

## **Annex 3.3**

### **Instructions for Applicants on how to fill in– Technical project proposal Part 2 Income statement**

#### **“IPARD” Programme under the Instrument for Pre-Accession Assistance of the Republic of Albania 2014-2020**

**Version 1.0  
2018**

**The Financial Tables consist of 2 excel sheets, namely:**

1. Eligible assets
2. Simplified income statement

### **I. General principles**

- **For each of the Excel Sheets, only fill in the white cells in the table, whereas highlighted/coloured cells should not be “entered/changed” as they contain formulas.**
- **Technical project proposal income statement is a tool for proving financial viability of the project, and will be assessed for compliance with the data provided in TECHNICAL PROJECT PROPOSAL NARRATIVE PART - QUESTIONNAIRE, according to the submitted description, justifications and figures. So, the applicant must assure that both parts are aligned, when submitting the file.**
- **Please note that VAT is not subject to financing, therefore all figures on sales and costs should be presented with VAT excluded.**
- **All filled in sheets must contain the name of the applicant. It is recommended that applicant fill his name in the blank sell "D2" of Table 1 "Eligible assets", which automatically will be transferred into other Business Plan spreadsheets. II. Detailed sheets explanation.**

#### **1. Table 1 "Eligible assets".**

Sheet “eligible assets” consists of 2 tables, **A. Table 1: Table of eligible costs**, which is expected to show detailed data of all selected offers preferred from the applicant, and **B. Table 1.1: Grant Size**, which determines the size of the grant claimed.

#### **A. Table 1: Table of eligible costs**

**Column A "Description of the asset"** should be provided name of each asset subject to financing. Please note that in the column are presented five (5) sections depending from the type of the investment. This separation is important to be respected in order that proper assessment of the file is elaborated, and further explanations will be listed below.

**Column B "Model, type/mark"** should be appointed the model/mark and type (including modification) of the equipment/systems subject to financing. For construction/reconstruction activities and orchards creation is eligible to be appointed not applicable (n/a).

**Column C "Basic technical characteristics"** should be provided basic characteristics such as capacity, power, and if not any other sizes and weight. It is important to be presented such characteristic under which comparison between the offers was made.

**Column D "Unit"** should be provided measurement of the offered items like pieces, kg, ton etc... For construction/orchards/ greenhouses investment should be to be appointed the area in m2, while for cervices the respective hours or again area as stated in the selected offer.

**Column E "Quantity"** should be provided number of eligible assets as stated in the selected offer.

**Column F "Single price ALL"** should reflect the price per unit of the assets as stated in the selected offer. If the offer is not rated in domestic currency (ALL), follow the note (\*) where bellow the table, must be appointed offer currency, and cross rate to ALL, according to the published methodology in the Guidelines for Applicants. Single price must not contain VAT or other non-eligible taxes.

**Column G "Total value ALL"** will **automatically** calculate the total amount of each asset according to the quantities and single prices reflected. Total amounts of assets does not contain VAT. This column should not be subject to modification or filling up by the applicant.

**Column H "Total value ALL VAT included"** will **automatically** convert the total amounts with VAT included, in case of domestic (Albanian) suppliers or not direct import of equipment. In case of direct import of goods & services the applicant must put the same amount as stated in the previous "G" column. Therefore all domestic (Albanian) offer assets must be presented with VAT included in column H.

**Column I "Name of selected supplier"** should reflect the company that deliver the selected offer, stated by its full name and legal form.

**Column I "number of selected offer & date of issue"** should reflect the selected offer identification.

In addition the following assets listing in column A **"Description of the asset" should be respected:**

In "*Equipment*" section should be listed all machines and inventory, that applicant is selected in the same manner they are presented in the offer.

In "*Construction / re-construction works / orchards and greenhouses:* " section should be listed all relevant expenditures in the same manner they are presented in the offer. For facilitation is recommended to name the object in a single cell where it can refer to the Bill of Quantities.

In "*Effluent/waste management expenditures*" section is important to be listed those assets who are offered in regard to utilization of residues.

In "*Business plan elaboration*" section, should be presented the consultancy costs for drawing up of the current BP (if applicable). Make sure you are familiar with the limits of consultancy costs stated in the Guidelines for applicants for the respective call.

In "*General costs*" section, should be presented the other preliminary costs like elaboration of technology project, architectural designs etc. (if applicable). Make sure you are familiar with the limits of consultancy costs stated in the Guidelines for applicants for the respective call.

## **B. Table 1.1: Grant Size**

**Column A "Basic Grant Size"** should be **selected** project intensity rate by clicking a button in cell "D35" where applicant can determine the percentage according to:

- 60% of the total eligible cost of the investment- basic rate for measure 1;
- 65% if investments are if made by young farmers;
- 70% for investments situated in mountain areas;

**Column B "Grant increase flat rate"** is not applicable.

**Column C and** Total grant percentage rate and **Column D** Grant in All will automatically be calculated and should not be intervened by the applicant.

**Sample** of filled in Sheet 1 "Eligible assets" is presented for clarifications on the next page:

A. Table 1: Table of eligible costs

A. Table 1: Table of eligible costs										
Name of the applicant:		Albanian natural person								
No	Description of the asset	Model, type/mark	Basic technical characteristics	Unit	Quantity	Single price ALL* (VAT excluded)	Total value ALL (VAT excluded)	Total value ALL (VAT included)	Name of selected supplier	number of selected offer & date of issue
	A	B	C	D	E	F	G	H	I	J
<b>I</b>	<b>Equipment:</b>									
1	Tractor	"Best Agri" 4WD-1S	86 horse power	piece	1	6 300 000,00	6 300 000,00	7 560 000,00	"Best Traktors Supply" Sh.p.k. Albania	#0036/15-06-2015
<b>II</b>	<b>Construction / re-construction works / orchards and greenhouses:</b>									
2						-	-			
<b>III</b>	<b>Effluent/waste management expenditures</b>									
3						-	-			
<b>IV</b>	<b>Business plan elaboration</b>									
4	consultancy costs	n/a	n/a	days	2,00	12 000,00	24 000,00	28 800,00	"Experienced Consultant" Sh.p.k, Albania	Cons13/01-05-2015
<b>V</b>	<b>General costs</b>									
5						-	-			

<b>Total Expenditures:</b>		<b>6 324 000,00</b> <b>ALL</b>	<b>7 588 800,00</b> <b>ALL</b>		
<b>* Please input the original currency stated in selected offer</b>	<i>EUR</i>	Please input the exchange rate used in table 1			140,32

<b>B. Table 1.1: Grant Size</b>						
<b>Basic Grant Size</b>		<b>Grant increase flat rate</b>		<b>Total grant percentage rate</b>		<b>Grant in All</b>
<b>A</b>		<b>B</b>		<b>C</b>		<b>D</b>
Please select the grant size co-financing percentage: 60% of the total eligible cost of the investment-basic rate; 65% if investments are made by young farmers; 70% for investments in mountain areas;	65,00%			Total percentage rate		Grant size in ALL 4 110 600,00 ALL

## 2. Table 2 "Simple Income Statement"

Sheet "Simple Income Statement" consists of single table, which purpose is to show the economic viability of the proposed investment. Applicant must fill in four (4) figures in **column B** "Normal production year" into the left in white (i.e. uncoloured) cells as follows.

- In cell "C6" must be filled in the annual project sales figure, which must be in compliance with the answer of question #9 from questionnaire part. The amount must be presented as average income, from normal production year, without VAT.

I. Incomes	
1. Average year sales (lump sum)	(To be filled in).....ALL

- In cell "C8" must filled in annual project cost figure, which must be in compliance with the answer of question #10 from questionnaire part. The amount must be presented as average costs, from normal production year, without VAT.

II. Costs	
2. Average year costs (lump sum)	(To be filled in).....ALL

- In cell "C9" must filled in annual project depreciation figure, which must be in compliance with the answer of question #11 from questionnaire part.

3. Depreciation (lump sum) project equipment	(To be filled in).....ALL
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- In cell "B12" Applicant **must select** in **column A** (left in white, i.e. uncoloured) with the respective taxation rate, according to his turnover:

### For companies:

- 0% for small scale companies with annual turnover up to 5 000 000 ALL;
- 5% for medium scale companies with annual turnover up to 8 000 000 ALL;
- 15% for large scale companies with annual turnover above 8 000 001 ALL;

### For Natural persons

- 0% for personal income up to 30 000 ALL;
- 13% for personal income from 30 001 ALL to 130 000 ALL;
- 23% for personal income above 130 001 ALL;

IV. Tax (please select tax rate, according to the expected turnover scale)	0,00%
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All other cells should not be intervened by the applicant, and will automatically show the viability of the project.

**Indicators:**

For being the project viable, the following indicators:

- Net Profit

<b>V. Net Profit (III-IV)</b>	.....ALL
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and

- Net cumulative cash flow for 5 years (in case of equipment application only) **or** 10 years ( in case of re/construction works/greenhouses & orchards)

<b>VIII. Net cumulative cash flow 5 years ((V+4)*5)+(VII-VI)</b>	.....ALL
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**must be positive.**

**Sample** of filled in Sheet 2 "**Simple Income statement**" is shown as follows:

Table 2: Simplified income statement	
Albanian natural person	B
Index column	Normal production year
A	B
<b>I. Incomes</b>	
1. Average year sales (lump sum)	3 000 000,00
<b>II. Costs</b>	
2. Average year costs (lump sum)	1 000 000,00
3. Depreciation (lump sum) project equipment	1 260 000,00
<b>Total costs (2+3)</b>	<b>2 260 000,00</b>
<b>III. Profit (1-II)</b>	740 000,00
<b>IV. Tax (please select tax rate, according to the expected turnover scale)</b>	170 200,00
23%	
<b>V. Net Profit (III-IV)</b>	569 800,00
<b>VI. IPARD Eligible costs</b>	6 324 000,00
<b>VII. IPARD Financing</b>	4 110 600,00

For investments in equipment	
<b>VIII. Net cumulative cash flow 5 years ((V+4)*5)+(VII-VI)</b>	<b>635 600,00</b>
<b>or</b>	
For investments re/construction works/greenhouses & orchards	
<b>IX. Net cumulative cash flow 10 years &gt;0 ((V+4)*10)+(VII-VI)</b>	<b>3 484 600,00</b>

**After filling in, both spreadsheet must be printed on hard copy and signed as well stamped (stamp is not required for natural persons).**