

Introduction

A separate fiscal report must be submitted by each company. The report must be prepared from separate accounting records maintained by each company for recording the entire project expenditures.

Fiscal reports should be submitted even if the actual expenditures incurred by the company are below budget during the reporting period.

All expenses incurred in a SIIRD-supported project must be itemized. Expenditures in all categories should be shown along with the Approved Project Budget as per Annex A of the CPFA.

Please note that any expenses which have received support from other governmental organizations of Israel and Singapore during the project duration will not be supported by SIIRD.

Each company shall submit their individual signed Interim/Final Fiscal Report to the SIIRD Management in softcopy. For Fiscal Reporting, companies are to use the forms and templates provided at http://www.siird.com/guideline_forms_b.htm for Interim Reporting and http://www.siird.com/guideline_forms_c.htm for Final Reporting.

Reporting requirements for:

Interim Report

At the mid point of the project, unless otherwise stated in CPFA, companies are required to submit Interim Fiscal Report consisting:

1. Fiscal Report Form;
2. Fiscal Report Summary;
3. Amendment Request (if applicable); and
4. Employee Monthly Time Sheet.

These forms can be downloaded from SIIRD's website (http://www.siird.com/guideline_forms_b.htm).

Final Report

At the end of the project, companies are required to submit their audited Final Fiscal Report consisting:

1. Fiscal Report Form;
2. Fiscal Report Summary;
3. Amendment Request (if applicable);
4. Employee Monthly Time Sheet; and
5. Company's Auditor Opinion on Final Fiscal Report

These forms and template can be downloaded from SIIRD's website (http://www.siird.com/guideline_forms_c.htm).

Report Outline

1. Fiscal Report Form

- a. Please input information into the light yellow coloured cells of the form.
- b. Actual expenditures of qualifying items during the reporting period are to be stated.
- c. Documentation for all categories of expenditures eg. purchase requisitions, purchase orders or invoices should be signed by the project manager approving such allocation. Proof of payment eg. a copy of the cheque or bank transfer should be documented. These supporting documents must be available at the company for inspection during auditing of the Final Fiscal Report. Where specific agreements have been signed eg. with the subcontractors or consultants, a copy should also be available for inspection.

I. Direct Labour

- a. Reporting period - is the official start date of the project to the end of the reporting period.
- b. Employees engaged in the project should be identified by name and title.
- c. Total Gross Salary of Reporting Period - an input item, is the total gross salary earned during the reporting period plus social benefits of employees who worked on the project. Eligible salary includes everything that is taxable.

The **maximum gross annual salary** (including social benefits for a full-time position) is currently capped at **US\$100,000**. Typically, in addition to the engineering and technical personnel, the staff includes prototyping and R&D documentation. NOT to be included are corporate executives, secretarial staff, legal staff, administrative staff or staff engaged in selling activities; such expenses could be covered by the overhead allowance.

All top management executives (CEO, GM, MD etc) involved in the R&D project should not participate more than 50% of their time in the project.

- d. Percentage of Direct Labour on Project - an input item, is the time spent on the project by the employee during the reporting period. The percentage time reported needs to be based on a project time monitoring system. Each employee working on the project is required to fill in the "**Employee Monthly Time Sheet**" which is to be duly signed by the employee and the project manager.

The calculation for the percentage time spent on the project by each employee should be the total actual hours spent on the project divided by the total working hours during the reporting period.

II. Equipment

- a. Only depreciation, rental or leasing expenses incurred over the duration of the project will be recognised.
- b. Depreciation - refers to depreciation allowance on capital equipment employed and not to capital expenditures. The depreciation allowance equals the purchase cost of the equipment item being employed (an input item given in \$/unit) X

number of units employed (an input item) X % of the time in which the equipment is employed on the project (an input item) X the annual depreciation rate (in % per year). The annual depreciation rate currently allowed is 33.3%.

- c. Leasing Cost - equals the monthly lease cost or rental cost of capital equipment (an input item given in \$/unit/month) X the number of units leased/rented (an input item) X % of the time in which the leased/rented equipment is employed by the project (an input item) X project duration (in months).

III. Expendable Materials & Supplies

- a. List and describe each major item or groups of related items categorised as expendable materials and supplies.

IV. Travel

- a. Name of employee making the trip, destination and dates of travel are to be stated.
- b. Travel expenses should be classified as either from/to Singapore or to/from Israel. In either case, the trips should be itemised by the destination and the purpose of the trip, which should be described in a few words.
- c. Eligible expenses are airfare, board and lodging and ground travel.
- d. Travel expenses will be eligible only for those specific employees designated in the approved work program. Only travel that is related exclusively with the project will be eligible.

V. Subcontracts

- a. List each subcontractor, the service performed and the cost for each service.
- b. The qualifying cost supported by SIIRD under Subcontracts and Consultants shall not exceed 20% of the total qualifying cost.

VI. Consultants

- a. List each consultant, the service performed, the hourly rate upon which the charge will be made (an input item given in \$/hr) and the number of consultant hours.
- b. The qualifying cost supported by SIIRD under Subcontracts and Consultants shall not exceed 20% of the total qualifying cost.

2. Fiscal Report Summary

- a. Please note that most of the information required in this Fiscal Report Summary will be automatically transferred from the Fiscal Report Form you have input.
- b. Actual Expenditures During Reporting Period – is the total cumulative expenditures incurred by the company from the official start date of the project to the end of the reporting period.

- c. Qualifying Cost of Approved Budget – is the total approved budget for the company from Annex A of the CPFA for the project period.
- d. Fiscal Report Summary is to be signed by Project Manager, Accounting Official and Authorised Company Official (i.e. CEO, MD or GM). Date of submission is to be stated too.

3. Amendment Request

- a. Should there be any changes to the approved budget, an amendment request should be submitted together with the Fiscal Report Form and Fiscal Report Summary. Each amendment made to the approved budget should be substantiated with detailed explanation.
- b. If SIIRD has approved any prior request to change(s) in the budget, please attach the written approval as supporting document to the amendment request.
- c. All amendment requests are subject to SIIRD's approval.

4. Employee Monthly Time Sheet

- a. Please input information into the light yellow coloured cells of the spreadsheet.
- b. Each employee working on the project is required to fill in the time sheet which is to be duly signed by the employee and the project manager.
- c. The calculation for the percentage of time spent on the project for the month by each employee should be the total actual hours spent on the project during the month divided by the total working hours of the month.

5. Company's Auditor Opinion on Final Fiscal Report

- a. The Final Fiscal Report of each company is to be audited by an external auditor. The auditor's opinion on the Final Fiscal Report should be submitted together with the Final Fiscal Report.
- b. The guidelines for the Audit of Final Fiscal Report and the template for Company's Auditor Opinion on Final Fiscal Report can be downloaded at http://www.siird.com/guideline_forms_c.htm.