/a’ as these costs do not relate to a specific project activity.
Budget line
In Column D, please include the budget line name. This is free text and you must define your own budget lines which are specific to your project. Some examples can be found in Section 2 of the #2 Budget classification and budget management guidance.

Organisation and country
If you, as the grantee, are working with a downstream partner, then Column E should be used to indicate the name of the downstream partner using this budget line, otherwise this should just be your own organisation’s name. Column F should be used to indicate the country in which the budget line is being spent.

Period
Columns G, H, J and K are for the actual budget figures. Please ensure these are in euros (EUR). Columns I, L and N contain formulas to add up the figures entered - please do not amend or type over these formulas.

Budget notes
Column O is a free text column for you to add notes about each budget line. Please include sufficient detail to fully explain and justify your assumptions, approach and calculations of the budget estimates. For example, a ‘staff costs’ budget line should include details such as the title/grade of staff member, percentage of Full Time Equivalent (FTE) being charged to the project and annual salary.

Each budget heading has a sub-total line and there is an overall total at the bottom of the tab. Please do not amend or type over these formulas.

4. CLAIMS AND FINANCIAL REPORTING
As a Strategic / Network / Strengthening grantee, AmplifyChange expects you to complete financial reporting every six months during the project life. This helps us to monitor your grant appropriately, and the financial report template also acts as a claim form to allow the next funding disbursement to be released. Until your financial report is approved by AmplifyChange, we cannot release any further disbursements.
The pattern of disbursement is set out below:\(^1\)

<table>
<thead>
<tr>
<th>Payment trigger</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature of Contract</td>
<td>1st disbursement (6-month tranche plus 15% of total grant as float)</td>
</tr>
<tr>
<td>Period 1 – 6-monthly report received and approved</td>
<td>2nd disbursement (6-month tranche based on forecast and adjusted for any cash in hand)</td>
</tr>
<tr>
<td>Period 2 – 6-monthly report received and approved</td>
<td>3rd disbursement (6-month tranche based on forecast and adjusted for any cash in hand)</td>
</tr>
<tr>
<td>Period 3 – 6-monthly report received and approved</td>
<td>4th disbursement (6-month tranche based on forecast and adjusted for any cash in hand and less balance held in float up to the maximum grant amount)</td>
</tr>
<tr>
<td>Period 4 – Final 6-monthly report received and approved</td>
<td>Repayment of any unspent balance if required(^2)</td>
</tr>
</tbody>
</table>

There are up to four reporting tabs for the Financial Reports called ‘Period1’, ‘Period2’, ‘Period3’ and ‘Period4’. The reporting is cumulative - so for each reporting period, please update the relevant tab.

On each of the reporting tabs, please also complete cells D5 and D6 in **Section 1: Grant Information** with the name and email of the staff member who authorised this report, and D7 with the dates of the period that the financial report is for. This should agree with the reporting period on SMILE. AmplifyChange uses the cash-basis of accounting so only transactions paid during the reporting period should be included.

**Section 2: Forecast**

Please also update the forecast for the next period (e.g. when completing the ‘Period1’ tab the forecast will be in cells H4 to H8 for Period 2). This is the forecast for the next 6 months. We expect that this will be in line with the agreed budget unless previous periods have deviated from the budget. The actual amount of the disbursement we make (after we approve the financial report) will be based on the forecast for the next 6 months, adjusted for any cash in hand.

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\(^1\) This is an example payment schedule assuming a 24-month project length. Different grants may have different lengths.

\(^2\) Repayment is required if an unspent balance exceeds €2,000 or 1% of the total grant (whichever is higher).
Section 3: Transaction listing

As a grantee, you must report all transactions spent on the project. The Detailed Transaction Listing requires full details of each transaction incurred against project budgets and should be reconcilable to (i.e. consistent with) the workplan. **Grantees should be aware that the details set out in this report are subject to audit; it is expected that grantees can provide supporting evidence for all transactions (for example, payslips, receipts and invoices).** More rows can be inserted as needed. To ensure that the formula in Column M is copied down please copy a row and click ‘insert copied cells’ (rather than just inserting a new blank row).

Budget heading

Column C is the budget heading. This must match exactly the standard budget heading names and formats as in the ‘AgreedBudget’ tab (namely: ProjectActivities, StaffCosts, MonitoringAndEvaluation, OrganisationalStrengthening and IndirectCosts). These can be selected from a dropdown or copied into the cells, providing the exact wording/formatting is used. The template will bring up an automatic data validation error message if the wrong headings are typed into these cells.

Activity name

Column D is for the activity name. This is only relevant for the Project Activities budget heading section. This must match exactly the activity name as used in the ‘AgreedBudget’ tab, which is in line with the workplan. This is why we suggest you keep the activity name simple such as ‘Activity 1’, ‘Activity 2’. For Staff Cost, Monitoring and Evaluation, Organisational Strengthening / Capacity Building / Sustainability, and Indirect Costs, the activity name should be ‘n/a’ as these costs do not relate to a specific project activity.

Budget line

Column E is for the budget line and this must match the budget lines used in the ‘AgreedBudget’ tab.

Transaction description

Column F is free text and can be used to give a brief description of the transaction.

Organisation and country

Columns G and H are for the organisation and country, and should match the budget.
Payment date
Column I is for the payment date. AmplifyChange uses the **cash-basis of accounting** so the important date is the payment date, which is the date funds actually leave your organisation (or downstream partner). More details can be found in the #1 Principles of reporting guidance. Transactions in each reporting period should only be included if the payment date falls within that reporting period. This is particularly important for the final reporting period as any payments made after the end date of the grant agreement are not eligible, unless within the €2,000 or 1% limit and agreed in advance (please see Section 5.4 of the #2 Budget classification and budget management guidance).

Payment currency and amount in payment
Column J is for the payment currency. This is the actual currency each transaction has been made in. This may be different for different transactions in one report (for example, if transactions take place in different countries or multiple currencies are in common use in a country). Please note that this may not always be the local currency of the country where the project is located if a different currency such as USD is actually used to make a payment. Column K is for the amount of the transaction in the payment currency.

Exchange rate (EUR1=) and amount (EUR)
Column L is for the exchange rate used to convert payment currency into euros (EUR) for reporting to AmplifyChange. This should be expressed as the amount of payment currency equal to 1 (one) euro (EUR1). For more details on the allowable exchange rate methodologies please see #3 Exchange rates guidance. Please note that you should include the exchange rate methodology used in cell C16 of the ‘GrantInformation’ tab. Column M will calculate the amount in EUR. **Please note this column contains a formula and so you should not amend or type over it.**

Section 4: additional information
This is a free text box. Please use this for any information you would like us to consider when reviewing your financial report. This should include explanations of any variances to budget, both underspending and overspending.

The second tab of the Financial Report called ‘Summary’ pulls in data from both the ‘AgreedBudget’ and the (up to four) Financial Report tabs (‘Period1’, ‘Period2’, etc.) for analysis purposes. For each reporting period it shows underspending/overspending (e.g. for Period 1,
the information entered is pulled into cells H24 to H29). **No data can be added by grantees directly into this tab.**

For guidance on what budget flexibility there is please refer to the #2 Budget classification and budget management guidance. We encourage you to include as much detail as possible in the additional information box so that we do not need to ask you for further information during the financial report review process, as this may cause delays to your next disbursement.

**Voucher**

The final tab in the Financial Template is called ‘**Voucher**’. This is used by us at AmplifyChange to calculate the disbursement payments. You do no need to add anything to this tab.

**5. BUDGET REVISIONS**

If you have agreed a **budget revision** with your Grant Support Team member at AmplifyChange, you will be required to complete a new version of the ‘**AgreedBudget**’ tab. We (AmplifyChange) will then insert this into the Financial Template to replace the original agreed budget.

Please draw up the revised budget following the guidance in #2 Budget classification and budget management and template guidance given in Section 3 of this document.

When completing the new version of the ‘AgreedBudget’ tab for the budget revision, please ensure that the amounts included for any periods that have already been reported to AmplifyChange exactly match what has been reported to and approved by us. Once the revised ‘AgreedBudget’ tab has been inserted into the Financial Template there should be no variance between budget and what has been reported for past periods. The funds that are unspent and have not been reported to AmplifyChange in previous periods can be re-budgeted. **Please note you should agree all budget revisions with your Grant Support Team member at AmplifyChange.**