



## **CROATIAN – SWISS RESEARCH PROGRAMME 2017 – 2023 (CSRP)**

### **REPORT OF FACTUAL FINDINGS**

For 2021 and 20202

February 2023

Alpha Audit d.o.o.  
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Members of Company:  
Ilija Nikolić, CEO  
Danijel Pevec, CEO  
Nataša Žitnik, CEO

MB: 04166469  
ID number: 14404485248  
The share capital of the company  
amounts to HRK 24,000 and has  
been fully paid  
The Company is registered with the  
Commercial Court in Zagreb  
MBS: 080893769  
IBAN: HR9823600001102399338



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1. Report of factual findings
2. Financial Report for 2021 and 2022

## **REPORT OF FACTUAL FINDINGS**

### **To CROATIAN SCIENCE FOUNDATION**

We have performed the procedures agreed with you and enumerated below with respect to the Financial Report of the **CROATIAN – SWISS RESEARCH PROGRAMME 2017 – 2023 (CSRP)**, for the period 2021 and 2022 set forth on the page 5 and 6. Our engagement was undertaken in accordance with the International Standard on Related Services applicable to agreed-upon procedures engagements. The procedures were performed solely to assist you in evaluating the use of funding and are summarized as follows:

1. Verifying whether all costs are eligible and directly related to the subject of the Agreement on Division of Duties and Responsibilities Concerning Monitoring and Financing in the implementation of the „Croatian-Swiss Research Program“, in the part of implementation related to the fulfillment of the obligations of the Republic of Croatia (No: U-1058-2018);
2. Verifying whether the costs incurred during the period are eligible for funding;
3. Verifying whether the costs are justified and in accordance with the principles of sound financial management, in particular with regard to the value of money, cost efficiency and maximum permissible levels according to the categories defined in the appendix to the project budget breakdown for the CSRP project (Class 910-04/17-01/6 No.: 538-17-99), signed between the Swiss Agency for Development and Cooperation and the Ministry of Regional Development and EU Funds of 10 July 2017;
4. Verifying whether the costs incurred by the beneficiary and supported by accounts consistent with the generally accepted accounting principles and the applicable tax and social regulations;
5. Verifying whether the costs are identifiable and can be verified and backed up by the original supporting documents;
6. Verifying whether travel, accommodation and daily costs are in accordance with the usual practices and procedures of the user and in accordance with the statutory travel expenses;
7. Verifying whether the equipment costs (procurement, service, upgrading) are carried out in accordance with the tender rules and in accordance with the project budget;
8. Verifying whether the costs are in accordance with the planned and approved budget of the CSRP Project;
9. To give recommendations to strengthen the control system and report any actual or alleged fraud or irregularity.

**We report our findings below:**

- a) With respect to item 1, we found that all the costs are eligible and directly related to the subject of the Agreement on the division of duties and responsibilities related to the monitoring and financing the implementation of the „Croatian-Swiss research program“, in the part of implementation relating to the fulfillment of the obligations of the Republic of Croatia (Reg. No: U-1058-2018);
- b) With respect to item 2, we found that the costs incurred during the period are eligible for funding;
- c) With respect to item 3, we found that the costs are justified and in accordance with the principles of sound financial management, in particular with regard to the value of the money, cost efficiency and maximum permissible levels according to the categories defined in the appendix to the project budget breakdown for the CSRP project (Class 910-04/17-01/6 No.: 538-17-99), signed Swiss Agency for Development and Cooperation and the Ministry of Regional Development and EU Funds od 10 July 2017;
- d) With respect to item 4, we found that the costs incurred by the beneficiary and supported by accounts consistent with the generally accepted accounting principles and the applicable tax and social regulations;
- e) With respect to item 5, we found that the costs are identifiable and can be verified and backed up by original supporting documents;
- f) With respect to item 6, we found that the travel, accommodation and daily costs are in accordance with the usual practices and procedures of the user and in accordance with the statutory travel expenses;
- g) With respect to item 7, we found that there was no costs for equipment (procurement, service, upgrades);
- h) With respect to item 8, we found and reviewed the costs incurred by the program and the amount paid by the Ministry of Science and Education.

In 2021, the Ministry of Education and Science perform following payments:

Date of payment	Paid amount (HRK)	Application for payment
11.3.2021.	117.576,68	Application for payment no 16/2021
8.4.2021.	174.183,68	Application for payment no 17/2021
23.4.2021.	309.574,34	Application for payment no 18/2021
9.7.2021.	111.818,22	Application for payment no 19/2021
9.7.2021.	110.348,25	Application for payment no 20/2021
21.7.2021.	117.698,05	Application for payment no 21/2021
15.11.2021.	229.044,26	Application for payment no 22/2021
<b>UKUPNO</b>	<b>1.170.243,48</b>	

Since the Croatian Science Foundation is a beneficiary of the state budget in the state treasury department from January 1, 2022. It operates through a single account within the state budget. It no longer receives payments on the transaction account opened with a commercial bank.

Amount of spent funds in 2021 is 174.292,39 CHF (1.175.243,48 HRK) and in 2022 in amount 8.968,09 CHF (60.471,30 HRK), as presented in Financial Report of the „Croatian – Swiss Research Programme 2017 – 2023 (CSRP)“ for years 2021 and 2022 in page 4, 5 i 6.

i) With respect to item 9, we have nothing to report.

Because the above procedures do not constitute either an auditor 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 accompanying Financial Report of the CROATIAN – SWISS RESEARCH PROGRAMME 2017 – 2023 (CSRP), for the 31 December 2022.

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

Our report is solely for the purpose stated in the first section of this report and for your information. And applies only to the items specified above and does not extend to any financial statements of the Croatian Science Foundation, Zagreb taken as a whole.



**A L P H A**  
**A U D I T d.o.o.**  
Zagreb OIB: 14404485248

February 15, 2023.

Alpha Audit d.o.o.  
Sky Office Ul. Roberta Frangeša Mihanovića 9, 12. floor  
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**FINANCIAL REPORT OF THE CROATIAN for the period 2021 and 2022**

**SWISS RESEARCH PROGRAMME 2017 – 2023 (CSRP),**

**OVERVIEW OF REALIZED COSTS „CROATIAN – SWISS RESEARCH PROGRAMME 2017 – 2023“ FOR 2021**

Budget line	Total budget (HRK)	Total budget (CHF)	Previously incurred costs (HRK)	Previously incurred costs (CHF)	Incurred costs in this reporting period (HRK)	Incurred costs in this reporting period (CHF)	Total incurred eligible costs (HRK)	Total incurred eligible costs (CHF)	Remaining budget (HRK)	Remaining budget (CHF)
Sub-category 1.1 – Grants for JRP's	3.730.532,66	553.250,00	2.560.289,20	379.699,13	1.170.243,48	173.550,87	3.730.532,68	553.250,00	(0,02)	(0,00)
<b>JRP's</b>	<b>3.730.532,66</b>	<b>553.250,00</b>	<b>2.560.289,20</b>	<b>379.699,13</b>	<b>1.170.243,48</b>	<b>173.550,87</b>	<b>3.730.532,68</b>	<b>553.250,00</b>	<b>(0,02)</b>	<b>(0,00)</b>
Sub-category 2.1 - Panel meetings*	51.738,19	7.672,94	51.738,19	7.672,94	-	-	51.738,19	7.672,94	-	-
Sub-category 2.2 – Steering Committee meetings	121.000,00	17.944,69	11.333,58	1.680,81	-	-	11.333,58	1.680,81	109.666,42	16.263,88
Sub-category 2.3 - External audit	230.000,00	34.109,74	10.625,00	1.575,72	5.000,00	741,52	15.625,00	2.317,24	214.375,00	31.792,50
Sub-category 2.4 - Sub-project meetings and on-the-spot-checks	186.120,00	27.602,20	-	-	-	-	-	-	186.120,00	27.602,20
Sub-category 2.5 Video-conference for the promotion of the call	5.000,00	741,52	5.000,00	741,52	-	-	5.000,00	741,52	-	-
Sub-category 2.6 - Conference for the GA signing	5.437,50	806,40	5.437,50	806,40	-	-	5.437,50	806,40	-	-
Sub-category 2.7- Closing conference	10.500,00	1.557,18	-	-	-	-	-	-	10.500,00	1.557,18
Sub-category 2.8 - Promotional materials	34.062,50	5.051,58	16.331,25	2.421,98	-	-	16.331,25	2.421,98	17.731,25	2.629,60
Sub-category 2.9 - rainings for HRZZ employees*	143.380,29	21.263,76	46.821,59	6.943,79	-	-	46.821,59	6.943,79	96.558,70	14.319,97
<b>Category 2 - Management costs of HRZZ</b>	<b>787.238,48</b>	<b>116.750,00</b>	<b>147.287,11</b>	<b>21.843,15</b>	<b>5.000,00</b>	<b>741,52</b>	<b>152.287,11</b>	<b>22.584,67</b>	<b>634.951,37</b>	<b>94.165,33</b>
<b>TOTAL</b>	<b>4.517.771,14</b>	<b>670.000,00</b>	<b>2.707.576,31</b>	<b>401.542,28</b>	<b>1.175.243,48</b>	<b>174.292,39</b>	<b>3.882.819,79</b>	<b>575.834,67</b>	<b>634.951,35</b>	<b>94.165,33</b>



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## OVERVIEW OF REALIZED COSTS „CROATIAN – SWISS RESEARCH PROGRAMME 2017 – 2023“ FOR 2022

Budget line	Total budget (HRK)	Total budget (CHF)	Previously incurred costs (HRK)	Previously incurred costs (CHF)	Incurred costs in this reporting period (HRK)	Incurred costs in this reporting period (CHF)	Total incurred eligible costs (HRK)	Total incurred eligible costs (CHF)	Remaining budget (HRK)	Remaining budget (CHF)
Sub-category 1.1 – Grants for JRP's	3.730.532,66	553.250,00	3.730.532,68	553.250,00	-	-	3.730.532,68	553.250,00	(0,02)	(0,00)
<b>Sub-category 1 - Grants for JRP's</b>	<b>3.730.532,66</b>	<b>553.250,00</b>	<b>3.730.532,68</b>	<b>553.250,00</b>	-	-	<b>3.730.532,68</b>	<b>553.250,00</b>	<b>(0,02)</b>	<b>(0,00)</b>
Sub-category 2.1 - Panel meetings*	51.738,19	7.672,94	51.738,19	7.672,94	-	-	51.738,19	7.672,94	-	-
Sub-category 2.2 – Steering Committee meetings	121.000,00	17.944,69	11.333,58	1.680,81	17.334,93	2.570,83	28.668,51	4.251,63	92.331,49	13.693,06
Sub-category 2.3 - External audit	230.000,00	34.109,74	15.625,00	2.317,24	6.000,00	889,82	21.625,00	3.207,06	208.375,00	30.902,68
Sub-category 2.4 - Sub-project meetings and on-the-spot-checks	186.120,00	27.602,20	-	-	1.319,99	195,76	1.319,99	-	184.800,01	27.406,44
Sub-category 2.5 Video-conference for the promotion of the call	5.000,00	741,52	5.000,00	741,52	-	-	5.000,00	741,52	-	-
Sub-category 2.6 - Conference for the GA signing	5.437,50	806,40	5.437,50	806,40	-	-	5.437,50	806,40	-	-
Sub-category 2.7- Closing conference	10.500,00	1.557,18	-	-	-	-	-	-	10.500,00	1.557,18
Sub-category 2.8 - Promotional materials	34.062,50	5.051,58	16.331,25	2.421,98	-	-	16.331,25	2.421,98	17.731,25	2.629,60
Sub-category 2.9 - trainings for HRZZ employees*	143.380,29	21.263,76	46.821,59	6.943,79	35.816,38	5.311,68	82.637,97	12.255,48	60.742,32	9.008,28
<b>Category 2 - Management costs of HRZZ</b>	<b>787.238,48</b>	<b>116.750,00</b>	<b>152.287,11</b>	<b>22.584,67</b>	<b>60.471,30</b>	<b>8.968,09</b>	<b>212.758,41</b>	<b>31.357,00</b>	<b>574.480,07</b>	<b>85.197,24</b>
<b>TOTAL</b>	<b>4.517.771,14</b>	<b>670.000,00</b>	<b>3.882.819,79</b>	<b>575.834,67</b>	<b>60.471,30</b>	<b>8.968,09</b>	<b>3.943.291,09</b>	<b>584.607,00</b>	<b>574.480,05</b>	<b>85.197,24</b>





\* Amounts in HRK are expressed in CHF at the CNB middle exchange rate on the day of signing the Project Contract (Class: 910-04/17-01/6, No: 538-17-99), signed between the Swiss Development Agency and cooperation and the Ministry of Regional development and EU funds of 10 July 2017, in accordance with Article 4 of the Agreement on the division of duties and responsibilities related to the monitoring and financing the implementation of the „Croatian-Swiss research program“, in the part of implementation relating to execution the obligation of the Republic of Croatia (No.: U-1058-2018).

The Project Management Policy is to prepare the accompanying financial statements based on cash receipts and payments in accordance with International Accounting Standards for the public sector issued by the Public Sector Committee of the International Federation of Accountants. On this basis, cash receipts are recognized when received and cash outflows are recognized when paid, and not when they are incurred.