



# Annual Accounts for the European Environment Agency

## Financial year 2014

*Copenhagen, 20 May 2015*

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# FINANCIAL YEAR 2014

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## 1 Certification

The annual accounts of the European Environment Agency have been prepared in accordance with the Financial Regulation of the Agency, as well as the accounting rules and methods adopted by the Commission's accounting officer.

I hereby certify that based on the information provided by the authorising officer, I have reasonable assurance that the accounts present a true and fair view of the financial position of the Agency in all material aspects.

Copenhagen, 20 May 2015



Anne-Li Hartmann-FitzGerald  
Accounting Officer

## 2 Presentation of the annual accounts

The annual accounts of the European Environment Agency include the financial statements, the report on implementation of the budget, and the report on budget and financial management during the year.

The financial statements comprise the balance sheet and the economic outturn account at 31 December, the cash-flow table and the statement of change in capital.

The objectives of financial statements are to provide information about the financial position, performance and cash flows of an entity that is useful to a wide range of users. For a public sector entity such as the European Environment Agency, the objectives are more specifically to provide information useful for decision making, and to demonstrate the accountability of the entity for the resources entrusted to it.

To present a true and fair view, financial statements must not only supply relevant information to describe the nature and range of the activities, explain how it is financed and supply definitive information on its operations, but also do so in a clear and comprehensible manner which allows comparisons between financial years. It is with these goals in mind that the present document has been drawn up.

The accounting system of the European Environment Agency comprises budget accounts and general accounts. These accounts are kept in euro on the basis of the calendar year. The budget accounts give a detailed picture of the implementation of the budget. They are based on the modified cash accounting principle.<sup>1</sup> The general accounts allow for the preparation of the financial statements as they show all revenues and expenses for the financial year and are designed to establish the financial position in the form of a balance sheet at 31 December.

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<sup>1</sup> This differs from cash-based accounting because of elements such as carryovers.

The annual accounts are drawn up in accordance with the Financial Regulation of the European Environment Agency adopted by the Management Board on 23 April 2014.

According to the Financial Regulation, the Agency's accounting officer shall send to the Commission's accounting officer by no later than 1 March of the following year its provisional accounts, together with the report on budgetary and financial management during the year. The Executive Director shall send the final accounts, together with the opinion of the management board, to the Commission's accounting officer, the Court of Auditors, the European Parliament and the Council, by 1 July of the following year at the latest.

The final annual accounts will be published in the Official Journal of the European Communities together with the statement of assurance given by the Court of Auditors by 15 November of the following year in accordance with Article 99 of the Financial Regulation.

### 3 Financial Statements of the European Environment Agency

#### 3.1 Balance sheet – Assets

EUR

	Note	31.12.2014	31.12.2013	Variance
<b>NON CURRENT ASSETS</b>				
<b>Intangible assets</b>	1	116 595,49	123 266,61	-6 671,12
<b>Property, plant and equipment</b>	1	813 290,49	1 029 259,92	-215 969,43
Plant and equipment		136 818,14	74 631,14	62 187,00
Computer hardware		448 793,71	697 935,40	-249 141,69
Furniture and vehicles		227 678,64	253 585,29	-25 906,65
Other fixtures and fittings		0,00	3 108,09	-3 108,09
<b>Long-term receivables</b>		795 935,41	788 712,98	7 222,43
Long-term receivables	2	795 935,41	788 712,98	7 222,43
LT receivables with consolidated EU entities				0,00
<b>TOTAL NON CURRENT ASSETS</b>		1 725 821,39	1 941 239,51	-215 418,12
<b>CURRENT ASSETS</b>				
<b>Short-term pre-financing</b>		4 124 559,96	3 572 060,00	552 499,96
Short-term pre-financing	3	4 124 559,96	3 572 060,00	552 499,96
<b>Short-term receivables</b>		20 963 838,09	12 781 436,99	8 182 401,10
Current receivables	4	945 811,81	496 103,85	449 707,96
Sundry receivables		108 890,56	197 778,63	-88 888,07
Accrued income		0,00	0,00	0,00
Deferred charges		601 361,15	484 570,57	116 790,58
Accrued income with consolidated EU entities	5	19 157 774,62	11 452 983,99	7 704 790,63
Short-term receivables with cons. EU entities	6	149 999,95	149 999,95	0,00
<b>Cash and cash equivalents</b>	7	30 620 338,45	27 969 678,66	2 650 659,79
<b>TOTAL CURRENT ASSETS</b>		55 708 736,50	44 323 175,65	11 385 560,85
<b>TOTAL</b>		57 434 557,89	46 264 415,16	11 170 142,73

### 3.2 Balance sheet – Liabilities

LIABILITIES		31.12.2014	31.12.2013	Variance
<b>Net Assets</b>		<b>5 426 849,88</b>	<b>5 349 435,02</b>	<b>77 414,86</b>
<b>Accumulated surplus/deficit</b>		5 349 435,02	4 330 110,36	1 019 324,66
<b>Economic outturn for the year - profit+/loss-</b>		77 414,86	1 019 324,66	-941 909,80
<b>CURRENT LIABILITIES</b>				
<b>Provisions for risks and charges</b>	<b>8</b>	<b>0,00</b>	<b>289 800,00</b>	<b>-289 800,00</b>
<b>Accounts payable</b>		<b>52 007 708,01</b>	<b>40 625 180,14</b>	<b>11 382 527,87</b>
Current payables		-13,04	246 774,38	-246 787,42
Sundry payables		62 059,27	0,00	62 059,27
Accrued charges	<b>9</b>	10 121 351,21	7 988 133,14	2 133 218,07
Pre-financing received from cons. EU entities	<b>10</b>	41 824 310,57	32 387 826,17	9 436 484,40
Other accounts payable against cons. EU entities		0,00	2 446,45	-2 446,45
<b>TOTAL CURRENT LIABILITIES</b>		<b>52 007 708,01</b>	<b>40 914 980,14</b>	<b>11 092 727,87</b>
<b>TOTAL</b>		<b>57 434 557,89</b>	<b>46 264 415,16</b>	<b>11 170 142,73</b>

### 3.3 Statement of financial performance

EUR

		2014	2013	Variance
<b>REVENUES</b>				
Operating revenue	<b>11</b>	49 182 691,40	48 978 595,27	204 096,13
Revenues from administrative operations		4 336,34	12 933,86	-8 597,52
<b>TOTAL REVENUE</b>		<b>49 187 027,74</b>	<b>48 991 529,13</b>	<b>195 498,61</b>
Administrative expenses		<b>-33 628 227,42</b>	<b>-31 864 723,35</b>	-1 763 504,07
Staff expenses	<b>12</b>	-22 007 839,15	-21 823 802,46	-184 036,69
Fixed asset related expenses		-458 433,21	-559 312,82	100 879,61
Other administrative expenses		-11 161 955,06	-9 481 608,07	-1 680 346,99
Operational expenses		<b>-15 479 982,39</b>	<b>-16 104 791,83</b>	<b>624 809,44</b>
<b>TOTAL EXPENSES</b>		<b>-49 108 209,81</b>	<b>-47 969 515,18</b>	<b>-1 138 694,63</b>
<b>SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES</b>		<b>78 817,93</b>	<b>1 022 013,95</b>	<b>-943 196,02</b>
Financial revenues		0,00	0,00	0,00
Financial expenses		-1 403,07	-2 689,29	1 286,22
<b>SURPLUS/ (DEFICIT) FROM NON OPERATING ACTIVITIES</b>		<b>-1 403,07</b>	<b>-2 689,29</b>	<b>1 286,22</b>
<b>SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES</b>		<b>77 414,86</b>	<b>1 019 324,66</b>	<b>-941 909,80</b>

### 3.4 Statement of changes in net assets

EUR

Capital	Reserves		Accumulated Surplus / Deficit	Economic result of the year	Capital (total)
	Fair value reserve	Other reserves			
<b>Balance as of 31 December 2013</b>	0,00	0,00	4 330 110,36	1 019 324,66	5 349 435,02
Other	0,00	0,00	0,00	0,00	0,00
Fair value movements					
Allocation of the Economic Result of Previous Year			1 019 324,66	-1 019 324,66	
Economic result of the year	0,00	0,00		77 414,86	77 414,86
<b>Balance as of 31 December 2014</b>			<b>5 349 435,02</b>	<b>77 414,86</b>	<b>5 426 849,88</b>

### 3.5 Cash flow statement

EUR

	31.12.2014	31.12.2013	Variance
<b>Cash Flows from ordinary activities</b>			
<b>Surplus/(deficit) from ordinary activities</b>	<b>77 414,86</b>	<b>1 019 324,66</b>	<b>-941 909,80</b>
<u>Adjustments</u>			0,00
Amortization (intangible fixed assets) (+)	66 390,19	72 169,05	-5 778,86
Depreciation (tangible fixed assets) (+)	392 043,02	487 143,77	-95 100,75
Increase (+) /decrease (-) in Provisions for risks and liabilities	-289 800,00	-132 938,00	-156 862,00
Increase (-) /decrease (+) in Short term Pre-financing	-552 499,96	-1 689 025,00	1 136 525,04
Increase (-) /decrease (+) in Long term Receivables	-7 222,43	-6 612,06	-610,37
Increase (-) /decrease (+) in Short term Receivables	-473 732,52	-537 608,10	63 875,58
Increase (-) /decrease (+) in Receivables related to cons. EC entities	0,00	0,00	0,00
Increase (+) /decrease (-) in Accounts payable	1 948 489,92	2 904 940,04	-956 450,12
Increase + /decrease - in Liabilities related to cons. EC entities	1 725 369,37	12 769 200,69	-11 043 831,32
Other non-cash movements	0,00	0,00	0,00
<b>Net cash Flow from operating activities</b>	<b>2 886 452,45</b>	<b>14 886 595,05</b>	<b>-12 000 142,60</b>
<b>Cash Flows from investing activities</b>			
Purchase of tangible and intangible fixed assets (-)	-235 792,66	-578 982,86	343 190,20
<b>Net cash flow from investing activities</b>	<b>-235 792,66</b>	<b>-578 982,86</b>	<b>343 190,20</b>
<b>Net increase (+) /decrease (-) in cash and cash equivalents</b>	<b>2 650 659,79</b>	<b>14 307 612,19</b>	<b>-11 656 952,40</b>

### 3.6 Notes to the Financial statements

#### 3.6.1 Notes to the Balance sheet

##### 1. Fixed assets

Items acquired whose purchase price or production cost is EUR 420 or more, with a period of use greater than one year, and which are not consumables are recorded in the fixed assets accounts valued at their acquisition price. These thresholds also apply to software that are acquired from a third party or covered by a license.

Intangible fixed assets consist of computer software.

As from 2010, the development cost for internally developed intangible assets are to be capitalized and presented as fixed assets if the cost is EUR 500,000 or more. Appendix 5 shows an overview of internal IT-projects in 2014 and their estimated costs divided in research phase, development phase and maintenance phase. Since no project is foreseen to exceed the threshold the total cost has been expensed in 2014.

Tangible fixed assets are divided in four categories:

- Equipment
- Computer hardware
- Furniture
- Other fixtures and fittings

The fixed assets as of 31 December 2014 are set out in the following table:

						<i>EUR</i>
	Computer Software	Equipment	Computer Hardware	Furniture	Other fixtures and fittings	TOTAL
Gross carrying amounts 1.1.2013	1 381 540,67	1 679 582,96	3 265 537,67	1 011 782,63	209 608,99	7 548 052,92
Additions	59 719,07	96 983,29	59 217,38	19 872,92	0,00	235 792,66
Disposals	0,00	-10 157,44	-201 824,65	-12 055,12	0,00	-224 037,21
<b>Gross carrying amounts 31.12.2014</b>	<b>1 441 259,74</b>	<b>1 766 408,81</b>	<b>3 122 930,40</b>	<b>1 019 600,43</b>	<b>209 608,99</b>	<b>7 559 808,37</b>
Accumulated depreciation and impairment 1.1.2013	-1 258 274,06	-1 604 951,82	-2 567 602,27	-758 197,34	-206 500,90	-6 395 526,39
Depreciation	-66 390,19	-34 796,29	-308 359,07	-45 779,57	-3 108,09	-458 433,21
Disposals	0,00	10 157,44	201 824,65	12 055,12	0,00	224 037,21
<b>Accumulated depreciation and impairment 31.12.2014</b>	<b>-1 324 664,25</b>	<b>-1 629 590,67</b>	<b>-2 674 136,69</b>	<b>-791 921,79</b>	<b>-209 608,99</b>	<b>-6 629 922,39</b>
<b>Net carrying amounts 31.12.2014</b>	<b>116 595,49</b>	<b>136 818,14</b>	<b>448 793,71</b>	<b>227 678,64</b>	<b>0,00</b>	<b>929 885,98</b>

##### 2. Long-term receivables with third parties

The amount booked as long term receivables, EUR 795,935.41 (788,712.98) refers to the deposit paid for the premises rented at Kongens Nytorv in Copenhagen.

##### 3. Short-term pre-financing

At the end of the year 2014 a total amount of EUR 4,124,559.96 (3,572,060.00) was outstanding in respect of pre-financing given to sub-contractors.



#### 4. Current receivables

Current receivables, EUR 945,811.81 (496,103.85) refer to receivables which are outstanding at the end of the year and expected to be recovered within one year. The whole amount refers to recoverable taxes.

#### 5. Accrued income with consolidated EU entities

The outgoing balance, EUR 19,157,774.62 (11,452,983.99), refers to accrued revenues in respect of grant agreements for which received pre-financing is outstanding at the end of the year.

EUR

Grant Agreement	2014			2013	
	Outstanding pre-financing	Accrued revenue	Net position	Outstanding pre-financing	Accrued revenue
IPA2/ DG NEAR	771 718,54	813 868,22	-42 149,68	771 718,57	663 805,73
IPA2 2014/DG NEAR	400 000,00	294 755,96	105 244,04	0,00	0,00
GIO/ DG GROW	27 102 138,97	14 737 574,51	12 364 564,46	27 530 000,00	8 113 193,53
GISC/ DG GROW	663 233,52	665 471,52	-2 238,00	663 233,52	916 586,75
COPERNICUS/ DG GROW	9 730 000,00	0,00	9 730 000,00	0,00	0,00
ENPI/ DG DEVCO	2 000 000,00	2 525 358,48	-525 358,48	2 000 000,00	1 759 397,98
InSEIS/ DG DEVCO	404 833,00	120 745,93	284 087,07	0,00	0,00
<b>Grand total</b>	<b>41 071 924,03</b>	<b>19 157 774,62</b>	<b>21 914 149,41</b>	<b>30 964 952,09</b>	<b>11 452 983,99</b>

#### 6. Short term receivables with consolidated EU entities

The outgoing balance EUR 149,999.95 (149,999.95) refers to an outstanding recovery order regarding the pre-financing for the GISC grant administrated by DG GROW.

#### 7. Cash and cash equivalent

At the end of the year 2014, the Agency held bank accounts in Danish kroner and Euro, in Denmark and Belgium. The Fortis Bank-GIO and Fortis Bank-COPERNICUS accounts are earmarked and can only be used for transactions relating to the respective grant.

EUR

Bank	2014	2013
Fortis Bank (EUR)	1 000 393,52	1 879 099,98
Fortis Bank (DKK)	0,00	0,07
Nordea (DKK)	4 303 065,58	4 734 619,75
Imprest account (DKK)	21 987,61	21 987,61
	<b>5 325 446,71</b>	<b>6 635 707,41</b>
Fortis Bank-GIO (EUR)	15 564 890,74	21 333 971,25
Fortis Bank-COPERNICUS (EUR)	9 730 001,00	0,00
<b>Sum</b>	<b>30 620 338,45</b>	<b>27 969 678,66</b>

The imprest account is set up in order to enable cash payments of daily subsistence and travel costs for meeting participants from non-EEA member countries for meetings taking place at the Agency's premises, and for internet purchases.

## 8. Provision for risks and charges

At the end of 2014 there is no provision for outstanding salary adjustment.

## 9. Accrued charges

The total amount of EUR 10,121,351.21 (7,988,133.14) EUR consists of three parts;

	<i>EUR</i>	
<b>Accrued charges</b>	<b>2014</b>	<b>2013</b>
Estimate of the cost incurred for services and goods received in the year 2014 but not paid for by the end of the year	7 554 382,65	4 223 105,18
Estimate of accrued costs in relation to prefinancing of grants	2 186 066,22	3 405 061,73
Provision for the cost of annual leave incurred but not taken during the year.	380 902,34	359 966,23
<b>Sum</b>	<b>10 121 351,21</b>	<b>7 988 133,14</b>

## 10. Pre-financing received from consolidated EU entities

The outstanding amount EUR 41,824,310.57 (32,387,826.17) refers to pre-financing received in relation to grant agreements; EUR 41,071,924.03 (30,964,952.09), for a specification see note 5 above, and EUR 752,386.54 (1,422,874.08) which is the positive budget outturn for 2014 to be reimbursed to the European Commission, see point 4.1 Budget outturn account, below.

### 3.6.2 Notes to the Statement of financial performance

## 11. Operating revenues

The operating revenues of the year 2014 amounts to EUR 49,182,691.40 (48,978,595.27) and can be specified as follows:

	<i>EUR</i>	
<b>Revenue source</b>	<b>2014</b>	<b>2013</b>
EU subsidy	35 560 633,03	34 886 366,71
Contribution from the EFTA countries	1 071 588,00	1 002 328,00
Contributions from the PECO countries		
Turkey	3 127 000,00	3 127 000,00
Switzerland	1 263 068,90	1 301 723,50
Grants from consolidated EC entities	8 132 651,66	8 633 573,58
Exchange rate gains	27 749,81	27 603,48
<b>Sum</b>	<b>49 182 691,40</b>	<b>48 978 595,27</b>

## 12. Staff expenses

All salary calculations giving the total staff expenses included in the Statement of financial performance of the Agency are externalized to the Office for administration and payment of individual entitlements (also known as the Paymaster's Office-PMO) which is a central office of the European Commission.

The PMO's mission is to manage the financial rights of permanent, temporary and contractual staff working at the Commission, to calculate and to pay their salaries and other financial entitlements. The PMO also provides these services to other EU institutions and agencies. The PMO is also responsible for managing the health

insurance fund of the Institutions, together with processing and paying the claims of reimbursement from staff members. The PMO also manages the pension fund and pays the pensions of retired staff members. PMO is being audited by the European Court of Auditors.

The Agency is responsible for the communication to the PMO of reliable information allowing the calculation of the staff costs. It is also responsible for checking that this information has been correctly handled in the monthly payroll report used for accounting payroll costs. It is not responsible for the calculation of the payroll costs performed by PMO.

### **3.6.3 Accounting principles, rules and methods**

The accounting rules of the European Communities sets out the principles to be applied in drawing up the financial statements:

- Fair presentation
- Accrual basis
- Going concern basis
- Consistency of presentation
- Aggregation
- Offsetting
- Comparative information

#### **Transactions and balances**

Foreign currency transactions are converted into euro using the exchange rates prevailing at the dates of the transactions.

Year-end balances of monetary assets and liabilities denominated in foreign currencies are converted into euro on the basis of the exchange rates applying on 31 December.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the economic outturn account.

#### **Fixed assets**

Intangible fixed assets are valued at their acquisition price converted into euro at the rate applying when they were purchased, less depreciation and impairment. The exception is assets acquired free of charge that are valued at their market value.

Tangible fixed assets are stated at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Agency and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the economic outturn account during the financial period in which they are incurred.

Depreciation is calculated using the straight line method to allocate depreciation cost to the assets' residual values over their estimated useful lives, as follows:

Type of asset	Straight line depreciation rate
Intangible assets	25%
Fitting out of leasehold premises	20 %
Plant, machinery and equipment	12,5% to 25%
Furniture	10%, 12,5%
Computer hardware	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, on a regular basis. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the economic outturn account.

Assets that have an indefinite useful life are not subject to amortization and are tested regularly for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized as the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

With reference to EC Accounting rule no. 6, the Agency is required, as from the financial year 2010, to capitalise internally generated intangible assets (software) and to disclose the total development costs that is not capitalised. The threshold for capitalizing a internally generated asset is EUR 500.000.

### **Pre-financing amounts**

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. It may be split into a number of payments over a period defined in the particular pre-financing agreement. The float or advance is repaid or used for the purpose for which it was provided during the period defined in the agreement. If the beneficiary does not incur eligible expenditures, the beneficiary has the obligation to return the pre-financing advance to the Agency. The amount of the pre-financing is reduced (wholly or partially) by the acceptance of eligible costs and amounts returned.

At year-end outstanding pre-financing amounts are valued at the original amount(s) paid less: amounts returned, eligible amounts cleared, and value reductions. Interest on pre-financing is recognised as it is earned in accordance with the provisions of the relevant agreement.

### **Receivables**

Receivables are carried at original invoice amount less write-down for impairment. A write-down for impairment of receivables is established when there is objective evidence that the Agency will not be able to collect all amounts due according to the original terms of receivables.

### **Cash and cash equivalents**

Cash and cash equivalents include bank accounts and cash in hand.

## **Use of estimates**

In accordance with generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions by management. Significant estimates include, but are not limited to, accrued income and charges, contingent assets and liabilities, and degree of impairment of fixed assets. Actual results could differ from those estimates. Changes in estimates are reflected in the period in which they become known.

### **3.7 Contingent liabilities and off the balance sheet items**

Per 31 December 2014, the Agency had agreements with contractors and suppliers amounting to MEUR 14,0 (24,1). These agreements relate mainly to operational projects, in 2014 it is primarily the GIO-project, and are covered by budgetary commitments in 2014.

The Agency also has rent contracts which may be terminated by 12 months notice of intention to terminate. In the case of Kongens Nytorv 6, earliest by July 2017, and in the case of Kongens Nytorv 8 earliest by October 2017. The contingent liability in respect of the rent contracts as per 31 December 2014, amounts to approximately MEUR 5,4 (1,9).

## 4 Report on implementation of the budget

### 4.1 Budget outturn account

<i>EUR</i>			
	Note	2014	2013
<b>REVENUE</b>			
European Union subsidy		36 313 019,57	36 309 240,79
Other contributions and funding via the Commission		15 996 489,90	26 412 950,53
Other donors			
Other revenue		4 336,34	27 472,52
<b>TOTAL REVENUE (a)</b>	<b>12</b>	<b>52 313 845,81</b>	<b>62 749 663,84</b>
<b>EXPENDITURE</b>			
<b>Title I: Staff</b>			
Payments		-23 712 181,67	-23 765 297,29
Appropriations carried over		-1 180 054,62	-1 388 701,70
<b>Title II: Administrative Expenses</b>			
Payments		-3 956 147,91	-3 846 802,50
Appropriations carried over		-512 025,21	-635 696,26
<b>Title III: Operating Expenditure</b>			
Payments		-16 108 848,30	-15 740 692,78
Appropriations carried over		-20 290 641,55	-25 451 674,88
<b>TOTAL EXPENDITURE (b)</b>	<b>13</b>	<b>-65 759 899,26</b>	<b>-70 828 865,41</b>
<b>OUTTURN FOR THE FINANCIAL YEAR (a-b)</b>		<b>-13 446 053,45</b>	<b>-8 079 201,57</b>
Cancellation of unused payment appropriations carried over from prev. year		385 124,09	380 948,99
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue		23 273 912,12	22 595 916,32
Adjustment for grant budget outturn		-9 463 337,23	-13 476 850,00
Exchange differences for the year		2 741,01	2 060,34
<b>BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR</b>		<b>752 386,54</b>	<b>1 422 874,08</b>
Balance year N-1		1 422 874,08	947 090,57
Positive balance from year N-1 reimbursed in year N to the Commission		-1 422 874,08	-947 090,57
<b>Result used for determining amounts in general accounting</b>	<b>14</b>	<b>752 386,54</b>	<b>1 422 874,08</b>

#### 4.1.1 Notes to the Budget outturn account

##### 12. Budgetary revenues

The budgetary revenues for the financial year 2014 amounts to EUR 52,313,845.81 (62,749,663.84). Below is a specification of the amount and comparative figures for the year 2013.

<i>EUR</i>		
Source	2014	2013
European Union subsidy	36 313 019,57	36 309 240,79
EFTA contribution	1 071 588,00	1 002 328,00
New member countries	4 390 068,90	4 428 723,53
Earmarked revenues (grants)	10 534 833,00	20 981 899,00
Bank interest	0,00	0,00
Other	4 336,34	27 472,52
<b>Sum</b>	<b>52 313 845,81</b>	<b>62 749 663,84</b>

##### 13. Budgetary expenditure

The total payments can be specified as follows:

	C1	C4	C5	R0	Sum
Title 1	22 749 241,42	0,00	0,00	962 940,25	<b>23 712 181,67</b>
Title 2	3 838 718,90	0,00	0,00	117 429,01	<b>3 956 147,91</b>
Title 3	9 831 950,55	0,00	0,00	6 276 897,75	<b>16 108 848,30</b>
<b>Sum</b>	<b>36 419 910,87</b>	<b>0,00</b>	<b>0,00</b>	<b>7 357 267,01</b>	<b>43 777 177,88</b>

The total of carried over amounts can be specified as follows:

	C1	C4	C5	R0	Sum
Title 1	390 194,32	0,00	0,00	789 860,30	<b>1 180 054,62</b>
Title 2	477 097,68	0,00	0,00	34 927,53	<b>512 025,21</b>
Title 3	4 127 288,50	0,00	0,00	16 163 353,05	<b>20 290 641,55</b>
<b>Sum</b>	<b>4 994 580,50</b>	<b>0,00</b>	<b>0,00</b>	<b>16 988 140,88</b>	<b>21 982 721,38</b>

The carry-over of C1 payment credits from 2014 to 2015, EUR 4,994,580.50, is higher than the previous year (4,202,160.72). Of the amount carried over regarding title 3, EUR 4,127,288.50 (3,464,506.08), 56 % refers to the final payment of the contribution 2014 to the European Topic Centres which, according to the agreements, which is to be paid after the 4<sup>th</sup> quarterly progress report has been presented in 2015.

The fund source R0 includes the grants which are usually multi-annual. The amount carried over in respect of R0 includes also non-committed amounts to be used in future years.

## 14. Budgetary result

A positive budgetary result is to be reimbursed to the Commission. The positive result for 2014, EUR 752,386, is composed of the following elements:

Budgetary result specification	2014	2013
C1- CURRENT YEAR APPROPRIATIONS		
Amount not recuperated	0	-430
Amount not made available in the budget	3 779	0
Non-committed	338 119	230 547
Committed, carried over to C9	18 287	805 183
C4 - Reused funds current year		
Amounts not made available in the budget	4 336	2 522
Cancellation of unused appropriations		
C5 - Reused funds carried over		
Cancellation of unused appropriations	0	2 043
C8 - APPROPRIATIONS CARRIED OVER FROM PREVIOUS YEAR		
Cancellation of unused appropriations	385 124	380 949
Exchange rate difference ( gain +/-loss-)	2 741	2 060
RO - grant surplus not recuperated by grant provider		
<b>Sum:</b>	<b>752 386</b>	<b>1 422 874</b>

Cancellation of unused payment appropriations carried over from previous year (C8 funds) amounted to EUR 385,142.09 which is in parity with the previous year (EUR 380,948.99).

Detailed specifications of the execution of the various fund sources are attached to this report as follows:

- Appendix 1: Budget execution C1 - Current year appropriations
- Appendix 2: Budget execution C8 - C1 commitments carried over
- Appendix 3: Budget execution R0 - Other external assigned revenue
- Appendix 4: Reconciliation of the accrual based result with the budget result

### 4.1.2 Budgetary principles

The establishment and implementation of the budget of the European Environment Agency are governed by the following basic principles:

- (a) unity and budget accuracy:  
all expenditure and revenue must be incorporated in a single budget document, must be booked on a budget line and expenditure must not exceed authorised appropriations;
- (b) universality:  
this principle comprises two rules:
  - the rule of non-assignment, meaning that budget revenue must not be earmarked for specific items of expenditure (total revenue must cover total expenditure);
  - the gross budget rule, meaning that revenue and expenditure are entered in full in the budget without any adjustment against each other;
- (c) annuality:  
the appropriations entered are authorised for a single year and must therefore be used during that year;
- (d) equilibrium:



the revenue and expenditure shown in the budget must be in balance (estimated revenue must equal payment appropriations);

(e) specification:

each appropriation is assigned to a specific purpose and a specific objective;

(f) unit of account:

the budget is drawn up and implemented in euro and the accounts are presented in euro;

(g) sound financial management:

budget appropriations are used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness;

(h) transparency:

the budget is established and implemented and the accounts presented in compliance with the principle of transparency - the budget and amending budgets are published in the Official Journal of the European Communities.

## 5 Disclosures

### Revenue divided in exchange and non-exchange transactions

The disclosure is presented in accordance with EC Accounting rule no. 4 and 17 which require that revenues are divided in exchange and non-exchange transactions.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange. An example of an exchange transaction is the purchase or sale of goods or services, disposal of assets and bank interest.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange. Examples of non-exchange transactions include the subsidy from the European Union, grants and donations.

<i>EUR</i>		
<b>Non-exchange transactions</b>	<b>2014</b>	<b>2013</b>
EU Subsidy	35 560 633,03	34 886 366,71
EFTA contributions	1 071 588,00	1 002 328,00
PECO contributions	4 390 068,90	4 428 723,50
Grants	8 132 651,66	8 633 573,58
Exchange rate gains	27 749,81	27 603,48
	<b>49 182 691,40</b>	<b>48 978 595,27</b>
<b>Exchange transactions</b>		
Bank interest	0,00	0,00

### Related party disclosure

The disclosure is presented in accordance with EC Accounting rule no. 15. This rule requires certain disclosures to be made about the remuneration of key management personnel during the reporting period, loans made to them and the consideration provided to them for services they provide to the entity other than

as a member of the governing body or an employee. The disclosures required by this rule will ensure that appropriate minimum levels of transparency are applied to the remuneration of key management personnel.

	2014	2013
<b>Number of Authorising Officers at the year end</b>	1	1
Analysis by grade		
<b>AD15</b>		
<b>AD14</b>	1	1

The Authorising Officer is remunerated in accordance with the Staff Regulations of the European Communities.

#### **Non-capitalised research and development costs**

The disclosure is presented in accordance with EC Accounting rule no. 6 which require that the amount of research and development costs for internally or externally generated intangible assets (software), which has not be capitalised, is presented. As specification of the relevant projects is attached as Appendix 5.

	<i>kEUR</i>	
	2014	2013
The following amounts were recognised as expenses in the economic outturn account :		
<b>Research costs</b>	0,00	2,30
<b>Development costs</b>	129,70	7,05
	<b>129,70</b>	<b>9,35</b>

#### **Credit rating and quality of receivables and cash**

In accordance with EC Accounting rule no. 11 Appendix 6 disclose the credit quality (rating) and risk in relation to the Agency's financial assets and liabilities.

BL	Official Budget Item Desc (Fr)	Appropriations (1)	Commitments (2)	Paid (3)	Balance Commitments (1 -2)	Balance Payment (2-3)	Carried Over	Lapsed
1100	Basic salaries	13 523 246,00	13 523 246,00	13 523 245,04	0,00	0,96	-	0,96
1101	Allowances	2 539 882,00	2 539 882,00	2 539 881,56	0,00	0,44	-	0,44
1111	Contract agents	3 342 215,00	3 342 215,00	3 342 214,85	0,00	0,15	-	0,15
1112	National Experts on Secondment	1 272 524,00	1 272 524,00	1 163 875,77	0,00	108 648,23	108 648,23	0,00
1113	Interim Staff	113 000,00	113 000,00	90 466,27	0,00	22 533,73	22 533,73	0,00
1114	Visiting experts, guest scientists and t	0,00	0,00	0,00	0,00	0,00	-	0,00
1120	Social security and unemployment allo	518 000,00	518 000,00	499 714,55	0,00	18 285,45	-	18 285,45
1121	Travel expenses for annual leave	241 000,00	241 000,00	228 644,12	0,00	12 355,88	12 355,88	0,00
1200	Miscellaneous expenses related to rec	155 000,00	155 000,00	116 784,73	0,00	38 215,27	38 215,27	0,00
1300	Mission expenses	786 830,00	655 646,00	627 804,08	131 184,00	27 841,92	27 841,92	0,00
1400	Restaurants and canteens	232 200,00	232 118,05	223 449,13	81,95	8 668,92	8 668,92	0,00
1410	Medical service	130 000,00	130 000,00	95 437,02	0,00	34 562,98	34 562,98	0,00
1420	Development of competencies, organi	453 170,00	420 328,38	285 786,72	32 841,62	134 541,66	134 541,66	0,00
1421	Staff team building events	10 000,00	9 774,65	9 768,97	225,35	5,68	5,68	0,00
1610	Social contacts between members of	5 000,00	4 988,66	2 168,61	11,34	2 820,05	2 820,05	0,00
	<b>Title 1</b>	<b>23 322 067,00</b>	<b>23 157 722,74</b>	<b>22 749 241,42</b>	<b>164 344,26</b>	<b>408 481,32</b>	<b>390 194,32</b>	<b>18 287,00</b>
2100	Rent	2 050 000,00	2 046 906,21	2 045 410,74	3 093,79	1 495,47	1 495,47	0,00
2101	Deposits	10 000,00	10 000,00	7 222,43	0,00	2 777,57	2 777,57	0,00
2110	Insurance	30 000,00	30 000,00	24 571,54	0,00	5 428,46	5 428,46	0,00
2120	Water, gas, electricity and heating	530 000,00	529 000,00	427 906,35	1 000,00	101 093,65	101 093,65	0,00
2130	Cleaning and maintenance	230 000,00	218 431,99	183 647,14	11 568,01	34 784,85	34 784,85	0,00
2140	Fitting-out of premises	187 000,00	186 386,73	130 124,16	613,27	56 262,57	56 262,57	0,00
2150	Security and surveillance of buildings	280 000,00	266 281,37	258 205,65	13 718,63	8 075,72	8 075,72	0,00
2190	Other expenditure	15 000,00	9 538,76	8 744,34	5 461,24	794,42	794,42	0,00
2200	Office machinery	31 600,00	31 600,00	25 023,51	0,00	6 576,49	6 576,49	0,00
2210	Furniture	14 900,00	9 441,84	9 441,84	5 458,16	0,00	-	0,00
2220	Technical equipment and installations	71 000,00	70 716,34	55 117,75	283,66	15 598,59	15 598,59	0,00
2240	Equipment, costs for equipment and d	92 000,00	89 375,58	69 910,48	2 624,42	19 465,10	19 465,10	0,00
2250	Documentation and library expenditure	75 000,00	70 099,30	69 723,67	4 900,70	375,63	375,63	0,00
2300	Stationery and office supplies	25 000,00	15 824,06	11 300,02	9 175,94	4 524,04	4 524,04	0,00
2310	Postage on correspondence and deliv	60 100,00	60 079,63	50 868,74	20,37	9 210,89	9 210,89	0,00
2311	Telephone, telegraph, telex, radio, tel	120 000,00	104 666,90	87 360,37	15 333,10	17 306,53	17 306,53	0,00
2320	Bank charges	5 000,00	2 100,00	1 735,66	2 900,00	364,34	364,34	0,00
2330	Legal expenses	25 000,00	25 000,00	5 200,00	0,00	19 800,00	19 800,00	0,00
2340	Administrative Services provided by E	293 577,00	292 072,02	158 095,38	1 504,98	133 976,64	133 976,64	0,00
2341	Publication of administrative nature	10 000,00	5 000,00	809,47	5 000,00	4 190,53	4 190,53	0,00
2390	Miscellaneous insurance	30 000,00	16 588,00	15 617,19	13 412,00	970,81	970,81	0,00
2400	Entertainment and representation exp	6 000,00	2 000,00	1 752,69	4 000,00	247,31	247,31	0,00
2401	Representation related to marketing	6 000,00	1 442,85	1 442,85	4 557,15	0,00	-	0,00
2501	Management Board and Bureau	125 000,00	121 000,00	117 945,94	4 000,00	3 054,06	3 054,06	0,00
2502	Scientific Committee	78 249,00	71 000,00	60 814,02	7 249,00	10 185,98	10 185,98	0,00
2503	Freelance Interpreters and Conferenc	25 000,00	25 000,00	5 328,00	0,00	19 672,00	19 672,00	0,00
2601	EMAS certification/Greening the Ager	10 000,00	6 265,00	5 398,97	3 735,00	866,03	866,03	0,00
	<b>Title 2</b>	<b>4 435 426,00</b>	<b>4 315 816,58</b>	<b>3 838 718,90</b>	<b>119 609,42</b>	<b>477 097,68</b>	<b>477 097,68</b>	<b>0,00</b>
3312	Expert meetings	762 400,00	733 610,00	471 947,84	28 790,00	261 662,16	261 662,16	0,00
3320	Publication and graphic services	159 200,00	159 126,00	109 856,40	74,00	49 269,60	49 269,60	0,00
3321	IT infrastructure/quality assurance	1 314 600,00	1 313 609,90	1 097 889,13	990,10	215 720,77	215 720,77	0,00
3322	Technological development	1 082 000,00	1 081 632,31	875 364,31	367,69	206 268,00	206 268,00	0,00
3323	Communications	600 000,00	595 934,92	312 209,94	4 065,08	283 724,98	283 724,98	0,00
3324	Translation	348 453,00	348 272,00	174 149,00	181,00	174 123,00	174 123,00	0,00
3325	Data Management	1 125 000,00	1 123 176,36	847 126,57	1 823,64	276 049,79	276 049,79	0,00
3331	ETC ACM - Air pollution and Climate c	2 300 000,00	2 300 000,00	1 610 000,00	0,00	690 000,00	690 000,00	0,00
3332	ETC ICM - Inland, Coastal and Marine	1 562 160,00	1 562 160,00	1 074 864,00	0,00	487 296,00	487 296,00	0,00
3333	ETC BD - Biological Diversity.	1 462 091,00	1 462 090,89	1 063 636,00	0,11	398 454,89	398 454,89	0,00
3334	ETC SIA - Spatial Data and Analysis	789 000,00	788 760,00	536 628,00	240,00	252 132,00	252 132,00	0,00
3335	ETC WMGE - Waste and Materials in	912 500,00	912 497,27	629 993,45	2,73	282 503,82	282 503,82	0,00
3336	ETC CCA - Climate Change Impacts,	660 000,00	659 954,96	461 968,47	45,04	197 986,49	197 986,49	0,00
3411	Air pollution, transport and noise	70 000,00	65 000,00	0,00	5 000,00	65 000,00	65 000,00	0,00
3412	Industrial pollution	35 000,00	35 000,00	0,00	0,00	35 000,00	35 000,00	0,00
3413	Climate change mitigation and energy	75 000,00	75 000,00	0,00	0,00	75 000,00	75 000,00	0,00
3415	Water management, resources and ex	55 000,00	54 978,00	16 493,40	22,00	38 484,60	38 484,60	0,00
3416	Marine and coastal environment and n	75 000,00	74 801,99	74 801,99	198,01	0,00	-	0,00
3417	Biodiversity and Ecosystems, Agricult	225 000,00	224 332,45	123 626,45	667,55	100 706,00	100 706,00	0,00
3418	Urban, Land Use and soil	141 000,00	136 172,00	107 226,60	4 828,00	28 945,40	28 945,40	0,00
3421	Resource-efficient economy and the e	45 000,00	44 550,00	44 550,00	450,00	0,00	-	0,00
3422	Environment, human health and well-b	75 000,00	75 000,00	75 000,00	0,00	0,00	-	0,00
3423	Megatrends and transitions	80 000,00	74 740,00	65 779,00	5 260,00	8 961,00	8 961,00	0,00
3424	Sustainability assessments and state	60 000,00	58 840,00	58 840,00	1 160,00	0,00	-	0,00
3435	Quality management and operational s	0,00	0,00	0,00	0,00	0,00	-	0,00
	<b>Title 3</b>	<b>14 013 404,00</b>	<b>13 959 239,05</b>	<b>9 831 950,55</b>	<b>54 164,95</b>	<b>4 127 288,50</b>	<b>4 127 288,50</b>	<b>0,00</b>
		<b>41 770 897,00</b>	<b>41 423 778,37</b>	<b>36 419 910,87</b>	<b>338 118,63</b>	<b>5 012 867,50</b>	<b>4 994 580,50</b>	<b>18 287,00</b>

B. L.	Official Budget Item Desc	Appropriation (1)	Committed (2)	Paid	Unpaid/Lapsed
1112	National Experts on Secondment	36 005,11	22 623,32	22 623,32	13 381,79
1113	Interim Staff	0,26	-	-	0,26
1200	Miscellaneous expenses related to recruitment	5 151,99	5 151,99	5 151,99	-
1300	Mission expenses	59 811,89	32 521,84	32 521,84	27 290,05
1400	Restaurants and canteens	5 628,40	490,17	490,17	5 138,23
1410	Medical service	49 237,29	19 480,00	19 480,00	29 757,29
1420	Development of competencies, organisational develo	62 621,17	36 432,45	36 432,45	26 188,72
1421	Staff team building events	1 726,49	453,67	453,67	1 272,82
1610	Social contacts between members of staff	1 060,58	1 056,85	1 056,85	3,73
	<b>Title 1</b>	<b>221 243,18</b>	<b>118 210,29</b>	<b>118 210,29</b>	<b>103 032,89</b>
2100	Rent	343,44	-	-	343,44
2120	Water, gas, electricity and heating	30 422,73	20 807,69	20 807,69	9 615,04
2130	Cleaning and maintenance	32 634,60	31 274,73	31 274,73	1 359,87
2140	Fitting-out of premises	268 979,52	209 722,78	209 722,78	59 256,74
2150	Security and surveillance of buildings	30 418,55	30 216,61	30 216,61	201,94
2190	Other expenditure	3 278,23	3 142,64	3 142,64	135,59
2200	Office machinery	7 916,39	5 938,71	5 938,71	1 977,68
2210	Furniture	37 000,00	36 886,78	36 886,78	113,22
2220	Technical equipment and installations	18 927,00	17 780,21	17 780,21	1 146,79
2250	Documentation and library expenditure	2 765,24	-	-	2 765,24
2300	Stationery and office supplies	18 200,00	17 819,53	17 819,53	380,47
2310	Postage on correspondence and delivery charges	374,80	374,77	374,77	0,03
2311	Telephone, telegraph, telex, radio, television and	7 878,64	7 878,64	7 878,64	-
2320	Bank charges	1 772,29	-	-	1 772,29
2330	Legal expenses	9 569,23	-	-	9 569,23
2340	Administrative Services provided by EC	6 997,54	1 449,00	1 449,00	5 548,54
2341	Publication of administrative nature	1 365,48	1 347,24	1 347,24	18,24
2390	Miscellaneous insurance	657,96	-	-	657,96
2400	Entertainment and representation expenses	3 748,77	503,73	503,73	3 245,04
2401	Representation related to marketing	1 814,95	-	-	1 814,95
2501	Management Board and Bureau	20 462,02	5 969,38	5 969,38	14 492,64
2503	Freelance Interpreters and Conference Officers	10 884,07	5 280,00	5 280,00	5 604,07
2601	EMAS certification/Greening the Agency initiatives	0,01	-	-	0,01
	<b>Title 2</b>	<b>516 411,46</b>	<b>396 392,44</b>	<b>396 392,44</b>	<b>120 019,02</b>
3312	Expert meetings	75 608,96	49 473,77	49 473,77	26 135,19
3320	Publication and graphic services	53 493,46	19 200,00	19 200,00	34 293,46
3321	IT infrastructure/quality assurance	130 416,30	126 208,79	126 208,79	4 207,51
3322	Technological development	84 086,57	80 696,95	80 696,95	3 389,62
3323	Communications	88 707,18	82 666,00	82 666,00	6 041,18
3324	Translation	38 474,50	38 474,50	38 474,50	-
3325	Data Management	277 000,74	276 941,16	276 941,16	59,58
3331	ETC ACM - Air pollution and Climate change Mitigat	604 000,00	565 068,76	565 068,76	38 931,24
3332	ETC ICM - Inland, Coastal and Marine Waters	534 000,00	532 443,00	532 443,00	1 557,00
3333	ETC BD - Biological Diversity	279 620,52	250 350,00	250 350,00	29 270,52
3334	ETC SIA - Spatial Data and Analysis	363 743,20	363 743,20	363 743,20	-
3335	ETC WMGE - Waste and Materials in a Green Economy	258 113,00	249 753,80	249 753,80	8 359,20
3336	ETC CCA - Climate Change Impacts, vulnerability an	183 107,38	173 902,70	173 902,70	9 204,68
3514	Biodiversity	69 995,00	69 995,00	69 995,00	-
3527	Agriculture and forestry	69 852,00	69 852,00	69 852,00	-
3528	Energy	0,35	-	-	0,35
3530	Strengthening integrated environmental assessment	70 198,80	70 198,80	70 198,80	-
3534	Strategic futures	16 941,30	16 941,30	16 941,30	-
3540	Shared Environmental Information System	267 146,82	266 524,17	266 524,17	622,65
	<b>Title 3</b>	<b>3 464 506,08</b>	<b>3 302 433,90</b>	<b>3 302 433,90</b>	<b>162 072,18</b>
	<b>Sum:</b>	<b>4 202 160,72</b>	<b>3 817 036,63</b>	<b>3 817 036,63</b>	<b>385 124,09</b>

## Fund Source: ENPI

Annex 3

B. L.	Official Budget Item Desc (Fr)	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance Commitment (1-2)	Balance Payment (2-3)
1111	Contract agents	440 370,09	440 370,09	100,00%	347 077,77	79%	-	93 292,32
1113	Interim Staff	0,74	-	0,00%			0,74	
1121	Travel expenses for annual leave	20 000,00	5 000,00	25,00%	4 410,13	22%	15 000,00	589,87
1200	Miscellaneous expenses related to recruitment	105,74	105,74	100,00%			-	105,74
1300	Mission expenses	73 767,98	73 753,93	99,98%	49 099,97	67%	14,05	24 653,96
1420	Development of competencies, organisational	17 270,94	17 270,94	100,00%	8 788,66	51%	-	8 482,28
	<b>Title 1</b>	<b>551 515,49</b>	<b>536 500,70</b>		<b>409 376,53</b>		<b>15 014,79</b>	<b>127 124,17</b>
2310	Postage on correspondence and delivery char	11 439,34	4 137,78	36,17%	4 137,78	36%	7 301,56	-
2311	Telephone, telegraph, telex, radio, television a	0,38	0,38	100,00%	0,38	100%	-	-
2503	Freelance Interpreters and Conference Officer	47 731,67	28 877,74	60,50%	27 403,93	57%	18 853,93	1 473,81
	<b>Title 2</b>	<b>59 171,39</b>	<b>33 015,90</b>		<b>31 542,09</b>		<b>26 155,49</b>	<b>1 473,81</b>
3312	Expert meetings	91 680,17	91 680,17	100,00%	81 400,06	89%	-	10 280,11
3324	Translation	73 367,20	73 081,50	99,61%	67 647,50	92%	285,70	5 434,00
3437	Capability building in West Balkan and Europe	821 542,30	702 577,94	85,52%	443 457,42	54%	118 964,36	259 120,52
3531	Regional and global assessments	36 000,00	36 000,00	100,00%			-	36 000,00
	<b>Title 3</b>	<b>1 022 589,67</b>	<b>903 339,61</b>		<b>592 504,98</b>		<b>119 250,06</b>	<b>310 834,63</b>
	Sum:	<b>1 633 276,55</b>	<b>1 472 856,21</b>	<b>0,00%</b>	<b>1 033 423,60</b>	<b>0%</b>	<b>160 420,34</b>	<b>439 432,61</b>

## Fund Source: GIO

B. L.	Official Budget Item Desc (Fr)	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance Commitment (1-2)	Balance Payment (2-3)
1111	Contract agents	880 942,83	617 952,83	70,15%	423 934,93	48%	262 990,00	194 017,90
1113	Interim Staff	33 548,00	33 548,00	100,00%	13 736,10	41%	-	19 811,90
1121	Travel expenses for annual leave	9 514,00	9 514,00	100,00%	6 561,77	69%	-	2 952,23
1200	Miscellaneous expenses related to recruitment	12 265,01	12 265,01	100,00%	11 126,44	91%	-	1 138,57
1300	Mission expenses	39 119,63	39 119,36	100,00%	26 522,60	68%	0,27	12 596,76
1410	Medical service	600,00	600,00	100,00%			-	600,00
1420	Development of competencies, organisational	17 888,70	17 888,70	100,00%	9 950,80	56%	-	7 937,90
	<b>Title 1</b>	<b>993 878,17</b>	<b>730 887,90</b>		<b>491 832,64</b>		<b>262 990,27</b>	<b>239 055,26</b>
2100	Rent	81 815,79	81 815,79	100,00%	81 776,43	100%	-	39,36
2120	Water, gas, electricity and heating	0,21	0,21	100,00%	0,21	100%	-	-
2130	Cleaning and maintenance	1 350,58	1 350,58	100,00%	1 350,58	100%	-	-
2150	Security and surveillance of buildings	473,00	472,23	99,84%	472,23	100%	0,77	-
2320	Bank charges	376,30	376,30	100,00%	43,71		-	332,59
	<b>Title 2</b>	<b>84 015,88</b>	<b>84 015,11</b>		<b>83 643,16</b>		<b>0,77</b>	<b>371,95</b>
3312	Expert meetings	120 746,61	120 746,61	100,00%	27 229,36	23%	-	93 517,25
3320	Publication and graphic services	50 000,00	-	0,00%			50 000,00	
3321	IT infrastructure/quality assurance	219 265,00	217 917,81	99,39%	62 626,79	29%	1 347,19	155 291,02
3323	Communications	175 000,00	104 775,00	59,87%			70 225,00	104 775,00
3436	Copernicus operational services	19 659 707,07	13 357 070,62	67,94%	5 355 876,28	27%	6 302 636,45	8 001 194,34
	<b>Title 3</b>	<b>20 224 718,68</b>	<b>13 800 510,04</b>		<b>5 445 732,43</b>		<b>6 424 208,64</b>	<b>8 354 777,61</b>
	Sum:	<b>21 302 612,73</b>	<b>14 615 413,05</b>		<b>6 021 208,23</b>		<b>6 687 199,68</b>	<b>8 594 204,82</b>

## Fund Source: IPA2

B. L.	Official Budget Item Desc (Fr)	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance Commitment (1-2)	Balance Payment (2-3)
1300	Mission expenses	9 598,84	9 598,84	100,00%	3 696,78	39%	-	5 902,06
1420	Development of competencies, organisational	2 708,39	2 708,39	100,00%	2 170,39	80%	-	538,00
	<b>Title 1</b>	<b>12 307,23</b>	<b>12 307,23</b>		<b>5 867,17</b>		<b>-</b>	<b>6 440,06</b>
2311	Telephone, telegraph, telex, radio, television a	2 801,50	2 801,50	100,00%	2 243,76	80%	-	557,74
	<b>Title 2</b>	<b>2 801,50</b>	<b>2 801,50</b>		<b>2 243,76</b>		<b>-</b>	<b>557,74</b>
3312	Expert meetings	81 807,25	81 807,25	100,00%	66 308,12	81%	-	15 499,13
3437	Capability building in West Balkan and Europe	53 980,67	53 980,35	100,00%	53 980,35	100%	0,32	-
	<b>Title 3</b>	<b>135 787,92</b>	<b>135 787,60</b>		<b>120 288,47</b>		<b>0,32</b>	<b>15 499,13</b>
	Sum:	<b>150 896,65</b>	<b>150 896,33</b>		<b>128 399,40</b>		<b>0,32</b>	<b>22 496,93</b>

**Fund Source: GISC**

B. L.	Official Budget Item Desc (Fr)	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance Commitment (1-2)	Balance Payment (2-3)
1111	Contract agents	20 000,78	20 000,78	100,00%			-	20 000,78
1113	Interim Staff	0,59	0,59	100,00%			-	0,59
1200	Miscellaneous expenses related to recruitment	1,15	1,15	100,00%			-	1,15
1300	Mission expenses	43 897,14	43 897,14	100,00%			-	43 897,14
	<b>Title 1</b>	<b>63 899,66</b>	<b>63 899,66</b>		-	-	-	<b>63 899,66</b>
2100	Rent	4,83	-	0,00%			4,83	
2140	Fitting-out of premises	473,74	-	0,00%			473,74	
2241	Software development	88,92	19,21	21,60%			69,71	19,21
2310	Postage on correspondence and delivery char	0,03	-	0,00%			0,03	
2391	Other administrative expenditure	400,25	0,62	0,15%			399,63	0,62
	<b>Title 2</b>	<b>967,77</b>	<b>19,83</b>		-	-	<b>947,94</b>	<b>19,83</b>
3312	Expert meetings	80 640,67	80 640,67	100,00%			-	80 640,67
3540	Shared Environmental Information System	40 939,86	20,00	0,05%			40 919,86	20,00
	<b>Title 3</b>	<b>121 580,53</b>	<b>80 660,67</b>		-	-	<b>40 919,86</b>	<b>80 660,67</b>
	Sum:	<b>186 447,96</b>	<b>144 580,16</b>	-	-	-	<b>41 867,80</b>	<b>144 580,16</b>

**Fund Source: InSEIS**

B. L.	Official Budget Item Desc (Fr)	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance Commitment (1-2)	Balance Payment (2-3)
1111	Contract agents	98 000,00	98 000,00	100,00%	53 171,13	54%	-	44 828,87
1300	Mission expenses	19 200,00	19 200,00	100,00%	1 217,91	6%	-	17 982,09
	<b>Title 1</b>	<b>117 200,00</b>	<b>117 200,00</b>		<b>54 389,04</b>		-	<b>62 810,96</b>
3312	Expert meetings	75 000,00	75 000,00	100,00%	5 076,89	7%	-	69 923,11
3320	Publication and graphic services	7 000,00	-	0,00%			7 000,00	
3324	Translation	20 000,00	-	0,00%			20 000,00	
3437	Capability building in West Balkan and Europe	352 974,00	239 920,00	67,97%			113 054,00	239 920,00
	<b>Title 3</b>	<b>454 974,00</b>	<b>314 920,00</b>		<b>5 076,89</b>		<b>140 054,00</b>	<b>309 843,11</b>
	Sum:	<b>572 174,00</b>	<b>432 120,00</b>	-	<b>59 465,93</b>	-	<b>140 054,00</b>	<b>372 654,07</b>

**Fund Source: IPA2014**

B. L.	Official Budget Item Desc (Fr)	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance Commitment (1-2)	Balance Payment (2-3)
1300	Mission expenses	12 000,00	12 000,00	100,00%	1 474,87	12%	-	10 525,13
1420	Development of competencies, organisational	2 000,00	2 000,00	100,00%			-	2 000,00
	<b>Title 1</b>	<b>14 000,00</b>	<b>14 000,00</b>		<b>1 474,87</b>		-	<b>12 525,13</b>
2311	Telephone, telegraph, telex, radio, television a	5 400,00	-	0,00%			5 400,00	
	<b>Title 2</b>	<b>5 400,00</b>	-		-	-	<b>5 400,00</b>	-
3312	Expert meetings	216 000,00	216 000,00	100,00%	50 804,38	24%	-	165 195,62
3437	Capability building in West Balkan and Europe	264 600,00	189 537,00	71,63%	62 490,60	24%	75 063,00	127 046,40
	<b>Title 3</b>	<b>480 600,00</b>	<b>405 537,00</b>		<b>113 294,98</b>		<b>75 063,00</b>	<b>292 242,02</b>
	Sum:	<b>500 000,00</b>	<b>419 537,00</b>		<b>114 769,85</b>		<b>80 463,00</b>	<b>304 767,15</b>

Appendix 4 – Reconciliation of the accrual based result with the budget result

	sign +/-	
<b>Economic result (- for loss) of the consolidation reporting package including table M2</b>	<b>+/-</b>	<b>77 414,86</b>
<b>Ajustment for accrual items (items not in the budgetary result but included in the economic result)</b>		
Adjustments for Accrual Cut-off (reversal 31.12.N-1)	-	3 175 050,85
Adjustments for Accrual Cut-off (cut- off 31.12.N )	+	-9 036 423,41
Amount from liaison account with Commission booked in the Economic Outturn Account	-	
Unpaid invoices at year end but booked in charges	+	
Depreciation of intangible and tangible fixed assets	+	458 433,21
Provisions	+	0,00
Value reductions	+	0,00
Recovery Orders issued in in class 7 and not yet cashed	-	0,00
Pre-financing given in previous year and cleared in the year	+	990 600,00
Pre-financing received in previous year and cleared in the year	-	-427 861,03
Payments made from carry over of payment appropriations	+	3 817 036,63
Other *)	+/-	6 150,00
Exchange rate differences	+/-	0,00
<b>Ajustment for budgetary items (item included in the budgetary result but not in the economic result)</b>		
		0,00
Asset acquisitions (less unpaid amounts)	-	-243 015,09
New pre-financing paid in the year and remaining open as at	-	-1 543 099,96
New pre-financing received in the year and remaining open as at	+	11 287 219,54
Budgetary recovery orders issued before and cashed in the year	+	0,00
Budgetary recovery orders issued in on balance sheet accounts (not 7 or 6 accounts) and cashed	+	
Capital payments on financial leasing (they are budgetary payments but not in the economic result)	-	
Payment appropriations carried over	-	-21 982 721,38
Cancellation of unused carried over payment appropriations from previous year	+	385 124,09
Adjustment for grants		-9 463 337,23
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	+	23 273 912,12
Payments for pensions ( they are budgetary payments but booked against provisions)	-	
Payments for stocks of leave and supplementary hours ( they are budgetary payments but booked against provisions)	-	
Other **)	+/-	-22 096,44
<b>Total</b>		<b>752 386,76</b>
<b>Budgetary result (+ for surplus)</b>		<b>752 386,54</b>
Delta not explained		-0,22

Expenditure (kEUR)				
Project	Phase	2014	2013	Total
Mission & Training System	Reserach		2,3	2,3
	Development	16,4	7,0	23,4
		16,4	9,3	25,7
Statistics for file downlads	Reserach			0,0
	Development	8,5		8,5
		8,5	0,0	8,5
Rich text editing of content	Reserach			0,0
	Development	33,6		33,6
		33,6	0,0	33,6
Optimise downloads of files	Reserach			0,0
	Development	7,2		7,2
		7,2	0,0	7,2
Export Plone	Reserach			0,0
	Development	53,2		53,2
		53,2	0,0	53,2
Monitoring of concurrent users	Reserach			0,0
	Development	10,8		10,8
		10,8	0,0	10,8



<b>Table A: credit quality of financial assets that are neither past due nor impaired</b>							<b>Appendix 6</b>
<b>31 December</b>	<b>Available for sale financial assets (including accrued interest)<sup>2</sup></b>	<b>Loans (including short term deposits &gt;3 months and &lt;1 year)</b>	<b>Receivables with Member States<sup>3</sup></b>	<b>All receivables with third parties including accruals &amp; deferrals (excluding receivables with MS and receivables with consol. entities)</b>	<b>Receivables with consolidated entities</b>	<b>Short-term deposits (&lt; 3 months - including accrued interest)<sup>4</sup></b>	<b>Bank accounts<sup>4</sup></b>
	F28212	F29002	F40802	F40802	F40802	F52122	F52012
<b>Counterparties <u>with</u> external credit rating<sup>1</sup>:</b>	0,00	0,00	945 811,81	0,00	0,00	0,00	30 620 338,45
Prime and high grade			945 811,81				26 295 285,26
Upper medium grade							4 325 053,19
Lower medium grade							
Non-investment grade							
Unassigned					n/a		
<b>Available for sale assets (bonds), cash and cash equivalents (bank accounts, short term deposits) as well as receivables with Member States normally have an external rating. Thus these assets need to be captured in the upper part of the table F3A ("Counterparties with external rating"). Please, note that central banks</b>							
<b>Counterparties <u>without</u> external credit rating:</b>	0,00	0,00	0,00	1 506 187,12	149 999,95	0,00	0,00
Group 1 - Debtors who never defaulted				1 506 187,12	149 999,95		
Group 2 - Debtors who defaulted in the past							
<b>The lower part of the table F3A ("Counterparties without external rating") concerns receivables with consolidated entities (to be captured for consolidation reasons in group 1) as well as all other receivables with third parties. The latter shall be split in the consolidation package into debtors who never defaulted</b>							

<b>Table B: analysis of the age of financial assets that are not impaired</b>					
	Neither past due nor impaired (1)	Past due but not impaired			Total (1+2+3+4)
		< 1 year (2)	1-5 years (3)	> 5 years (4)	
	940	941	942	943	
<b>Available for sale financial assets (including accrued interest)<sup>2</sup></b>					
31 December 2014	0,00				0,00
<b>Loans</b>					
31 December 2014	0,00				0,00
<b>Receivables with Member States</b>					
31 December 2014	945 811,81				945 811,81
<b>Receivables with third parties</b>					
31 December 2014	1 506 187,12				1 506 187,12
<b>Receivables with consolidated entities</b>					
31 December 2014	149 999,95				149 999,95

<b>F4 - Liquidity risk</b>				
The entity's liabilities have remaining contractual maturities as summarised below:				
<b>31 December CONSOLIDATION REPORTING PACKAGE</b>	<b>&lt; 1 year</b>	<b>1 - 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
Payables with third parties	62 046,23			62 046,23
Payables with consolidated entities	22 666 535,95			22 666 535,95
<b>Total liabilities</b>	22 728 582,18	0,00	0,00	22 728 582,18