



COMMON SOURCES OF ERROR IN THE PROOF OF USE

WHAT YOU MUST PAY ATTENTION TO.



Please read this information carefully.
You can find more information on our websites. If you still have questions, feel free to contact us.



Important:

When preparing the proof of use, the following issues frequently cause errors:

1. Structure of the proof of use according to the main categories of the cost and financing plan

- Often, income and expenses are not arranged according to the main categories specified in the approved cost and financing plan. **Please follow the structure of your approved cost and financing plan exactly, including the same cost categories, terminology, and order.** If new expenses are added, they must be listed with a planned amount ("Soll") of €0.

2. Date of payment or receipt

- The list of receipts in the financial report must be sorted not by invoice date but by the actual date of payment or receipt. For cash purchases, use the date shown on the receipt. For permanent staff, combine all salary-related costs (wages + social contributions) into one total and enter one transfer date, even if several payments were made (e.g., to the employee, health insurance, tax office)

3. Final statement not signed – VAT deduction field not completed

- The proof of use must include a declaration according to section 6.8 of the administrative regulations to § 44 of the Federal Budget Code (BHO). This declaration is on the cover sheet of the Fonds Soziokultur proof of use form. The cover sheet must be fully completed and legally signed in original form. Many applicants forget to check whether their organization is entitled to deduct input VAT (Vorsteuerabzug). Please check who in your organization is authorized to legally sign contracts or declarations.

4. Missing payment evidence

- Each receipt must be accompanied by proof of payment. You can use:
Account statement copies (non-project-related information may be blacked out),
Payment confirmations or cash receipts (e.g., from cash registers).

5. Foreign currency

- If you had expenses in a foreign currency, include documents from the bank showing the exchange rate used. These rates are usually found on the bank statement for electronic payments. If not, use the official exchange rates of the European Central Bank.

6. Monthly Expenses

- If salaries for permanent staff are paid every month, these expenses must also be shown in the expense list each month (if needed, only partly for that month). Sometimes these costs are entered as one total amount at the beginning or end of the project, but this is not correct.





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7. Non-eligible expenses

As part of the funding agreement, you are required to follow the principles of economical and efficient budget management and avoid providing better conditions than those in public service. The following expenses are not eligible for funding

- *Personnel costs exceeding comparable public service wages:*
Project staff must not earn more than employees in similar positions under the German public sector wage agreement (TVöD-Bund).
- *Wages for permanent staff:*
Wages for long-term staff already employed by the organization can only be funded if it's proven they are not already covered by other public funds.
- *Fees for association members:*
Members of non-profit associations cannot receive fees for voluntary activities (e.g., as board members). Any additional paid services must be based on a written contract and documented with detailed activity reports, showing that the work goes clearly beyond typical voluntary engagement.
- *Catering costs:*
Catering for staff or freelancers (e.g., instructors, consultants) during team meetings or office events is not eligible. Catering for guests/participants is only allowed if the cost is reasonable and you say where, when and why the food was given and include a list of the people who were there.
- *Luxury goods / Medication:*
Alcohol, cigarettes, other luxury goods, and medication are not necessary for the project and therefore not eligible.
- *payments (Pfand):*
Bottle or container deposits are not eligible, even if items are lost during the project. All deposit amounts must be subtracted from the reported costs.
- *Value-added tax (VAT):*
If your organization can get VAT back from the tax office, only the net amount (without VAT) can be funded. Ask your tax advisor if your group can deduct VAT.
- *Voluntary insurance policies:*
Insurance like travel cancellation, liability, accident, or international health insurance is not allowed, unless it is required by law.
Vaccines or travel first-aid kits are also not allowed.
If you're unsure, ask Fonds Soziokultur before buying insurance.
- *Discounts and rebates:*
Discounts must be used. If not, the discount amount is considered unnecessary and cannot be reimbursed.
- *Late fees, interest on arrears, fines, penalties, tips:*
These costs are not eligible because they are not necessary and violate the principle of responsible financial management.