
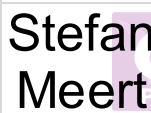



Making the railway system  
work better for society.

# Final accounts of the European Union Agency for Railways Financial Year 2020

## *Financial Statements* *Reports on the Implementation of the Budget*

	<i>Elaborated by</i>	<i>Validated by</i>	<i>Approved by</i>
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<i>Signature</i>		 <p>Digitally signed by Stefan Meert DN: C=FR, OU=Executive Director Office, O=ERA, CN=Stefan Meert, E=stefan.meert@era.europa.eu Reason: I am approving this document with my legally binding signature Location: your signing location here Date: 2021.06.01 17:48:30+0200' Foxit PhantomPDF Version: 10.1.0</p>	 <p>Digitally signed by Josef Doppelbauer DN: OU=ERA, O=European Union Agency for Railways, CN=Josef Doppelbauer, E=josef.doppelbauer@era.europa.eu Reason: I attest to the accuracy and integrity of this document Location: your signing location here Date: 2021.06.03 08:35:02+0200' Foxit PhantomPDF Version: 10.1.0</p>

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## 1. Certificate

I acknowledge my responsibility for the preparation and presentation of the annual accounts of ERA in accordance with Article 102 of the Framework Financial Regulation ('FFR')<sup>1</sup> and I hereby certify that the annual accounts of ERA for the year 2020 have been prepared in accordance with Title IX of the FFR and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and union bodies.

I have obtained from the Authorising Officer, who certified its reliability, all the information necessary for the production of the accounts that show ERA's assets and liabilities and the budgetary implementation. Based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of ERA.



Stefan MEERT

Accounting Officer of ERA

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<sup>1</sup> COMMISSION DELEGATED REGULATION (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

## 2. Presentation of the organisation

### Introduction

The European Railway Agency was established by Regulation (EC) N° 881/2004 of the European Parliament and the Council of 29 April 2004 establishing a European Railway Agency amended by Regulation (EC) No 1335/2008 of the European Parliament and of the Council of 16 December 2008. Following the adoption of the Regulation (EU) 2016/796 of the European Parliament and of the Council on 11 May 2016 the founding regulation (EC) n° 881/2004 was repealed and an European Union Agency for Railways (hereafter referred to as “the Agency” or ERA) was established.

The accounts of ERA are kept in accordance with Financial Regulation of ERA adopted by its Administrative Board on 23 September 2019 and its Implementing Rules.

In accordance with Article 245 of Council Decision No. 1046/2018 and Article 97 of the Financial Regulation of ERA, the following final accounts together with the reports on the implementation of the budget of ERA have been drawn up.

### Legal status and principal office

The Agency is an EU body as referred to in article 70 of Regulation (EU, Euratom) No 1048/2018 of the European Parliament and of the Council. It has legal personality. The Agency is represented and managed by the Executive Director, Mr. Josef Doppelbauer, appointed by the Management Board.

The Agency’s headquarters are located in Valenciennes, France, 120 Rue Marc Lefrancq and Lille.

The Protocol on the Privileges and Immunities of the European Union applies to the Agency.

### Governing structure

ERA’s administrative and management structure consists of an Management Board, an Executive Board, the Executive Director and one or more Boards of Appeal.

The Management Board is composed of the Member State representatives, one from each Member State, 2 Commission representatives and 6 professionals from the sectors most concerned having the role to ensure that the Agency carries out its mission and performs the tasks assigned to it under the conditions laid down in the Regulation.

It is chaired by the Chair while the Executive Director is entrusted with the management of the Agency and attends the Board meetings.

### Further information sources

More information on the Agency’s administrative and operational activities, organisational chart, applicable legislation and its Management Board is available on the Agency’s website [www.era.europa.eu](http://www.era.europa.eu) and in its annual report.

**3. Part I – Financial Statements****3.1 Balance sheet**

	<i>Note</i>	<i>31/12/2020</i>	<i>31/12/2019</i>
<b>A. NON CURRENT ASSETS</b>			
Intangible assets	3.5.2.1	3 385 858	3 793 125
Property, plant and equipment	3.5.2.2	394 379	835 843
Land and buildings		793	1 352
Plant and equipment		1 927	5 894
Computer hardware		291 571	683 447
Furniture and vehicles		54 731	76 211
Other fixtures and fittings		45 357	68 939
Non-current receivables	3.5.2.3	31 898	31 898
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3 812 135</b>	<b>4 660 866</b>
<b>B. CURRENT ASSETS</b>			
Pre-financing		0	18 824
Pre-financing with consolidated entities		0	18 824
Exchange receivables and recoverables	3.5.2.4	1 897 602	826 478
Current receivables		258 445	148 274
Sundry receivables		20 917	38 370
Current receivables with consolidated entities		398	4 675
Other receivables		0	0
Accrued income with consolidated entities		11 353	12 456
Accrued fee income		1 179 611	358 059
Deferred charges		426 879	264 644
Non - exchange receivables and recoverables	3.5.2.5	253 014	110 041
Current receivables Member States		253 014	110 041
Other receivables		0	0
Cash and cash equivalents	3.5.2.6	3 808 531	3 246 645
<b>TOTAL CURRENT ASSETS</b>		<b>5 959 147</b>	<b>4 201 987</b>
<b>TOTAL ASSETS</b>		<b>9 771 283</b>	<b>8 862 854</b>

	<i>Note</i>	<i>31/12/2020</i>	<i>31/12/2019</i>
<b>A. NET ASSETS</b>	<b>3.5.2.7</b>	<b>7 461 409</b>	<b>6 386 044</b>
Accumulated surplus/deficit		6 386 044	7 524 503
Economic result of the year-profit+/loss-		1 075 365	-1 138 459
<b>B. NON CURRENT LIABILITIES</b>		0	0
Pension and other employee benefits		0	0
Provisions for risks and liabilities		0	0
<b>TOTAL NON-CURRENT LIABILITIES (A+B)</b>		<b>7 461 409</b>	<b>6 386 044</b>
<b>C. CURRENT LIABILITIES</b>		<b>2 309 873</b>	<b>2 476 810</b>
<b>Provisions for risks and liabilities</b>	<b>3.5.2.8</b>	<b>0</b>	<b>0</b>
<b>Accounts payable</b>	<b>3.5.2.9</b>	<b>623 401</b>	<b>801 326</b>
Current payables		32 635	8 929
Sundry payables		0	2 071
Accounts payable with consolidated EC entities		590 766	790 326
..... <i>Prefinancing received from consolidated EC entities</i>		573 868	790 326
..... <i>Other accounts payable against consolidated EC entities</i>		16 898	0
<b>Accrued charges and deferred income</b>	<b>3.5.2.10</b>	<b>1 686 473</b>	<b>1 675 484</b>
Accrued charges		1 686 473	1 675 484
Deferred income		0	0
Other passive accruals & deferrals		0	0
Deferrals and accruals with consolidated EC entities		0	0
<b>TOTAL CURRENT LIABILITIES</b>		<b>2 309 873</b>	<b>2 476 810</b>
<b>TOTAL LIABILITIES</b>		<b>9 771 283</b>	<b>8 862 854</b>

### 3.2 Statement of Financial Performance

<i>STATEMENT OF FINANCIAL PERFORMANCE</i>	<i>Note</i>	<i>31/12/2020</i>	<i>31/12/2019</i>
Subsidy received	3.5.3.1	28 389 255	28 087 492
Title 1&2 <sup>2</sup>		22 790 450	22 302 194
Title 3 <sup>3</sup>		5 441 833	5 367 153
Part of Phare Funds subsidy used in current year		22 576	104 598
Part of EUMEDRAIL pre-financing used in current year		248 621	373 033
To be reimbursed (Budget outturn)		-114 225	-59 486
Revenue from adjustment/provisions		0	0
<b>NON-EXCHANGE REVENUES</b>	<b>3.5.3.1</b>	<b>28 389 255</b>	<b>28 087 492</b>
Fee income		2 886 392	838 739
Fixed Assets related income		0	0
Exchange rate differences gains		156	220
Bank interest		1 708	10
Income from other exchange operations (3rd parties)		72 918	118 949
Income from consolidated EU entities		43 340	42 953
<b>EXCHANGE REVENUES</b>	<b>3.5.3.1</b>	<b>3 004 513</b>	<b>1 000 872</b>
<b>TOTAL REVENUES</b>		<b>31 393 768</b>	<b>29 088 363</b>
Operational expenses	3.5.3.3	4 323 217	4 529 981
Staff and Pension costs	3.5.3.2	21 769 476	20 003 919
Finance costs		29 145	983
Finance costs		0	561
Other financial expenses		29 145	422
Other expenses		4 196 564	5 691 939
Property, plant and equipment related expenses	3.5.3.2	2 442 857	2 519 672
Other Expenses	3.5.3.2	1 753 168	3 170 937
Exchange rate differences losses		539	1 330
<b>TOTAL EXPENSES</b>		<b>30 318 403</b>	<b>30 226 822</b>
<b>SURPLUS (DEFICIT) FROM ORDINARY ACTIVITIES</b>		<b>1 075 365</b>	<b>-1 138 459</b>
<b>ECONOMIC RESULT OF THE YEAR</b>		<b>1 075 365</b>	<b>-1 138 459</b>

<sup>2</sup> Title 1 = staff expenditure and Title 2 = administrative expenditure.

<sup>3</sup> Title 3 = operational expenditure



**3.3 Statement of changes in net assets**

<i>Capital</i>	<i>Reserves</i>		<i>Accumulated Surplus / Deficit</i>	<i>Economic result of the year</i>	<i>Capital (total)</i>
	<i>Fair value reserve</i>	<i>Other reserves</i>			
<b>Balance as of 31 December 2019</b>	<b>0</b>	<b>0</b>	<b>7 524 503</b>	<b>-1 138 459</b>	<b>6 386 044</b>
Changes in accounting policies	0	0	0	0	0
<b>Balance as of 1 January 2020 (if restated)</b>	<b>0</b>	<b>0</b>	<b>7 524 503</b>	<b>-1 138 459</b>	<b>6 386 044</b>
Allocation of the Economic Result of Previous Year	0	0	-1 138 459	1 138 459	0
Economic result of the year	0	0	0	1 075 365	1 075 365
<b>Balance as of 31 December 2020</b>	<b>0</b>	<b>0</b>	<b>6 386 044</b>	<b>1 075 365</b>	<b>7 461 409</b>

### 3.4 Cash flow statement

	<b>2020</b>	<b>2019</b>
<b>Cash Flows from ordinary activities</b>		
<b>Economic result of the year</b>	<b>1 075 365</b>	<b>-1 138 459</b>
<b>Operating activities</b>		
Amortization (intangible fixed assets) +	748 453	573 030
Depreciation (tangible fixed assets) +	516 764	750 880
Increase/(decrease) in Provisions for risks and liabilities	0	0
Increase/(decrease) in Value reduction for doubtful debts	0	0
(Increase)/decrease in Stock	0	0
(Increase)/decrease in Long term Pre-financing	0	0
(Increase)/decrease in Short term Pre-financing	18 824	473 598
(Increase)/decrease in Long term Receivables	0	0
(Increase)/decrease in Short term Receivables	-1 071 125	-593 684
(Increase)/decrease in Receivables related to consolidated EC entities	-142 974	144 859
Increase/(decrease) in Other Long term liabilities	0	0
Increase/(decrease) in Accounts payable	32 624	346 560
Increase/(decrease) in Liabilities related to consolidated EC entities	-199 560	380 779
(Gains)/losses on sale of Property, plant and equipment	0	0
Extraordinary items	0	0
<b>Net cash Flow from operating activities</b>	<b>978 371</b>	<b>937 563</b>
<b>Cash Flows from investing activities</b>		
Purchase of tangible and intangible fixed assets (-)	-416 485	-985 158
Proceeds from tangible and intangible fixed assets (+)	0	0
<b>Net cash flow from investing activities</b>	<b>-416 485</b>	<b>-985 158</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>561 886</b>	<b>-47 595</b>
Cash and cash equivalents at the beginning of the period	3 246 645	3 294 240
Cash and cash equivalents at the end of the period	3 808 531	3 246 645

## 3.5 Notes to the financial statements

### 3.5.1 Accounting policies

#### 3.5.1.1 General

In accordance with Article 245 of Council Decision No. 1046/2018 and Article 97 of the Financial Regulation of ERA, the following final accounts together with the reports on the implementation of the budget of ERA have been drawn up.

The accounts are drawn up in accordance with the accounting rules and methods adopted by the Accounting Officer of the Commission as stated in articles 80 and 241 of the general Financial Regulation. These financial statements are prepared on the basis of the EU Accounting Rules as adopted by the Commission's Accounting Officer which adapt the International Public Sector Accounting Standards (and in some cases the International Financial Reporting Standards) to the specific environment of the EU, while the reports on implementation of the budget continue to be primarily based on movements of cash.

The objective of the financial statements is to provide information about the financial position, performance and cash-flows of an entity that is useful to a wide range of users.

The accounting system of the European Union Agency for Railways comprises general accounts and budget 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. The general accounts allow for the preparation of the financial statements as they show all charges and income for the financial year based on accrual accounting rules and are designed to establish the financial position in the form of a balance sheet as at 31 December.

The accounting principles to be applied in drawing up the financial statements are:

- › Going concern basis
- › Prudence
- › Consistent accounting methods
- › Comparability of information
- › Materiality
- › No netting
- › Reality over appearance
- › Accrual-based accounting

The financial statements are presented in euros, the euro being the functional and reporting currency. Foreign currency transactions are translated into euros using the exchange rate prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translations at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of financial performance.

The chart of accounts used by ERA follows the structure of the chart of accounts of the European Commission (PCUE).

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts presented and disclosed in the Financial Statements of ERA. Significant estimates and assumptions in these financial statements require judgment and are used for, but not limited to, accrued income and charges, provisions, contingent assets and liabilities. Actual results reported in future periods may be different from these estimates. Changes in estimates are reflected in the period in which they become known.

### 3.5.1.2 Balance sheet

#### › Intangible assets

Acquired computer software licences are stated at cost less accumulated amortisation and impairment losses. The assets are amortised on a straight-line basis over their estimated useful life, being 4 years.

With the entry into force of the accounting rule n° 6 on internally developed intangible assets costs directly linked to an internally developed intangible asset, providing they meet the necessary criteria must be capitalised as assets under construction. Once the project goes live, the resulting asset will be amortised over its useful life. In addition the amount of research expenses incurred on IT projects and development costs not capitalised (e.g. for small projects below threshold) must be disclosed in the financial statements. It must be noted that the threshold for capitalizing these costs has been set at 150 KEUR for ERA.

#### › Property, plant and equipment

In compliance with the accounting rules, fixed assets are considered as such when their nominal value is equal or above 420 € and their useful life is greater than 1 year. The assets are reflected in the balance sheet at year end for their net value.

The assets registration system, integrated in the ERA's accounting systems, is identical to the one used by the European Commission (ABAC Assets).

All property, plant and equipment are stated at historical costs less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to the Agency and its cost can be measured reliably. Repairs and maintenance are charged to the economic outturn account during the financial period in which they are incurred.

Assets under construction are not depreciated as these assets are not yet available for use. Depreciation on other assets is calculated using the straight-line method and prorata temporis from the month of first use or delivery of the asset in ERA's premises to allocate their cost to their residual values over their estimated useful lives, as follows:

#### Depreciation rates

<i>Type of asset</i>	<i>%</i>
<b>Intangible assets</b>	
Software	20-25%
<b>Property, plant and equipment</b>	
Buildings	10%
Furniture and vehicles	
Furniture	10%
Electrical office equipment, printing and mailing equipment	25%
Computer hardware	
Computers, servers, accessories, data transfer equipment, printers, screens...	25%
Copying equipment, digitizing and scanning equipment	25%
Other fixtures and fittings	
Telecommunications equipment	25%
Audiovisual equipment	25%
Equipment for surveillance and security service	12,50%

Gains or losses on disposals are determined by comparing proceeds less selling expenses with the carrying amount of the disposed asset and are included in the statement of financial performance.

› **Receivables**

Receivables are carried at original amount less write-down for impairment. A write-down for impairment of receivables is established when there is objective evidence that ERA will not be able to collect all amounts due according to the original terms of receivables. The amount of the write-down is the difference between the asset's carrying amount and the recoverable amount. The amount of the writedown is recognised in the statement of financial performance.

› **Cash and cash equivalents**

Cash and cash equivalents are financial instruments and classified as available for sale financial assets. They include cash at hand and deposits held at call with banks.

› **Provisions**

Provisions are recognized when the European Union Agency for Railways has a present legal or constructive obligation towards third parties as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognized for future operating losses. The amount of the provision is the best estimate of the expenditures expected to be required to settle the present obligation at the reporting date.

› **Payables**

Payables arising from the purchase of goods and services are recognised at invoice reception for the original amount and corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by the European Railway Agency.

› **Accrued and deferred income and charges**

Following the accrual accounting principle, transactions and events are recognised in the financial statements in the period to which they relate. At the end of the accounting period, accrued expenses are recognised based on an estimated amount of the transfer obligation of the period. Revenue is also accounted for in the period to which it relates.

### **3.5.1.3 Statement of financial performance**

Revenues and expenses are accounted for in accordance with the accrual accounting basis principle.

› **Revenue**

Non-exchange revenue makes up the vast majority of the ERA's revenue and includes mainly EU subsidy.

Exchange revenue is the revenue from the sale of goods and services. It is recognised when the significant risk and rewards of ownership of the goods are transferred to the purchaser. Revenue associated with a transaction involving the provision of services is recognised by reference to the stage of completion of the transaction at the reporting date.

Interest income consist of received bank interest.

› **Expenses**

According to the principle of accrual-based accounting, the financial statements take account of expenses relating to the reporting period, without taking into consideration the payment date; meaning when the goods or services are used or consumed.

Exchange expenses arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by ERA. They are valued at original invoice cost.

#### **3.5.1.4 Contingent assets and liabilities**

##### › **Contingent asset**

A contingent asset is a possible right that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Agency. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

##### › **Contingent liability**

A contingent liability is:

- › A possible obligation, that arises from past events, and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Agency or
- › A present obligation that arises from past events but is not recognized either because it is unlikely that the Agency will use its own resources to settle the obligation or because the value of the obligation cannot be measured with sufficient reliability

A commitment for future funding represents a legal or constructive commitment, usually contractual, that the Agency has entered into and which may require a future outflow of resources.

Guarantees are possible assets or obligations that arise from past events and whose existence will be confirmed by the occurrence or non-occurrence of the object of the guarantee. It can thus be qualified as a contingent asset or liability. A guarantee is settled when the object of the guarantee no longer exists.

**3.5.2 Notes to the balance sheet****3.5.2.1 Intangible assets**

		<i>Internally generated Computer Software</i>	<i>Computer Software</i>	<i>Others</i>	<i>Intangible assets under construction</i>	<i>Total</i>
<b>Gross carrying amounts at 01.01.2020</b>	+	<b>5 485 221</b>	<b>1 070 479</b>	<b>0</b>	<b>761 327</b>	<b>7 317 028</b>
Additions	+	0	0	0	322 651	322 651
Disposals	-	0	-380 777	0	0	-380 777
Transfer between headings	+/-	1 083 978	0	0	-1 083 978	0
Other changes	+/-	0	14 038	0	0	14 038
<b>Gross carrying amounts 31.12.2020</b>		<b>6 569 199</b>	<b>703 740</b>	<b>0</b>	<b>0</b>	<b>7 272 940</b>
<b>Accumulated amortization and impairment 01.01.2020</b>	-	<b>-2 465 374</b>	<b>-1 058 528</b>	<b>0</b>	<b>0</b>	<b>-3 523 902</b>
Amortization	-	-729 514	-10 933	0	0	-740 447
Write-back of amortization	+	0	0	0	0	0
Disposals	-	0	380 777	0	0	380 777
Transfer between headings	+/-	0	0	0	0	0
Other changes	+/-	0	-3 509	0	0	-3 509
<b>Accumulated amortization and impairment 31.12.2020</b>		<b>-3 194 888</b>	<b>-692 193</b>	<b>0</b>	<b>0</b>	<b>-3 887 082</b>
<b>Net carrying amounts 31.12.2020</b>		<b>3 374 311</b>	<b>11 547</b>	<b>0</b>	<b>0</b>	<b>3 385 858</b>

Below a detailed breakdown of the internally generated computer software and the intangible assets under construction can be found:

### Internally generated computer software

<i>Name of the project</i>	<i>Year of capitalisation</i>	<i>Description</i>	<i>Development cost capitalized (in €)</i>	<i>Useful life</i>
RDD	2012	Reference Document Database: application to manage the information related to the national technical rules for authorising railway vehicles	475 517	5 years
MOSS 2010	2012	Microsoft Office SharePoint: migration of the content management system (from Microsoft Office SharePoint 2007 to Microsoft Office SharePoint 2010)	432 000	3 years
ERAIL	2012	Application to manage information on safety performance (i.e. Common Safety Indicators and Accident Investigations)	209 060	6 years
ERATV	2013	European Register of Authorised Types of Vehicles, i.e. EU-wide type-based register including the types of vehicle authorised in the different Member States	359 507	5 years
NSA XA	2013	National Safety Authority Cross-Audit: web application supporting the audit team members in realizing the NSA cross-audits activities (planning, preparing, interviewing, concluding and remedying)	119 895	5 years
RINF	2015	Register of the railway infrastructure created to make the railway infrastructure from the EU member states publicly available in a centralized register	422 334	5 years
SRM	2019	Stakeholder Relationship Management: tool to support the contact management and the event management process	775 073	5 years
OSS	2019	One-Stop-Shop system: an information and communication system with a virtual One-Stop-Shop functionality that will support the applicants, ERA and the NSA's to accomplish their new tasks related to Single Safety Certificates, Vehicle Authorisations and ERTMS projects.	2 691 835	5 years
SRD	2020	Single Rules Database: IT system that will provide a means for MSs to publish and notify both draft and existing National Rules, whether safety or technical and to provide support and transparency for the notification process.	1 083 978	5 years
		<b>TOTAL</b>	<b>6 569 199</b>	



**3.5.2.2 Property, plant and equipment**

		<i>Buildings</i>	<i>Plant and Equipment</i>	<i>Computer hardware</i>	<i>Furniture and vehicles</i>	<i>Other fixtures and fittings</i>	<i>Total</i>
<b>Gross carrying amounts at 01.01.2020</b>	+	5 596	32 705	5 978 085	313 565	669 065	6 999 016
Additions	+	0	0	79 796	0	0	79 796
Disposals	-	0	-1 768	-1 090 684	-32 435	-72 830	-1 197 717
Transfer between headings	-	0	0	0	0	0	0
Other changes	+/-	0	0	0	0	0	0
<b>Gross carrying amounts at 31.12.2020</b>		5 596	30 937	4 967 197	281 131	596 235	5 881 095
<b>Accumulated amortization and impairment at 01.01.2020</b>	-	-4 244	-26 811	-5 294 638	-237 354	-600 126	-6 163 173
Depreciation	-	-559	-3 967	-470 959	-17 697	-23 582	-516 764
Disposals	+	0	1 768	1 089 971	28 652	72 830	1 193 221
Impairment	-	0	0	0	0	0	0
Transfer between headings	-	0	0	0	0	0	0
Other changes	+/-	0	0	0	0	0	0
<b>Accumulated amortization and impairment at 31.12.2020</b>		-4 803	-29 010	-4 675 626	-226 400	-550 878	-5 486 716
<b>Provision for unused fixed assets</b>	-	0	0	0	0	0	0
<b>Net carrying amounts at 31.12.2020</b>		793	1 927	291 571	54 731	45 357	394 379

In the course of 2020 the Agency acquired new IT server equipment.

### 3.5.2.3 Non-current receivables

The amount of € 31 898 relates to the rental deposit guarantee paid in 2014 for the rent of the conference facilities in Lille.

### 3.5.2.4 Exchange receivables & recoverables

	31/12/2020	31/12/2019
<b>Exchange receivables and recoverables</b>	<b>1 897 602</b>	<b>826 478</b>
Current receivables	258 445	148 274
Sundry receivables	20 917	38 370
Current receivables with consolidated entities	398	4 675
Deffered charges	426 879	264 644
Accrued fee income	1 179 611	358 059
Accrued income exchange with consolidated entities	11 353	12 456

- › The current receivables amount of € 258 445 are the outstanding receivables from fee-related activities. This amount includes a write-down of € 6 240 for non-collectable receivable amounts from 2 customers.
- › The sundry receivables amount includes primarily undue salary payments to be recovered from staff members.
- › The current receivables with consolidated entities amounting to € 398 relate to an outstanding salary balance to be paid to EMSA.
- › The defered charges amounting to € 426 879 relate to the deferral of mainly IT-license costs covering 2021.
- › The accrued fee income of € 1 179 611 includes the revenue from work already performed on fee-related activities but not yet invoiced. The increase can be explained by an increased number of applications received in 2020, the first full year during which this activity was performed, and the fact that a significant number of decisions were taken in December 2020 and therefore could only be invoiced in January 2021.
- › The accrued income exchange with consolidated entities amount of € 11 353 relates to the services rendered to ESMA by ERA's Accounting Officer for the 4th quarter of 2020 to be cashed beginning 2021.

### 3.5.2.5 Non - exchange receivables & recoverables

	31/12/2020	31/12/2019
<b>Non - exchange receivables and recoverables</b>	<b>253 014</b>	<b>110 041</b>
Current receivables Member States	253 014	110 041
Other receivables	0	0

The current receivable gross amount relates to VAT to be recovered from the French (€ 253 014) authorities. ERA pays the invoices from local suppliers and EU suppliers (for the e-deliveries since 01.01.2015) with French VAT and claims the VAT refund from the Host State on a quarterly basis. The increase as compared to last year is due to the fact that last year the Agency received the reimbursed of the Q3 VAT amount in 2019 whereas no similar reimbursement was done at the end of 2020.

It should be noted that the Agency, with the help of the legal service of the European Commission, has managed to recover in 2020 the 2019 outstanding amount of € 11 621 of VAT paid for catering services for which the request for reimbursement was initially rejected by the French VAT authorities.

### 3.5.2.6 Cash and cash equivalents

The amount of the cash and cash equivalents includes the balance on the current bank accounts held at ING Belgium and Crédit Agricole France.

<i>Bank account</i>	<i>31/12/2020</i>	<i>31/12/2019</i>	<i>% change</i>
ING Bank ( main account)	353 338	2 901 692	-88%
ING Bank ( fees and charges)	455 093	344 952	32%
Credit Agricole (main account)	2 999 100	0	n/a
Credit Agricole (deposit account)	1 000	0	n/a
<b>TOTAL</b>	<b>3 808 531</b>	<b>3 246 645</b>	<b>17%</b>

### 3.5.2.7 Net assets

The equity of the Agency amounts to € 7 461 409 of which:

- › € 6 386 044 are the accumulated surplus from previous years;
- › € 1 075 365 is the economic outturn of 2020;

### 3.5.2.8 Provisions

No short term provision for outstanding salary payments has been made in 2020 since the yearly salary adjustment was paid out in December 2020.

### 3.5.2.9 Accounts Payable

The main part of the total accounts payable as per 31.12.2020 relates to:

- › Current payables for a total amount of € 32 635
- › Accounts payable with consolidated entities for a total amount of € 573 868 representing the budget outturn of 2020 to be reimbursed to the Commission (€ 114 225), the unconsumed part (€ 9 336) of the pre-financing amount received in December 2017 for the IPA-agreement covering the period 2018-2019 for € 200 000, the unconsumed part (€ 26 611) of the EUMEDRAIL pre-financing amount received in 2017 and 2019 and the unconsumed part (€ 423 696) of the IPA-agreement covering the period 2020-2022.

### 3.5.2.10 Accrued charges and deferred income

Accrued charges for a total amount of € 1 719 823 can be decomposed in an accrual for untaken holidays amounting to € 685 580, € 309 876 accrued costs for services provided by relevant national authorities in relation to fee-related activities and accrued charges for goods delivered/services rendered but not yet invoiced for a total amount of € 691 017.

The table below shows the level of accrued expenses for 2020 and 2019 and its evolution in general and per type of appropriation.

<i>Accrued expenses</i>	<i>31/12/2020</i>	<i>31/12/2019</i>	<i>% change</i>
<b>Accrued expenses</b>	<b>1 686 473</b>	<b>1 675 484</b>	<b>1%</b>
Accrued expenses based on carry-over analysis	691 017	1 071 977	-36%
Accrued costs F&C	309 876	97 495	218%
Accrual for untaken holidays	685 580	506 011	35%

<i>Accrued expenses based on carry-over analysis</i>	<i>31/12/2020</i>	<i>31/12/2019</i>	<i>% change</i>
Title 1 – Staff	42 394	19 255	120%
Title 2 – Buildings, equipment and miscellaneous expenditure	60 960	102 767	-41%
Title 3 – Operational expenditure	587 663	949 955	-38%
<b>Total</b>	<b>691 017</b>	<b>1 071 977</b>	<b>-36%</b>

Globally there is a slight increase in the total amount of accrued expenses as compared to 2019 which can mainly be explained by an increase in the accrued costs for services provided by relevant national authorities in relation to fee-related activities and a decrease in the accrued expenses based upon carry-over analysis. The latter can be explained by the fact that at the end of December a significant number of commitments were made to anticipate expenses to be incurred in 2021.

<i>Accrual for untaken holidays</i>	<i>31/12/2020</i>	<i>31/12/2019</i>	<i>% change</i>
Number of days not taken	1 966	1 593	23%
Accrued amount	685 580	506 011	35%

The table above shows that the increase of the accrued amount for untaken holidays is due to the increase in the number of days and the slight increase in the number of staff (144 at the end of 2020 as compared to 139 at the end of 2019).

### 3.5.3 Notes to the statement of financial performance

#### 3.5.3.1 Operating revenue

The operating revenue of the Agency in 2020 is mainly made up of the EC subsidy received for a total amount of € 28 232 283 including the budget outturn of € 114 225 to be reimbursed in 2021. In addition the Agency has had a full year of fee-related activities in 2020 resulting in a total invoiced amount of € 2 064 840<sup>4</sup> and an accrued amount of € 821 552.

	<i>with non-consolidated entities</i>	<i>with consolidated entities</i>	<i>Total</i>
Revenue from non-exchange transactions	0	28 389 255	28 389 255
Revenue from exchange transactions	2 961 173	43 340	3 004 513
<b>TOTAL</b>	<b>2 961 173</b>	<b>28 432 595</b>	<b>31 393 768</b>

#### 3.5.3.2 Administrative expenses

These include staff expenses, costs relating to intangible assets and property, plant and equipment (mainly depreciation) and other expenses.

	<i>31/12/2020</i>	<i>31/12/2019</i>	<i>% change</i>
<b>Administrative expenses</b>	<b>25 965 501</b>	<b>25 694 529</b>	<b>1%</b>
Staff expenses	21 769 476	20 003 919	9%
Property, plant and equipment related expenses	2 442 857	2 519 672	-3%
- Fixed assets related expenses (depreciation)	1 265 216	1 323 911	-4%
- Land and buildings	1 177 640	1 195 762	-2%
Other administrative expenses	1 753 168	3 170 937	-45%
- Other administrative expenses	686 900	1 418 159	-52%
- Expenses with consolidated entities	1 066 268	1 752 778	-39%

As compared to 2019 the total amount of administrative expenses has slightly increased. This increase is a combination of an increase in staff expenses which can mainly be explained by an increase in staff (+ 4%) and the salary indexation of 3,1% for 2020 and a significant decrease in other administrative expenses mainly due to the fact that in 2020 less translation expenses have occurred.

<sup>4</sup> This amount includes € 339 933 of re-invoicing of costs charged to ERA by the NSA's for the assessment of the national part.  
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### 3.5.3.3 Operational expenses

These include expenses related to the operational activities of the Agency. They show a decrease of 5% as compared to last year.

	31/12/2020	31/12/2019	% change
<b>Operational expenses</b>	<b>4 323 217</b>	<b>4 529 981</b>	<b>-5%</b>
Missions/reimbursements of experts	436 769	1 251 555	-65%
Studies	0	199 995	-100%
IT-systems to support operations	3 182 246	2 548 141	25%
Information & communication	67 033	354 153	-81%
Other	25 071	97 846	-74%
Losses on realisation of trade debtors	0	6 240	-100%
Quality Management	8 050	72 050	-89%
Fees and charges	604 049	0	n/a

The decrease of 5% is a combination of:

- › A decrease of 65% in cost for missions and reimbursements of experts. This reduction is a consequence of the fact that as from March 2020 all missions and live meetings were suspended because of the COVID-19 crisis. In addition the decision of the Management Board not to reimburse the costs of the experts attending the ERA working parties was still applicable in 2020.
- › A decrease of 100% of the expenses related to studies since due the budgetary restrictions the number of studies conducted in 2020 was reduced to zero.
- › An increase of 25% in the IT-expenses to support the operations. This increase is mainly explained by the fact that in comparison to 2019 more IT-development costs, mainly relating to the maintenance of OSS, were expensed as they are now to be considered as evolutive maintenance costs after the go-live of the system in 2019.
- › A decrease of 81% in costs for information and communication activities which can be explained by the fact that the in 2019 a number of conferences were organised by ERA. Similar conferences planned for in 2020 had to be postponed to 2021 due to the COVID-19 crisis.
- › A decrease of 74% in other costs which can be explained by the fact that in 2019 the costs related to fees and charges were classified under this heading.
- › A decrease of 89% in the costs for quality management resulting from the fact that in 2020 less use was made of external quality consultants.

### 3.5.4 Other information

#### 3.5.4.1 Contingent Assets and Contingent Liabilities

At the moment of drawing up the financial statements there was no information available that could lead to any contingent asset or liability for the Agency.

### 3.5.4.2 Commitments for future funding

At 31 December 2020 the budgetary RAL totalled € 3 089 213<sup>5</sup>. The amount to be disclosed as a future commitment to be funded is this budgetary RAL less related amounts that have been included as accrued expenses in the 2020 statement of financial performance giving a total of € 2 401 419.

### 3.5.4.3 Related Party disclosure

Key management personnel hold position of responsibility within the Agency. He is responsible for the strategic direction and operational management of the entity and is entrusted with significant authority to execute his mandate.

<i>Highest grade description</i>	<i>Grade</i>	<i>Number of persons of this grade</i>
Executive Director	AD14	1

### 3.5.4.4 COVID-19

During 2020 the coronavirus outbreak has had huge impacts on the EU economy. Below some more information can be found regarding the areas materially affected by this in the execution of the Agency's activities.

› **Revenues**

Although the transposition of the 4th Railway Package legislation into the national legislation by the member states not having done in 2019 only materialized at the end of October, the Agency has not experienced a lower demand by applications for services to be provided in 2020. However, the Agency is aware that that if the coronavirus outbreak persists in 2021 this may well impact the estimated revenue for 2021. Based on the information available at the date of signature of these annual accounts, the related financial effects for financial year 2021 cannot be reliably estimated.

› **Expenses**

In 2020 the expenses have remained overall stable as compared to 2019. The decrease in the administrative expenses has been compensated by an increase in staff and operational expenses linked to fee-related activities. However, the Agency is aware that if the coronavirus outbreak persists in 2021 this may well impact the foreseeable expenses in 2021. Based on the information available at the date of signature of these annual accounts, the related financial effects for financial year 2021 cannot be reliably estimated.

› **Balance sheet**

At this stage the Agency does not foresee any material impact on any of the balance sheet items.

› **Budgetary aspects**

As compared to 2019 the payment execution rate for the Agency's operational expenditure has been heavily impacted by the exceptional circumstances linked to the Coronavirus outbreak in 2020, hence the increase of the budgetary RAL by 600 KEUR at the end of 2020 as compared to 2019. Indeed, an important share of Agency's missions and meetings had to be cancelled due to the pandemic, which led to a reduction of about 689 KEUR of the related expenditure. Some of the events planned for 2020 were postponed and it is likely that the payments linked to those commitments will be executed in 2021. Some savings were also linked to other areas (lower volume of interpretations and of administrative expenditure, no possibility to offer contracts to trainees and SNE's, prevailing in-house training), amounting for approx. 796 KEUR.

<sup>5</sup> Only C1-credits and C5-credits are considered here. RAL related to fee activities (title 4) has been excluded.  
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The Agency made a substantial and immediate redeployment of all the savings, due to stringent needs in 2021, which could not have been normally covered by the limited overall available budget. Should the Covid-19 related savings not have been recorded, this would have required a balancing intervention from the EC (as per Agency's Financial Regulation, Art. 16(5)). These needs include the budgeting of the rather high indexation of salaries, together with the increase of the weighting factor for 2020, the intervention to address very quick fixes and investments in the field of IT security related to the fleet replacement and the operation system upgrade, but mostly the need to address the lag between the revenue cashing related to the fees and charges activities and the expenditure incurring. On the latter, the Agency had to face the particular circumstances of the delayed transposition by the Member States (postponed to 31 October 2020 due to the pandemic consequences), and therefore a rather high volatility in terms of work volumes and cost recovery during the year.

#### 3.5.4.5 *Brexit*

On 1 February 2020 the United Kingdom ceased to be a Member State of the European Union. Following the conclusion of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (the 'Withdrawal Agreement') between the two parties, the United Kingdom committed to pay all its obligations under the current MFF and previous financial perspectives following from its membership of the Union. The United Kingdom has paid into the 2020 EU Budget during the year, and received payments, as if it were a Member State.

At the date of transmission of these accounts, and based on the Withdrawal Agreement concluded and already in operation, there is no financial impact to be reported in these accounts. For further information on the impact of the Withdrawal Agreement on the EU, please see the 2020 consolidated EU annual accounts.

#### 3.5.4.6 *Financial instruments*

Financial instruments comprise cash and cash equivalents, current receivables and recoverables (deferred charges not included), current account payables and pre-financing with consolidated entities. Financial instruments give rise to liquidity, credit, interest rate and foreign currency risks.

The carrying amounts of financial instruments are as follows:

	31/12/2020	31/12/2019
Current pre-financing implemented by Cons Entities with other Cons Entities	0	18 824
Exchange receivables and recoverables	1 470 723	561 834
Non - exchange receivables and recoverables	253 014	110 041
Cash and cash equivalents	3 808 531	3 246 645
<b>Total monetary assets</b>	<b>5 532 269</b>	<b>3 937 344</b>
Accounts payable	623 401	801 326
<b>Total monetary liabilities</b>	<b>623 401</b>	<b>801 326</b>
<b>Total net financial instruments</b>	<b>4 908 869</b>	<b>3 136 018</b>

#### 3.5.4.7 *Liquidity risk*

Liquidity risk is the risk that arises from the difficulty of selling an asset; for example, the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss or meet an obligation.

Liquidity risk arises from the ongoing financial obligations, including settlement of payables.

ERA manages liquidity risk by continually monitoring forecast and actual cash flows.

Bank accounts opened in the name of ERA may not be overdrawn.



Treasury and payment operations are highly automated and rely on modern information systems. Specific procedures are applied to guarantee system security and to ensure segregation of duties in line with the Financial Regulation, the internal control standards, and audit principles.

EU budget principles ensure that overall cash resources for a given year are always sufficient for the execution of all payments.

#### **3.5.4.8 Credit risk**

Credit risk is the risk of loss due to a debtor's/borrower's non-payment of a loan or other line of credit (either the principal or interest or both) or other failure to meet a contractual obligation. The default events include a delay in repayments, restructuring of borrower repayments and bankruptcy. Mitigation measures on receivables – monitoring, reminders, etc.

Treasury resources are kept with commercial banks. The EU contribution is requested 3 times a year based on cash forecasts. In addition, specific guidelines are applied for the selection of commercial banks in order to further minimise counterparty risk to which ERA is exposed:

- › All commercial banks are selected by call for tenders. The minimum short term credit rating required for admission to the tendering procedures is Moody's P-1 or equivalent (S&P A-1 or Fitch F1). A lower level may be accepted in specific and duly justified circumstances.
- › The credit ratings of the commercial banks where ERA has accounts are reviewed at least on a monthly basis, or higher frequency if and when needed.

#### **3.5.4.9 Interest rate risk**

Interest rate risk is the possibility of a reduction in the value of a security, especially a bond, resulting from an increase in interest rates. In general, higher interest rates will lead to lower prices of fixed rate bonds, and vice versa.

Interest rate risk at ERA arises from cash. It is recognised that interest rates fluctuate and ERA accepts the risk and does not consider it to be material.

ERA's treasury does not borrow any money; as a consequence it is not exposed to interest rate risk. It does, however, earn interest on balances it holds on its banks accounts. ERA has therefore put in place measures to ensure that interest earned on its bank accounts regularly reflects market interest rates, as well as their possible fluctuation.

Overnight balances held on commercial bank accounts earn interest on a daily basis. This is based on variable market rates to which a contractual margin (positive or negative) is applied. For most of the accounts, the interest calculation is linked to the EONIA (Euro over night index average) or EURIBOR (Euro InterBank Offer Rate) and is adjusted to reflect any fluctuations of this rate. In case the resulting interest rate to be applied is less than 0, then a fixed rate is applied for a certain period of time. As a result no risk exists that ERA earns interest at rates lower than market rates.

#### **3.5.4.10 Foreign currency risk**

Currency risk is the risk that the EU's operations or its investments' value will be affected by changes in exchange rates. This risk arises from the change in price of one currency against another.

Most financial assets and liabilities are in EUR, so in these cases ERA has no foreign currency risk.

ERA has little exposure to exchange rate fluctuations since it undertakes almost all its certain transactions in EUR.

The EU agency's revenue and expenditure is primarily in EUR.

It is recognised that exchange rates fluctuate and ERA accepts this risk and does not consider it to be material.

**3.5.4.11 Fair value**

The estimated fair values of all financial instruments of ERA are equal/approximate to their book values as at 31 Dec 2020 and 31 Dec 2019. All financial assets and liabilities are receivable or repayable on demand or within one year.

## 4. Part II – Report on the implementation of the budget of the European Union Agency for Railways

### 4.1 Budgetary structure and principles

The budgetary accounts are kept in accordance with the Financial Regulation and its rules of application. The budget is the instrument which, for each financial year, forecasts and authorises the revenue and expenditure considered necessary for the implementation of ERA's Decision.

Every year, ERA estimates its revenue and expenditure for the year and draws up a draft budget which it sends to the Commission. The Commission then sends it to the budgetary authority. On the basis of this draft budget, the Council draws its position which is then the subject of negotiations between the two arms of the budgetary authority. The President of the Parliament declares that the joint draft has been finally adopted, thus making the budget enforceable. The task of executing the budget is the responsibility of ERA.

The budget structure for ERA consists of administrative and operational appropriations and has only non-differentiated appropriations, meaning that the commitment and the payment appropriations are of the same amount. Non-differentiated appropriations are used to finance operations of an annual nature (which comply with the principle of annuality).

#### Origin of Appropriations

The main source of appropriations is ERA's budget for the current year. However, there are other types of appropriations resulting from the provisions of the Financial Regulation. They come from previous financial years or outside sources:

- › **Initial budget appropriations** adopted for the current year can be supplemented with transfers between lines and by amending budgets.
- › **Appropriations carried over** from previous year or made available again also supplement the current budget. These are:
  - › non-differentiated payment appropriations which may be carried over automatically for one financial year only;
  - › appropriations carried over by decision of ERA in one of two cases: if the preparatory stages have been completed or if the legal base is adopted late.
- › **Assigned revenue** which is made up of:
  - › internal assigned revenue such as refunds where the amounts are assigned revenue on the budget line which incurred the initial expenditure and may be carried over for one year only;
  - › external assigned revenue.

#### Composition of Appropriations Available

- › Initial budget = appropriations voted in year N-1;
- › Final budget appropriations = initial budget appropriations adopted + amending budget appropriations + transfers + additional appropriations;
- › Additional appropriations = assigned revenue (see above) + appropriations carried over from the previous financial year.

#### Calculation of the Budget Result

The revenue entered in the accounts is the amount actually received during the course of the year. For the purposes of calculating the budget result for the year, expenditure comprises payments made against the year's appropriations plus any of the appropriations for that year that are carried over to the following year. Payments made against the year's appropriations means payments that are made by the accounting officer by 31 December of the financial year.

The following are added to or deducted from the resulting figure:

- › the net balance of cancellations of payment appropriations carried over from previous years and any payments which, because of fluctuations in the euro rate, exceed non-differentiated appropriations carried over from the previous year; and
- › the balance of exchange-rate gains and losses recorded during the year.

Payment appropriations carried over include: automatic carryovers and carryovers by decision. The cancellation of unused payment appropriations carried over from the previous year shows the cancellations on appropriations carried over automatically and by decision. It also includes the decrease in assigned revenue appropriations carried over to the next year.

### **Budgetary principles**

The budget of ERA has been established in compliance with the principles of unity, budget accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency as set out in the Financial Regulation of ERA.

**4.2 Budget implementation 2020**

<b>Fund Source : C1</b>							
	<b>Chapter</b>	<b>Final appropriations (1)</b>	<b>Committed (2)</b>	<b>% Committed = (2) / (1)</b>	<b>Balance not committed = (1) - (2)</b>	<b>Total Paid (3)</b>	<b>% Paid = (3) / (1)</b>
11	Staff in active employment	20 332 950	20 332 950	100%	0	20 316 261	100%
13	Missions and travel	6 000	6 000	100%	0	5 233	87%
14	Socio-medical infrastructure	150 464	150 464	100%	0	135 990	90%
15	Staff exchange between the ERA and the public sector	22 132	22 132	100%	0	22 132	100%
17	Entertainment and representation exp.	200	200	100%	0	200	100%
	<b>Title I</b>	<b>20 511 746</b>	<b>20 511 746</b>	<b>100%</b>	<b>0</b>	<b>20 479 817</b>	<b>100%</b>
20	Investments in immovable property, rental of buildings and associated cost	1 184 727	1 184 727	100%	0	1 015 476	86%
21	Data processing	852 649	852 649	100%	0	639 786	75%
22	Movable property and associated costs	31 880	31 880	100%	0	31 774	100%
23	Current administrative expenditure	57 094	57 094	100%	0	54 680	96%
24	Post and telecommunications	127 718	127 718	100%	0	125 890	99%
	<b>Title II</b>	<b>2 254 068</b>	<b>2 254 068</b>	<b>100%</b>	<b>0</b>	<b>1 867 605</b>	<b>83%</b>
30	Operational Activities directly linked to the Reg. n°796/2016	3 361 336	3 356 371	100%	4 965	1 498 464	45%
31	Operational expenditures	2 105 133	2 105 133	100%	0	1 360 874	65%
	<b>Title III</b>	<b>5 466 469</b>	<b>5 461 504</b>	<b>100%</b>	<b>4 965</b>	<b>2 859 338</b>	<b>52%</b>
	<b>Total Budget</b>	<b>28 232 283</b>	<b>28 227 318</b>	<b>100%</b>	<b>4 965</b>	<b>25 206 760</b>	<b>89%</b>

<i>Fund Source : C4</i>							
	<i>Chapter</i>	<i>Final appropriations (1)</i>	<i>Committed (2)</i>	<i>% Committed = (2) / (1)</i>	<i>Balance not committed = (1) - (2)</i>	<i>Total Paid (3)</i>	<i>% Paid = (3) / (1)</i>
11	Staff in active employment	44 443	44 443	100%	0	44 443	100%
	<b>Title I</b>	<b>44 443</b>	<b>44 443</b>	<b>100%</b>	<b>0</b>	<b>44 443</b>	<b>100%</b>
20	Investments in immovable property, rental of buildings and associated cost	36	36	100%	0	36	100%
21	Data processing	19 926	19 926	100%	0	19 926	100%
	<b>Title II</b>	<b>19 962</b>	<b>19 962</b>	<b>100%</b>	<b>0</b>	<b>19 962</b>	<b>100%</b>
30	Operational Activities directly linked to the Reg. n°796/2016	28 415	0	0%	28 415	0	0%
31	Operational expenditures	18 014	18 014	100%	0	18 014	100%
	<b>Title III</b>	<b>46 429</b>	<b>18 014</b>	<b>39%</b>	<b>28 415</b>	<b>18 014</b>	<b>39%</b>
	<b>Total Budget</b>	<b>110 835</b>	<b>82 420</b>	<b>74%</b>	<b>28 415</b>	<b>82 420</b>	<b>74%</b>

<i>Fund Source : C5</i>							
	<i>Chapter</i>	<i>Final appropriations (1)</i>	<i>Committed (2)</i>	<i>% Committed = (2) / (1)</i>	<i>Balance not committed = (1) - (2)</i>	<i>Total Paid (3)</i>	<i>% Paid = (3) / (1)</i>
21	Data processing	22 587	22 587	100%	0	22 587	100%
	<b>Title II</b>	<b>22 587</b>	<b>22 587</b>	<b>100%</b>	<b>0</b>	<b>22 587</b>	<b>100%</b>
30	Operational Activities directly linked to the Reg. n°796/2016	73 875	70 550	95%	3 325	10 867	15%
31	Operational expenditures	15 180	15 180	100%	0	6 209	41%
	<b>Title III</b>	<b>89 055</b>	<b>85 730</b>	<b>96%</b>	<b>3 325</b>	<b>17 076</b>	<b>19%</b>
	<b>Total Budget</b>	<b>111 642</b>	<b>108 317</b>	<b>97%</b>	<b>3 325</b>	<b>39 662</b>	<b>36%</b>

<b>Fund Source : R0</b>							
	<b>Chapter</b>	<b>Final appropriations (1)</b>	<b>Committed (2)</b>	<b>% Committed =(2)/(1)</b>	<b>Balance not committed =(1) - (2)</b>	<b>Total Paid (3)</b>	<b>% Paid =(3)/(1)</b>
30	Ensuring the coordination of the 4RP	10 000	0	0%	10 000	0	0%
30	IPA ACTIVITIES	471 131	161 658	34%	309 474	35 601	81%
30	EUMEDRAIL	311 825	311 698	100%	127	282 214	91%
	<b>Title III</b>	<b>792 956</b>	<b>473 355</b>	<b>60%</b>	<b>319 601</b>	<b>317 815</b>	<b>40%</b>
	<b>Total Budget</b>	<b>792 956</b>	<b>473 355</b>	<b>60%</b>	<b>319 601</b>	<b>317 815</b>	<b>40%</b>

<b>Fund Source : R0 Fees and charges</b>							
<b>BL</b>	<b>Description</b>	<b>Final appropriations (1)</b>	<b>Committed (2)</b>	<b>% Committed =(2)/(1)</b>	<b>Balance not committed =(1) - (2)</b>	<b>Total Paid (3)</b>	<b>% Paid =(3)/(1)</b>
400	B400 - Single Safety Certificate	1 273 494	1 239 259	97%	34 235	284 708	22%
401	B401 - Vehicle Authorisation	3 147 658	2 889 040	92%	258 618	1 501 033	48%
402	B402 - ERTMS trackside approval	1 223 612	1 223 612	100%	0	8 282	1%
	<b>CHAPTER 40 - 4RP ACTIVITIES</b>	<b>5 644 764</b>	<b>5 351 912</b>	<b>95%</b>	<b>292 853</b>	<b>1 794 023</b>	<b>32%</b>
	<b>Title IV</b>	<b>5 644 764</b>	<b>5 351 912</b>	<b>95%</b>	<b>292 853</b>	<b>1 794 023</b>	<b>32%</b>
	<b>Total Budget</b>	<b>5 644 764</b>	<b>5 351 912</b>	<b>95%</b>	<b>292 853</b>	<b>1 794 023</b>	<b>32%</b>

**4.3 Budget implementation – Appropriations carried over 2019/2020**

<i>Fund Source : C8</i>					
	<i>Chapter</i>	<i>Amount carried over 2019/2020</i>	<i>Payments made</i>	<i>Balance not paid at the end of the year 2020</i>	<i>% of Balance</i>
11	Staff in active employment	29 634	29 634	0	0%
13	Missions and travel	6 949	6 949	0	0%
14	Socio-medical infrastructure	20 062	16 108	3 954	20%
	<b>Title I</b>	<b>56 645</b>	<b>52 691</b>	<b>3 954</b>	<b>7%</b>
20	Investments in immovable property, rental of buildings and associated cost	178 906	176 978	1 928	1%
21	Data processing	17 849	17 846	3	0%
22	Movable property and associated costs	15 256	11 509	3 747	25%
23	Current administrative expenditure	12 126	11 162	964	8%
24	Post and telecommunications	36 164	36 109	55	0%
	<b>Title II</b>	<b>260 300</b>	<b>253 603</b>	<b>6 697</b>	<b>3%</b>
30	Operational Activities directly linked to the Regulation n°796/2016	1 382 070	1 291 686	90 384	7%
31	Operational expenditures	447 205	442 008	5 196	1%
	<b>Title III</b>	<b>1 829 275</b>	<b>1 733 694</b>	<b>95 581</b>	<b>5%</b>
	<b>Grandtotal</b>	<b>2 146 220</b>	<b>2 039 988</b>	<b>106 232</b>	<b>5%</b>



**4.4 2020 Budget transfers/Amendments**

<b>Fund Source : C1</b>							
	<b>Chapter</b>	<b>Budget adopted</b>	<b>Transfers</b>	<b>Amendments</b>	<b>Budget after transfers and amendments (1)</b>	<b>Committed (2)</b>	<b>% Committed = (2) / (1)</b>
11	Staff in active employment	19 949 100	383 850	0	20 332 950	20 332 950	100%
13	Missions and travel	100 000	-94 000	0	6 000	6 000	100%
14	Socio-medical infrastructure	225 000	-74 536	0	150 464	150 464	100%
15	Staff exchange between the ERA and the public sector	190 000	-167 868	0	22 132	22 132	100%
17	Entertainment and representation expenses	3 000	-2 800	0	200	200	100%
	<b>Title I</b>	<b>20 467 100</b>	<b>44 646</b>	<b>0</b>	<b>20 511 746</b>	<b>20 511 746</b>	<b>100%</b>
20	Investments in immovable property, rental of buildings and associated cost	1 222 000	-37 273	0	1 184 727	1 184 727	100%
21	Data processing	778 600	74 049	0	852 649	852 649	100%
22	Movable property and associated costs	90 250	-58 370	0	31 880	31 880	100%
23	Current administrative expenditure	47 500	9 594	0	57 094	57 094	100%
24	Post and telecommunications	185 000	-57 282	0	127 718	127 718	100%
	<b>Title II</b>	<b>2 323 350</b>	<b>-69 282</b>	<b>0</b>	<b>2 254 068</b>	<b>2 254 068</b>	<b>100%</b>
30	Operational Activities directly linked to the Regulation n°796/2016	4 237 486	-876 150	0	3 361 336	3 356 371	100%
31	Operational expenditures	1 204 347	900 786	0	2 105 133	2 105 133	100%
	<b>Title III</b>	<b>5 441 833</b>	<b>24 636</b>	<b>0</b>	<b>5 466 469</b>	<b>5 461 504</b>	<b>100%</b>
	<b>Total Budget</b>	<b>28 232 283</b>	<b>0</b>	<b>0</b>	<b>28 232 283</b>	<b>28 227 318</b>	<b>100%</b>

**4.5 Appropriations carried over 2020/2021 C1-credits**

	<i>Chapter</i>	<i>Amount carried over 2020/2021</i>	<i>% Amount carried over 2020/2021</i>
11	Staff in active employment	16 689	0%
13	Missions and travel	767	13%
14	Socio-medical infrastructure	14 474	10%
	<b>Title I</b>	<b>31 929</b>	<b>0%</b>
20	Investments in immovable property, rental of buildings and associated cost	169 251	14%
21	Data processing	212 863	25%
22	Movable property and associated costs	106	0%
23	Current administrative expenditure	2 414	4%
24	Post and telecommunications	1 829	1%
	<b>Title II</b>	<b>386 462</b>	<b>17%</b>
30	Operational Activities directly linked to the Regulation n°796/2016	1 857 908	55%
31	Operational expenditures	744 259	35%
	<b>Title III</b>	<b>2 602 167</b>	<b>48%</b>
	<b>Total Budget</b>	<b>3 020 558</b>	<b>11%</b>

## 4.6 Budget outturn

	<b>2020</b>	<b>2019</b>
<b>Revenue</b>		
Commission subsidy DG MOVE	28 232 283	27 669 347
IPA and EUMEDRAIL funds from Commission	460 000	468 803
Fee income	1 957 889	345 280
Other income	110 835	160 797
<b>Total revenue (a)</b>	<b>30 761 007</b>	<b>28 644 227</b>
<b>Expenditure</b>		
Personnel expenses – Budget Title I		
Payments	20 524 260	20 287 822
Appropriations carried over to the following year	31 929	56 645
Administrative expenses – Budget Title II		
Payments	1 910 154	1 826 190
Appropriations carried over to the following year	386 462	298 153
Operational expenses – Budget Title III		
Payments	3 212 242	3 923 073
Appropriations carried over to the following year	3 174 378	2 236 106
Operational expenses – Budget Title IV		
Payments	1 794 023	4 226
Appropriations carried over to the following year	504 921	341 054
<b>Total expenditure (b)</b>	<b>31 538 370</b>	<b>28 973 268</b>
<b>Outturn for the financial year (a-b)</b>	<b>-777 362</b>	<b>-329 042</b>
Cancellation of unused carry-overs	106 232	54 280
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	785 738	335 358
Exchange differences for the year	-383	-1 110
Balance carried over from year N-1	59 486	119 879
Positive balance from year N-1 reimbursed in year N to the Commission	-59 486	-119 879
<b>Balance of the outturn account for the financial year</b>	<b>114 225</b>	<b>59 486</b>

**2020 Budget outturn**

	<i>Subsidy</i>	<i>F&amp;C</i>	<i>IPA &amp; EUMEDRAIL</i>
<b>Revenue</b>			
Commission subsidy DG MOVE	28 232 283	0	0
IPA and EUMEDRAIL funds from Commission	0	0	460 000
Fee income	0	1 957 889	0
Other income	110 835	0	0
<b>Total revenue (a)</b>	<b>28 343 118</b>	<b>1 957 889</b>	<b>460 000</b>
<b>Expenditure</b>			
Personnel expenses – Budget Title I			
Payments	20 524 260	0	
Appropriations carried over to the following year	31 929	0	
Administrative expenses – Budget Title II			
Payments	1 910 154	0	
Appropriations carried over to the following year	386 462	0	
Operational expenses – Budget Title III			
Payments	2 894 427	0	317 815
Appropriations carried over to the following year	2 699 236	0	475 142
Operational expenses – Budget Title IV			
Payments	0	1 794 023	
Appropriations carried over to the following year	0	504 921	
<b>Total expenditure (b)</b>	<b>28 446 470</b>	<b>2 298 944</b>	<b>792 956</b>
<b>Outturn for the financial year (a-b)</b>	<b>-103 352</b>	<b>-341 054</b>	<b>-332 956</b>
Cancellation of unused carry-overs	106 232	0	
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	111 728	341 054	332 956
Exchange differences for the year	-383	0	
Balance carried over from year N-1	59 486	0	
Positive balance from year N-1 reimbursed in year N to the Commission	-59 486	0	
<b>Balance of the outturn account for the financial year</b>	<b>114 225</b>	<b>0</b>	<b>0</b>

**4.7 Reconciliation economic outturn – budget outturn 2020**

	<b>2020</b>	<b>2019</b>
<b>Economic result (+ for surplus and - for deficit) of the consolidation reporting package</b>	<b>1 075 365</b>	<b>-1 138 459</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)	-1 689 888	-1 319 150
Adjustments for Accrual Cut-off (cut- off 31.12.N )	1 788 466	1 689 888
Amount from liaison account with Commission booked in the economic revenue	0	0
Unpaid invoices at year end but booked in charges (class 6)	29 939	2 536
Depreciation of intangible and tangible assets (1)	1 265 216	1 323 911
Provisions (1)	0	0
Value reductions (1)	0	6 240
Recovery Orders issued in 2020 in class 7 and not yet cashed	-256 885	-161 269
Prefinancing given in previous year and cleared in the year	0	0
Prefinancing received in previous year and cleared in the year	-244 893	-284 060
Payments made from carry over of payment appropriations	2 039 988	3 119 950
Other *)	-962 268	-9 596
<b>Ajustment for budgetary items (item included in the budgetary result but not in the economic result)</b>		
Asset acquisitions (less unpaid amounts)	-416 485	-985 158
New pre-financing paid in the year 2020 and remaining open as at 31.12.2020	0	0
New pre-financing received in the year 2020 and remaining open as at. 31.12.2020	537 920	334 718
Budgetary recovery orders issued before 2020 and cashed in the year	153 469	22 257
Budgetary recovery orders issued in 2019 on balance sheet accounts (not 7 or 6 accounts) and cashed	0	0
Capital payments on financial leasing (they are budgetary payments but not in the economic result)	0	0
Payment appropriations carried over to 2021	-4 097 691	-2 931 959
Cancellation of unused carried over payment appropriations from previous year	106 232	54 280
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	785 738	335 358
Payments for pensions ( they are budgetary payments but booked against provisions)	0	0
Paievements for stocks of leave and supplementary hours ( they are budgetary payments but booked against provisions)	0	0
Other **)	0	0
<b>Budget outturn for the year</b>	<b>114 225</b>	<b>59 486</b>

**4.8 Annex to the Budget Accounts****4.8.1 Establishment plan 2020**

<i>Function group and grade</i>	<b>2020</b>			
	<i>Authorised under the EU Budget</i>		<i>Filled as at 31/12/2020</i>	
	<i>Permanent posts</i>	<i>Temporary Posts</i>	<i>Permanent posts</i>	<i>Temporary Posts</i>
AD16				
AD15		1		
AD14				1
AD13				
AD12		4		1
AD11		7		5
AD10		19		15
AD9		32		22
AD8		21		27
AD7		15		17
AD6		14		20
AD5				2
<b>Total AD</b>		<b>113</b>		<b>110</b>
AST11				
AST10				
AST9		2		2
AST8		5		
AST7		5		4
AST6		2		7
AST5		8		5
AST4		9		7
AST3		4		9
AST2				
AST1				
<b>Total AST</b>		<b>35</b>		<b>34</b>
<b>GRAND TOTAL</b>		<b>148</b>		<b>144</b>