




# Final accounts of the European Railway Agency Financial Year 2014

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

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## 1. Certificate

The annual accounts of the European Railway Agency (ERA) for the year 2014 have been prepared in accordance with the Financial Regulation applicable to the general budget of the European Union and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions, agencies and joint undertakings, and in accordance with Title IX of the Financial Regulation of ERA.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of ERA in accordance with Article 68 of the Financial Regulation and with Article 50 of the Financial Regulation of ERA.

I have obtained from the Authorising Officer, who certified its reliability, all the information necessary for the production of the accounts that show the assets and liabilities of ERA and the budgetary implementation.

I hereby certify that 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

## 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.

The accounts of ERA are kept in accordance with Financial Regulation of ERA adopted by its Administrative Board on 31 December 2013 and its Implementing Rules.

In accordance with Article 147 of Council Decision No. 966/2012 and Article 98 of the Financial Regulation of ERA, the following provisional 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 a body of the Community as referred to in article 185 of The Financial Regulation (EC, Euratom) n°1605/2002 of the Council of 25 June 2002, amended by Council Regulation (EC, Euratom) n° 1995/2006 of 13 December 2006. It has legal personality. The Agency is represented and managed by the Executive Director, Mr. Joseph Doppelbauer, appointed by the Administrative 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 governing structure consists of an Administrative Board.

The Administrative Board is composed of the Member State representatives, one from each Member State, 4 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 Administrative 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>31/12/2014</i>	<i>31/12/2013</i>
<b>A. NON CURRENT ASSETS</b>			
Intangible assets	3.5.2.1	1 339 970,92	1 506 756,87
Property, plant and equipment	3.5.2.2	1 137 898,25	1 187 373,50
Land and buildings		4 150,00	4 710,00
Plant and equipment		20 479,00	24 695,00
Computer hardware		829 265,00	965 685,00
Furniture and vehicles		118 583,00	130 201,00
Other fixtures and fittings		165 421,25	62 082,50
Non-current receivables	3.5.2.3	31 898,00	3 371,30
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2 509 767,17</b>	<b>2 697 501,67</b>
<b>B. CURRENT ASSETS</b>			
Exchange receivables and recoverables	3.5.2.4	96 230,81	299 536,50
Current receivables		378,63	1 961,30
Sundry receivables		48 207,93	57 281,91
Current receivables with consolidated entities		0,00	110 172,68
Other receivables		0,00	17 005,91
Accrued income with consolidated entities		47 644,25	7 157,37
Deferred charges		0,00	105 957,33
Non - exchange receivables and recoverables	3.5.2.5	456 679,59	562 579,15
Current receivables Member States		371 742,35	562 579,15
Other receivables		84 937,24	0,00
Cash and cash equivalents	3.5.2.6	3 376 793,63	2 438 071,75
<b>TOTAL CURRENT ASSETS</b>		<b>3 929 704,03</b>	<b>3 300 187,40</b>
<b>TOTAL ASSETS</b>		<b>6 439 471,20</b>	<b>5 997 689,07</b>

	<i>Note</i>	<i>31/12/2014</i>	<i>31/12/2013</i>
<b>A. NET ASSETS</b>	3.5.2.7	<b>4 025 889,05</b>	<b>3 481 690,04</b>
Accumulated surplus/deficit		3 481 690,04	2 824 870,51
Economic result of the year-profit+/loss-		544 199,01	656 819,53
<b>B. NON CURRENT LIABILITIES</b>		<b>0,00</b>	<b>0,00</b>
Pension and other employee benefits		0,00	0,00
Provisions for risks and liabilities		0,00	0,00
<b>TOTAL NON-CURRENT LIABILITIES (A+B)</b>		<b>4 025 889,05</b>	<b>3 481 690,04</b>
<b>C. CURRENT LIABILITIES</b>		<b>2 413 582,15</b>	<b>2 515 999,03</b>
Provisions for risks and liabilities	3.5.2.8	0,00	527 002,39
Accounts payable	3.5.2.9	884 745,10	979 855,94
Current payables		49 089,49	1 605,71
Sundry payables		6 736,92	3 790,28
Accounts payable with consolidated EC entities		828 918,69	974 459,95
.....Prefinancing received from consolidated EC entities		787 016,64	955 871,94
.....Other accounts payable against consolidated EC entities		41 902,05	18 588,01
Accrued charges and deferred income	3.5.2.10	1 528 837,05	1 009 140,70
<i>Accrued charges</i>		1 244 018,56	914 677,28
<i>Deferred income</i>		0,00	0,00
<i>Other passive accruals &amp; deferrals</i>		0,00	0,00
<i>Deferrals and accruals with consolidated EC entities</i>		284 818,49	94 463,42
<b>TOTAL CURRENT LIABILITIES</b>		<b>2 413 582,15</b>	<b>2 515 999,03</b>
<b>TOTAL LIABILITIES</b>		<b>6 439 471,20</b>	<b>5 997 689,07</b>

### 3.2. Statement of Financial Performance

<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>Note</b>	<b>31/12/2014</b>	<b>31/12/2013</b>
Subsidy received	3.5.3.1	24 928 583,36	24 912 065,85
Title 1&2		19 770 600,00	18 490 000,00
Title 3		5 945 000,00	7 213 799,00
Part of Phare Funds subsidy used in current year		0,00	162 553,77
To be reimbursed (Budget outturn)		-787 016,64	-954 286,92
Revenue from adjustment/provisions		80 832,58	280 625,36
<b>NON-EXCHANGE REVENUES</b>		<b>25 009 415,94</b>	<b>25 192 691,21</b>
Fixed Assets related income		0,00	-108,40
Exchange rate differences gains		408,69	1 607,64
Income from other exchange operations (3rd parties)		90 937,24	40 415,20
Income from consolidated EU entities		92 329,53	7 157,37
<b>EXCHANGE REVENUES</b>		<b>183 675,46</b>	<b>49 071,81</b>
<b>TOTAL REVENUES</b>		<b>25 193 091,40</b>	<b>25 241 763,02</b>
Operational expenses		3 972 940,78	4 563 850,21
Staff and Pension costs		15 372 379,85	15 287 292,72
Finance costs		1 940,26	0,00
<i>Finance costs</i>		<i>30,00</i>	<i>0,00</i>
<i>Other financial expenses</i>		<i>1 910,26</i>	<i>0,00</i>
Other expenses		5 301 631,50	4 733 800,56
<i>Property, plant and equipment related expenses</i>		<i>2 261 176,80</i>	<i>2 248 837,01</i>
<i>Other Expenses</i>		<i>3 039 280,26</i>	<i>2 635 065,71</i>
<i>Adjustments / Provisions</i>		<i>0,00</i>	<i>-152 289,82</i>
<i>Exchange rate differences losses</i>		<i>1 174,44</i>	<i>2 187,66</i>
<b>TOTAL EXPENSES</b>		<b>24 648 892,39</b>	<b>24 584 943,49</b>
<b>SURPLUS (DEFICIT) FROM ORDINARY ACTIVITIES</b>		<b>544 199,01</b>	<b>656 819,53</b>
<b>ECONOMIC RESULT OF THE YEAR</b>		<b>544 199,01</b>	<b>656 819,53</b>



### 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 2013</b>	<b>0,00</b>	<b>0,00</b>	<b>2 824 870,51</b>	<b>656 819,53</b>	<b>3 481 690,04</b>
Changes in accounting policies (1)	0,00	0,00	0,00	0,00	0,00
<b>Balance as of 1 January 2014 (if restated)</b>	<b>0,00</b>	<b>0,00</b>	<b>2 824 870,51</b>	<b>656 819,53</b>	<b>3 481 690,04</b>
Allocation of the Economic Result of Previous Year	0,00	0,00	656 819,53	-656 819,53	0,00
Economic result of the year	0,00	0,00	0,00	544 199,01	544 199,01
<b>Balance as of 31 December 2014</b>	<b>0,00</b>	<b>0,00</b>	<b>3 481 690,04</b>	<b>544 199,01</b>	<b>4 025 889,05</b>

### 3.4. Cash flow statement

	<b>2014</b>	<b>2013</b>
<b>Cash Flows from ordinary activities</b>		
<b>Economic result of the year</b>	<b>544 199,01</b>	<b>656 819,53</b>
<b>Operating activities</b>		
Amortization (intangible fixed assets) +	454 591,73	440 877,34
Depreciation (tangible fixed assets) +	523 055,23	519 716,32
Increase/(decrease) in Provisions for risks and liabilities	-527 002,39	-74 266,39
Increase/(decrease) in Value reduction for doubtful debts	0,00	-233 122,40
(Increase)/decrease in Stock	0,00	0,00
(Increase)/decrease in Long term Pre-financing	0,00	0,00
(Increase)/decrease in Short term Pre-financing	0,00	0,00
(Increase)/decrease in Long term Receivables	-28 526,70	-3 371,30
(Increase)/decrease in Short term Receivables	203 305,69	-81 711,18
(Increase)/decrease in Receivables related to consolidated EC entities	105 899,56	-117 330,05
Increase/(decrease) in Other Long term liabilities	0,00	0,00
Increase/(decrease) in Accounts payable	570 126,77	-93 377,54
Increase/(decrease) in Liabilities related to consolidated EC entities	-145 541,26	-591 767,87
(Gains)/losses on sale of Property, plant and equipment	0,00	0,00
Extraordinary items	0,00	0,00
<b>Net cash Flow from operating activities</b>	<b>1 700 107,64</b>	<b>422 466,46</b>
<b>Cash Flows from investing activities</b>		
Purchase of tangible and intangible fixed assets (-)	-762 708,76	-1 198 839,60
Proceeds from tangible and intangible fixed assets (+)	1 323,00	288,40
<b>Net cash flow from investing activities</b>	<b>-761 385,76</b>	<b>-1 198 551,20</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>938 721,88</b>	<b>-776 084,74</b>
Cash and cash equivalents at the beginning of the period	2 438 071,75	3 214 156,49
Cash and cash equivalents at the end of the period	3 376 793,63	2 438 071,75

### **3.5. Notes to the financial statements**

#### **3.5.1. Accounting policies**

##### **3.5.1.1. General**

In accordance with Article 147 of Council Decision No. 966/2012 and Article 98 of the Financial Regulation of ERA, the following provisional 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 article 143 and 208 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 Railway Agency 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 economic outturn account.

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	25,00%
<b>Property, plant and equipment</b>	
Furniture and vehicles	
Furniture	10,00%
Electrical office equipment, printing and mailing equipment	25,00%
Computer hardware	
Computers, servers, accessories, data transfer equipment, printers, screens...	25,00%
Copying equipment, digitizing and scanning equipment	25,00%
Other fixtures and fittings	
Telecommunications equipment	25,00%
Audiovisual equipment	25,00%
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 Railway Agency 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 01.01.2014</b>	+	<b>1 595 979,55</b>	<b>596 506,82</b>	<b>0,00</b>	<b>311 398,86</b>	<b>2 503 885,23</b>
Additions	+	0,00	176 870,47	0,00	110 935,31	287 805,78
Disposals	-	0,00	0,00	0,00	0,00	0,00
Transfer between headings (2)	+/-	0,00	0,00	0,00	0,00	0,00
Other changes (1)	+/-	0,00	0,00	0,00	0,00	0,00
<b>Gross carrying amounts 31.12.2014</b>		<b>1 595 979,55</b>	<b>773 377,29</b>	<b>0,00</b>	<b>422 334,17</b>	<b>2 791 691,01</b>
<b>Accumulated amortization and impairment 01.01.2014</b>	-	<b>-595 582,54</b>	<b>-401 545,82</b>	<b>0,00</b>	<b>0,00</b>	<b>-997 128,36</b>
Amortization	-	-369 827,26	-84 764,47	0,00	0,00	-454 591,73
Write-back of amortization	+	0,00	0,00	0,00	0,00	0,00
Disposals	-	0,00	0,00	0,00	0,00	0,00
Transfer between headings (2)	+/-	0,00	0,00	0,00	0,00	0,00
Other changes (1)	+/-	0,00	0,00	0,00	0,00	0,00
<b>Accumulated amortization and impairment 31.12.2014</b>		<b>-965 409,80</b>	<b>-486 310,29</b>	<b>0,00</b>	<b>0,00</b>	<b>-1 451 720,09</b>
<b>Net carrying amounts 31.12.2014</b>		<b>630 569,75</b>	<b>287 067,00</b>	<b>0,00</b>	<b>422 334,17</b>	<b>1 339 970,92</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>Description</i>	<i>Development cost capitalized (in €)</i>	<i>Useful life</i>
<i>RDD</i>	Reference Document Database: application to manage the information related to the national technical rules for authorising railway vehicles	475 517,03	5 years
<i>MOSS 2010</i>	Microsoft Office SharePoint: migration of the content management system (from Microsoft Office SharePoint 2007 to Microsoft Office SharePoint 2010)	432 000,00	3 years
<i>ERAIL</i>	Application to manage information on safety performance (i.e. Common Safety Indicators and Accident Investigations)	209 059,60	6 years
<i>ERATV</i>	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	359 507,57	5 years
<i>NSA XA</i>	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)	119 895,35	5 years
	<b>TOTAL</b>	<b>1 595 979,55</b>	

#### Intangible assets under construction

<i>Name of the project</i>	<i>Description</i>	<i>Development cost Capitalized (in €)</i>
<i>RINF</i>	Register of the railway infrastructure created to make the railway infrastructure from the EU member states publicly available in a centralized register	422 334,17
	<b>TOTAL</b>	<b>422 334,17</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 01.01.2014</b>	+	<b>5 596,06</b>	<b>28 567,27</b>	<b>2 871 583,34</b>	<b>232 717,47</b>	<b>272 020,47</b>	<b>3 410 484,61</b>
Additions	+	0,00	0,00	303 301,14	17 403,55	154 198,29	474 902,98
Disposals	-	0,00	0,00	0,00	-9 017,97	0,00	-9 017,97
Transfer between headings	-	0,00	0,00	0,00	0,00	0,00	0,00
Other changes (1)	+/-	0,00	0,00	0,00	0,00	0,00	0,00
<b>Gross carrying amounts at 31.12.2014</b>		<b>5 596,06</b>	<b>28 567,27</b>	<b>3 174 884,48</b>	<b>241 103,05</b>	<b>426 218,76</b>	<b>3 876 369,62</b>
<b>Accumulated amortization and impairment at 01.01.2014</b>	-	<b>-886,06</b>	<b>-3 872,27</b>	<b>-1 905 898,34</b>	<b>-102 516,47</b>	<b>-209 937,97</b>	<b>-2 223 111,11</b>
Depreciation	-	-560,00	-4 216,00	-439 721,14	-27 698,55	-50 859,54	-523 055,23
Disposals	+	0,00	0,00	0,00	0,00	0,00	0,00
Impairment	-	0,00	0,00	0,00	7 694,97	0,00	7 694,97
Transfer between headings	-	0,00	0,00	0,00	0,00	0,00	0,00
Other changes (1)	+/-	0,00	0,00	0,00	0,00	0,00	0,00
<b>Accumulated amortization and impairment at 31.12.2014</b>		<b>-1 446,06</b>	<b>-8 088,27</b>	<b>-2 345 619,48</b>	<b>-122 520,05</b>	<b>-260 797,51</b>	<b>-2 738 471,37</b>
<b>Provision for unused fixed assets</b>	-	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>Net carrying amounts at 31.12.2014</b>		<b>4 150,00</b>	<b>20 479,00</b>	<b>829 265,00</b>	<b>118 583,00</b>	<b>165 421,25</b>	<b>1 137 898,25</b>

The major part of the acquisitions in 2014 related to the purchase of IT server equipment and audio-visual equipment for both the Valenciennes and Lille premises.

### 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*

	<b>31/12/2014</b>	<b>31/12/2013</b>
<b>Exchange receivables and recoverables</b>	<b>96 230,81</b>	<b>299 536,50</b>
Current receivables	378,63	1 961,30
Sundry receivables	48 207,93	57 281,91
Current receivables with consolidated entities	0,00	110 172,68
Other receivables	0,00	17 005,91
Deffered charges	0,00	105 957,33
Accrued income exchange with consolidated entities	47 644,25	7 157,37

The sundry receivables amount includes primarily advances on salaries made to staff and or undue salary payments to be recovered from staff members.

The accrued income exchange with consolidated entities amount of € 47 644,25 relates to the services rendered to ESMA by ERA's Accounting Officer for the 4th quarter of 2014 (€14 324,25) to be cashed beginning 2015 and to the reimbursement of the price stability reserve which will be done by CDT as well in 2015 (€33 320).

### 3.5.2.5. *Non - exchange receivables & recoverables*

	<b>31/12/2014</b>	<b>31/12/2013</b>
<b>Non - exchange receivables and recoverables</b>	<b>456 679,59</b>	<b>562 579,15</b>
Current receivables Member States	371 742,35	562 579,15
Other receivables	84 937,24	0,00

The current receivable gross amount primarily relates to VAT to be recovered from the French (€ 273 924,83) and Belgian (€ 96 303,19) authorities. For the latter the Agency is waiting to obtain the reimbursement from the company European Dynamics following of the obtaining of the 15.10 exemption form from the French authorities. ERA pays the invoices from local suppliers with VAT and claims the VAT refund from the Host State on a quarterly basis.

The other receivables relate to an amount to be recovered from our landlord for the pre-financing of building works.

### 3.5.2.6. *Cash and cash equivalents*

The amount of the cash and cash equivalents include mainly the balance on the current bank account with Crédit Mutuel.

### 3.5.2.7. *Net assets*

The equity of the Agency amounts to € 4 025 889,05 of which:

- › € 3 481 690,04 are the accumulated surplus from previous years;
- › € 544 199,01 is the economic outturn of 2014

### 3.5.2.8. Provisions

No short term provision for outstanding salary payments has been made in 2014 because of the salary freeze decided upon by the Council for the year 2014.

### 3.5.2.9. Accounts Payable

The main part of the total accounts payable as per 31.12.2014 relates to:

- › Current payables for a total amount of € 49 089,49
- › Sundry payables for a total amount of € 6 736,92 representing mainly OIB salary deductions for childcare of staff's children
- › Accounts payable with consolidated entities for a total amount of € 828 918,69 of which the budget outturn of 2014 to be reimbursed to the Commission constitutes the major part

### 3.5.2.10. Accrued charges and deferred income

Accrued charges for a total amount of € 1 528 837,05 can be decomposed in an accrual for untaken holidays amounting to € 295 173,13, accrued charges for goods delivered/services rendered but not yet invoiced for a total amount of € 948 845,43 and accrued inter-entity charges for a total amount of € 284 818,49.

The table below shows the level of accrued expenses for 2014 and 2013 and its evolution in general and per type of appropriation.

<i>Accrued expenses</i>	<i>31/12/2014</i>	<i>31/12/2013</i>	<i>% change</i>
<b>Accrued expenses</b>	<b>1 527 025,02</b>	<b>1 009 140,70</b>	<b>51,32%</b>
Accrued expenses based on carry-over analysis	1 231 851,89	766 886,41	60,63%
Accrual for untaken holidays	295 173,13	242 254,29	21,84%

<i>Accrued expenses based on carry-over analysis</i>	<i>31/12/2014</i>	<i>31/12/2013</i>	<i>% change</i>
Title 1 – Staff	96 428,54	57 546,47	67,57%
Title 2 – Buildings, equipment and miscellaneous expenditure	223 488,80	154 981,36	44,20%
Title 3 – Operational expenditure	911 934,55	554 358,58	64,50%
<b>Total</b>	<b>1 231 851,89</b>	<b>766 886,41</b>	<b>60,63%</b>

Globally there is an increase in the total amount of accrued expenses as compared to 2013. The increase in the accrued expenses for title II & III relates to invoices not yet received for IT services provided in November/December 2014. In addition a relatively big amount has been accrued for translation services rendered in December 2014 but for which the invoice was only received from CDT in January 2015.

<i>Accrued for untaken holidays</i>	<i>31/12/2014</i>	<i>31/12/2013</i>	<i>% change</i>
Number of days not taken	1 076	927	16,07%
Accrued amount	295 173,13	242 254,29	21,84%

The table above shows that the increase of the accrued amount for untaken holidays is due to the increase in the number of days.

### 3.5.3. Notes to the statement of financial performance

#### 3.5.3.1. Operating revenue

The operating revenue of the Agency in 2014 is mainly made up of subsidies received for a total amount of € 24 928 583,36 including the budget outturn of € 787 016,64 to be reimbursed in 2015.

	<i>with non-consolidated entities</i>	<i>with consolidated entities</i>	<i>Total</i>
Revenue from non-exchange transactions	80 832,58	24 928 583,36	25 009 415,94
Revenue from exchange transactions	91 345,93	92 329,53	183 675,46
<b>TOTAL</b>	<b>172 178,51</b>	<b>25 020 912,89</b>	<b>25 193 091,40</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>31/12/2014</i>	<i>31/12/2013</i>	<i>% change</i>
<b>Administrative expenses</b>	<b>-20 672 836,91</b>	<b>-20 171 195,44</b>	<b>2,49%</b>
Staff expenses	-15 372 379,85	-15 287 292,72	0,56%
Fixed assets related expenses	-978 969,96	-960 773,66	1,89%
Other administrative expenses	-4 321 487,10	-3 923 129,06	10,15%
- Land and buildings	-1 282 206,84	-1 288 063,35	-0,45%
- Other administrative expenses	-1 754 950,37	-1 410 988,02	24,38%
- Expenses with consolidated entities	-1 284 329,89	-1 224 077,69	4,92%

As compared to 2013 the total amount of administrative expenses has slightly increased, mainly due to the purchase of additional office supplies and other services provided.

#### 3.5.3.3. Operational expenses

These include expenses related to the operational activities of the Agency. They show a decrease of 10% as compared to last year.

	<i>31/12/2014</i>	<i>31/12/2013</i>	<i>% change</i>
Operational expenses	-3 974 115,22	-4 413 748,05	-10%
Other operational expenses	-3 972 940,78	-4 563 850,21	-13%
- Missions/reimbursements of experts	-1 452 408,77	-1 714 249,85	-15%
- Studies	-668 269,00	-1 172 068,47	-43%
- IT-systems to support operations	-1 215 071,98	-1 342 191,95	-9%
- Information & communication	-537 900,88	-135 484,72	297%
- Translation/Interpretation	-75 272,52	-104 694,99	-28%
- IPA activities	0,00	-68 432,57	-100%
- Other	-24 017,63	-26 727,66	-10%

The decrease of 10% is a combination of:

- › A decrease of 15% of the amount paid for the reimbursement of staff mission expenses and reimbursements done to experts participating in working groups organised by the Agency. The latter is primarily due to a significant decrease in the number of meetings organised in the course of 2014.
- › A decrease of 9% in the IT-expenses to support the operations. This decrease can mainly be explained a lower amount for IT-development costs.
- › An increase of almost 300% of the information and communication costs primarily related to the costs linked to the participation to the Innotrans conference in Berlin and the costs linked to the quality management project.

### 3.5.4. Other information

#### 3.5.4.1. Contingent Assets and Contingent Liabilities

Contingent assets

The Agency has received performance guarantees for proper implementation of contracts. Below you will find a breakdown per year:

<i>Year</i>	<i>Amount (EUR)</i>
2010	450 750,00
<b>TOTAL</b>	<b>450 750,00</b>

#### 3.5.4.2. Commitments for future funding

At 31 December 2014 the budgetary RAL totaled € 2 963 204,35. The amount to be disclosed as a future commitment to be funded is this budgetary RAL less related amounts that have been included as expenses in the 2014 Economic Outturn Account giving a total of € 1 729 540,43.

#### 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. Events after the balance sheet date

At the date of issue of the accounts, no material issue came to the attention of the Accounting officer of the Agency or were reported to him/her that would require separate disclosure under that section.

#### 3.5.4.5. Financial instruments

Financial instruments comprise cash, current receivables and recoverables, current payables, amounts due to and from consolidated entities. Financial instruments give rise to liquidity, credit, interest rate and foreign currency risks, information about which and how they are managed is set out below. (prepayments, accrued income, accruals and deferred income are not included).

The carrying amounts of financial instruments are as follows:

	31/12/2014	31/12/2013
Exchange receivables and recoverables	96 230,81	299 536,50
Non - exchange receivables and recoverables	456 679,59	562 579,15
Cash and cash equivalents	3 376 793,63	2 438 071,75
<b>Total monetary assets</b>	<b>3 929 704,03</b>	<b>3 300 187,40</b>
Accounts payable	884 745,10	979 855,94
<b>Total monetary liabilities</b>	<b>884 745,10</b>	<b>979 855,94</b>
<b>Total net financial instruments</b>	<b>3 044 958,93</b>	<b>2 320 331,46</b>

#### 3.5.4.6. 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.

#### 3.5.4.7. 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.

#### **3.5.4.8. 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.

#### **3.5.4.9. 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.

#### **3.5.4.10. Fair value**

The estimated fair values of all financial instruments of ERA are equal/approximate to their book values as at 31 Dec 2014 and 31 Dec 2013. All financial assets and liabilities are receivable or repayable on demand or within one year.

#### **3.5.4.11. Payroll charges**

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



## 4. Part II – Report on the implementation of the budget of the European Railway Agency

### 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 in comparison with 2013.

### **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 2014<sup>1</sup>

<i>Fund Source : C1</i>							
	<i>Chapter</i>	<i>Final appropriation s (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	16 250 600,00	15 735 109,08	96,83%	515 490,92	15 685 397,97	96,52%
13	Missions and travel	150 000,00	147 937,14	98,62%	2 062,86	147 592,75	98,40%
14	Socio-medical infrastructure	290 000,00	271 648,93	93,67%	18 351,07	193 022,17	66,56%
15	Staff exchange between the ERA and the public sector	275 000,00	238 508,19	86,73%	36 491,81	238 508,19	86,73%
17	Entertainment and representation exp.	5 000,00	3 350,00	67,00%	1 650,00	1 709,00	34,18%
	<b>Title I</b>	<b>16 970 600,00</b>	<b>16 396 553,34</b>	<b>96,62%</b>	<b>574 046,66</b>	<b>16 266 230,08</b>	<b>95,85%</b>
20	Investments in immovable property, rental of buildings and associated cost	1 182 933,51	1 175 565,92	99,38%	7 367,59	1 055 390,71	89,22%
21	Data processing	1 025 517,53	1 001 422,36	97,65%	24 095,17	606 192,12	59,11%
22	Movable property and associated costs	93 862,97	84 443,63	89,96%	9 419,34	75 544,16	80,48%
23	Current administrative expenditure	178 464,30	171 245,31	95,95%	7 218,99	158 872,20	89,02%
24	Post and telecommunications	139 858,97	139 103,02	99,46%	755,95	80 189,15	57,34%
25	Meetings and associated costs	179 362,72	139 547,71	77,80%	39 815,01	137 047,41	76,41%
	<b>Title II</b>	<b>2 800 000,00</b>	<b>2 711 327,95</b>	<b>96,83%</b>	<b>88 672,05</b>	<b>2 113 235,75</b>	<b>75,47%</b>
30	Operational Activities directly linked to the Reg. n°881/2004	3 135 975,00	3 126 468,24	99,70%	9 506,76	2 040 673,74	65,07%
31	Operational expenditures	2 809 025,00	2 796 604,38	99,56%	12 420,62	1 649 422,02	58,72%
	<b>Title III</b>	<b>5 945 000,00</b>	<b>5 923 072,62</b>	<b>99,63%</b>	<b>21 927,38</b>	<b>3 690 095,76</b>	<b>62,07%</b>
	<b>Total Budget</b>	<b>25 715 600,00</b>	<b>25 030 953,91</b>	<b>97,34%</b>	<b>684 646,09</b>	<b>22 069 561,59</b>	<b>85,82%</b>

<sup>1</sup> In addition to the C1 credits, the Agency received in 2014 (C4 fund source, assigned revenues) € 50 174,64 charged for services provided to another public organization by its staff members. From this amount € 28 681,29 had been committed by the end of 2014.

### 4.3. Budget implementation – Appropriations carried over 2013/2014

<i>Fund Source : C8</i>					
	<i>Chapter</i>	<i>Amount carried over 2013/2014</i>	<i>Payments made</i>	<i>Balance not paid at the end of the year 2014</i>	<i>% of Balance</i>
11	Staff in active employment	60 654,05	49 549,91	11 104,14	18,31%
13	Missions and travel	4 075,07	4 075,07	-	0,00%
14	Socio-medical infrastructure	64 426,24	52 239,97	12 186,27	18,92%
17	Entertainment and representation exp.	34,36	-	34,36	100,00%
	<b>Title I</b>	<b>129 189,72</b>	<b>105 864,95</b>	<b>23 324,77</b>	<b>18,05%</b>
20	Investments in immovable property, rental of buildings and associated cost	182 842,47	176 999,68	5 842,79	3,20%
21	Data processing	184 071,36	183 732,19	339,17	0,18%
22	Movable property and associated costs	33 560,73	31 797,05	1 763,68	5,26%
23	Current administrative expenditure	27 938,44	22 758,98	5 179,46	18,54%
24	Post and telecommunications	44 521,02	32 258,98	12 262,04	27,54%
25	Meetings and associated costs	44 716,90	42 430,12	2 286,78	5,11%
	<b>Title II</b>	<b>517 650,92</b>	<b>489 977,00</b>	<b>27 673,92</b>	<b>5,35%</b>
30	Operational Activities directly linked to the Regulation n°881/2004	740 075,43	732 134,65	7 940,78	1,07%
31	Operational expenditures	834 900,47	824 240,90	10 659,57	1,28%
	<b>Title III</b>	<b>1 574 975,90</b>	<b>1 556 375,55</b>	<b>18 600,35</b>	<b>1,18%</b>
	<b>Grandtotal</b>	<b>2 221 816,54</b>	<b>2 152 217,50</b>	<b>69 599,04</b>	<b>3,13%</b>

#### 4.4. Use of appropriations 2014

<i>Fund Source : C1</i>						
	<i>Chapter</i>	<i>Budget adopted</i>	<i>Transfers/+Amendments</i>	<i>Budget after transfers (1)</i>	<i>Committed (2)</i>	<i>% Committed = (2) / (1)</i>
11	Staff in active employment	16 265 000,00	- 14 400,00	16 250 600,00	15 735 109,08	96,83%
13	Missions and travel	120 000,00	30 000,00	150 000,00	147 937,14	98,62%
14	Socio-medical infrastructure	285 000,00	5 000,00	290 000,00	271 648,93	93,67%
15	Staff exchange between the ERA and the public sector	275 000,00	-	275 000,00	238 508,19	86,73%
17	Entertainment and representation expenses	5 000,00	-	5 000,00	3 350,00	67,00%
	<b>Title I</b>	<b>16 950 000,00</b>	<b>20 600,00</b>	<b>16 970 600,00</b>	<b>16 396 553,34</b>	<b>96,62%</b>
20	Investments in immovable property, rental of buildings and associated cost	1 440 000,00	- 257 066,49	1 182 933,51	1 175 565,92	99,38%
21	Data processing	620 000,00	405 517,53	1 025 517,53	1 001 422,36	97,65%
22	Movable property and associated costs	220 000,00	- 126 137,03	93 862,97	84 443,63	89,96%
23	Current administrative expenditure	185 000,00	- 6 535,70	178 464,30	171 245,31	95,95%
24	Post and telecommunications	200 000,00	- 60 141,03	139 858,97	139 103,02	99,46%
25	Meetings and associated costs	135 000,00	44 362,72	179 362,72	139 547,71	77,80%
	<b>Title II</b>	<b>2 800 000,00</b>	<b>-</b>	<b>2 800 000,00</b>	<b>2 711 327,95</b>	<b>96,83%</b>
30	Operational Activities directly linked to the Regulation n°881/2004	3 125 000,00	10 975,00	3 135 975,00	3 126 468,24	99,70%
31	Operational expenditures	2 820 000,00	- 10 975,00	2 809 025,00	2 796 604,38	99,56%
	<b>Title III</b>	<b>5 945 000,00</b>	<b>-</b>	<b>5 945 000,00</b>	<b>5 923 072,62</b>	<b>99,63%</b>
	<b>Total Budget</b>	<b>25 695 000,00</b>	<b>20 600,00</b>	<b>25 715 600,00</b>	<b>25 030 953,91</b>	<b>97,34%</b>

#### 4.5. Appropriations carried over 2014/2015

	<i>Chapter</i>	<i>Amount carried over 2014/2015</i>	<i>% Amount carried over 2014/2015</i>
11	Staff in active employment	49 711,11	0,31%
13	Missions and travel	344,39	0,23%
14	Socio-medical infrastructure	78 626,76	27,11%
15	Staff exchange between the ERA and the public sector	0,00	0,00%
17	Entertainment and representation exp.	1 641,00	32,82%
	<b>Title I</b>	<b>130 323,26</b>	<b>0,77%</b>
20	Investments in immovable property, rental of buildings and associated cost	120 175,21	10,16%
21	Data processing	395 230,24	38,54%
22	Movable property and associated costs	8 899,47	9,48%
23	Current administrative expenditure	12 373,11	6,93%
24	Post and telecommunications	58 913,87	42,12%
25	Meetings and associated costs	2 500,30	1,39%
	<b>Title II</b>	<b>598 092,20</b>	<b>21,36%</b>
30	Operational Activities directly linked to the Regulation n°881/2004	1 085 794,50	34,62%
31	Operational expenditures	1 147 182,36	40,84%
	<b>Title III</b>	<b>2 232 976,86</b>	<b>37,56%</b>
	<b>Total Budget</b>	<b>2 961 392,32</b>	<b>11,52%</b>

#### 4.6. Budget outturn

	2014	2013
<b>Revenue</b>		
Commission subsidy DG MOVE	25 715 600,00	25 703 799,00
Phare funds from Commission	0,00	150 000,00
Fee income	0,00	0,00
Other revenue	56 842,64	40 415,20
<b>Total revenue (a)</b>	<b>25 772 442,64</b>	<b>25 894 214,20</b>
<b>Expenditure</b>		
Personnel expenses – Budget Title I		
Payments	16 270 730,08 <sup>2</sup>	15 701 819,74
Automatic carry-overs	150 607,29	129 189,72
Administrative expenses – Budget Title II		
Payments	2 115 131,15 <sup>3</sup>	2 372 475,58
Automatic carry-overs	598 092,20	517 657,34
Operational expenses – Budget Title III		
Payments	3 690 095,76	4 768 219,22
Automatic carry-overs	2 235 998,21	1 574 975,90
<b>Total expenditure (b)</b>	<b>25 060 654,69</b>	<b>25 064 337,50</b>
<b>Outturn for the financial year (a-b)</b>	<b>711 787,95</b>	<b>829 876,70</b>
Cancellation of unused carry-overs	69 599,04	87 293,39
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	6 395,40	37 696,85
Exchange differences for the year	-765,75	-580,02
Balance carried over from year N-1	954 286,92	1 434 346,40
Positive balance from year N-1 reimbursed in year N to the Commission	-954 286,92	-1 434 346,40
<b>Balance of the outturn account for the financial year</b>	<b>787 016,64</b>	<b>954 286,92</b>

Not included in the budget outturn:

Interest received by 31/12/N on the Commission subsidy and to be reimbursed to the Commission	0,00	14 803,01
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<sup>2</sup> This amount also includes payments for a total amount of € 4 500 made from C5 carried over payment appropriations from 2013

<sup>3</sup> This amount also includes payments for a total amount of € 1 895,40 made from C5 carried over payment appropriations from 2013

#### 4.7. Reconciliation economic outturn – budget outturn 2014

	<b>2014</b>	<b>2013</b>
<b><i>Economic outturn for the year</i></b>	<b>544 199,01</b>	<b>656 819,53</b>
<b>Revenues</b>		
Entitlements established in current year but not yet collected	0,00	0,00
Entitlements established in previous years and cashed in the current year	7 157,37	0,00
Amount of unused pre-financing cashed in current year on balance sheet account	0,00	0,00
Pre-financing received in previous year and cleared in the year	111 793,43	0,00
Amount of pre-financing to be returned to the Commission	787 016,64	955 871,94
Recovery Orders issued in 2013 in class 7 and not yet cashed	-100 261,49	-7 157,37
<b>Expenditure</b>		
Accrued expenses (net changes)	507 150,89	-198 822,85
Asset acquisitions	-762 708,76	-1 205 388,76
New pre-financing paid in the year 2013 and remaining open as at 31.12.2013	0,00	-113 378,45
Depreciation of intangible and tangible assets	978 969,96	960 882,06
Provisions (net changes)	-527 002,39	-307 388,79
Payments made from carry-over of payment appropriations	2 145 828,52	2 311 449,04
Payment appropriations carried over to 2014	-2 984 697,70	-2 221 822,96
Cancellation of unused carried over payment appropriations from previous year	69 599,04	87 293,39
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	6 395,40	37 696,85
Other	3 576,72	-1 766,71
<b><i>Budget outturn for the year</i></b>	<b>787 016,64</b>	<b>954 286,92</b>

## 4.8. Annex to the Budget Accounts

### 4.8.1. Establishment plan 2014

Function group and grade	2014			
	Authorised under the EU Budget		Filled as at 31/12/2014	
	Permanent posts	Temporary Posts	Permanent posts	Temporary Posts
AD16				
AD15				
AD14		1		1
AD13				
AD12				
AD11		4		2
AD10		11		10
AD9		29		23
AD8		21		22
AD7		12		13
AD6		24		25
AD5				
<b>Total AD</b>		<b>102</b>		<b>96</b>
AST11				
AST10				
AST9		2		1
AST8		3		2
AST7		3		-
AST6		2		5
AST5		5		5
AST4		7		6
AST3		8		9
AST2		8		10
AST1				1
<b>Total AST</b>		<b>38</b>		<b>39</b>
<b>Total AD + AST</b>		<b>140</b>		<b>135</b>
<b>GRAND TOTAL</b>		<b>140</b>		<b>135</b>