

Report on budgetary and financial management information for the financial year 2014

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1. Introduction

1.1. 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 ERA Financial Regulation.

1.2. Management information systems

The Agency used the following software during 2014:

- › ABAC WORKFLOW and ABAC ACCOUNTING (SAP) – financial management, budgetary and accounting system;
- › ABAC DATAWAREHOUSE – financial reporting of ABAC environment;
- › ABAC ASSET – fixed assets, inventory management;
- › ABAC CONTRACT – management of the contracts;
- › MiMa – Mission Management - management of staff missions;
- › LEAMA – Leave Management – management of leaves;
- › DOR - “Demande d’Organisation de Réunion” – management of meetings ;
- › DATA BOX – preparation of budget – management of Financial Sheets ;
- › PROCUREMENT REQUEST – Centralised SharePoint list – management of procedures.

These information systems allow to efficiently manage the budgetary appropriations allocated to the Agency while respecting the principles of the Financial Regulation.

The workflows, in all systems put in place by the Authorising Officer, ensure that each transaction respects the “four eyes” principle.

1.3. Budget

The budget of the Agency has three Titles:

- › Title I covers staff expenditures such as salaries, training and costs associated to recruitment procedures and staff wellbeing;
- › Title II covers the costs associated to the functioning of the Agency such as infrastructure, equipment and IT needs;
- › Title III covers the Agency’s operational activities.

2. Revenue

The Budgetary Authority (the European Parliament and the Council) approved 2014 ERA budget of €23 573 064. The total for assigned revenue was up to €1 454 336 and the EFTA contribution was up to € 708 200. All together the total forecasted revenue for 2014 was € 25 715 600.

The total revenue actually received in 2014 - C1 fund source, appropriations of the year - was € 25 715 600. On top of this, the Agency received in 2014 (C4 fund source, assigned revenues) € 50 174,64 charged for services provided to another public organization its staff members.

- › Service Level Agreement signed between ESMA and ERA for the provision of accounting services
- › Service Level Agreement signed between EIB and ERA for the provision services for the JASPER project.

3. Budgetary tables

3.1. Budget outturn account

See table in Final accounts 2014 Part II.5.

3.2. Budgetary transfers and amending budget

<i>2014 C1</i>	<i>Initial budget</i>	<i>Transfers</i>	<i>Amending budget</i>	<i>Final budget</i>
<i>Title I</i>	16 950 000	0	20 600	16 970 600
<i>Title II</i>	2 800 000	0	0	2 800 000
<i>Title III</i>	5 945 000	0	0	5 945 000
TOTAL	25 695 000	0	20 600	25 715 600

ERA executed all transfers within the Titles.

ERA initial budget of € 25 695 000 has been increased by € 20 600¹ and reached € 25 715 600 following an adjustment of the EFTA contribution. The amending budget was adopted by the Administrative Board on 19 March 2014 and was published jointly in the Official Journal.

3.3. Budgetary execution

3.3.1. 2014-C1 Appropriations

<i>2014-C1</i>	<i>Appropriations</i>	<i>Commitments</i>	<i>Not used</i>	<i>Paid</i>	<i>To be carry-forwarded</i>
<i>Title I</i>	16 970 600	16 396 553	574 047	16 266 230	130 143
<i>Title II</i>	2 800 000	2 711 328	88 672	2 113 236	598 092
<i>Title III</i>	5 945 000	5 923 073	21 927	3 690 096	2 232 977
TOTAL	25 715 600	25 030 954	684 646	22 069 562	2 961 212

3.3.2. 2014-C4 Assigned revenues

<i>2014-C4</i>	<i>Appropriations</i>	<i>Commitments</i>	<i>Not used</i>	<i>Paid</i>	<i>To be carry-forwarded²</i>
<i>Title I</i>	47 153,29	28 681,29	18 472,00	0	1 812,03
<i>Title III</i>	3 021,35	0	3 021,35	0	3 021,35
TOTAL	50 174,64	28 681,29	21 493,35	0	4 833,38

<i>2014-C8</i>	<i>Carry-forward</i>	<i>Paid</i>	<i>To be cancelled</i>
<i>Title I</i>	129 190	105 865	23 325
<i>Title II</i>	517 651	489 977	27 674
<i>Title III</i>	1 574 976	1 556 376	18 600
TOTAL	2 221 817	2 152 218	69 599

¹ Decision n°97 of the Administrative Board of the European Railway Agency adopting an amending budget 2014 on 19 March 2014

² This carry-forward amount contains C4. For Title I, the amount to be carry-forwarded does not contain any salary expenses. The total amount € to carry forward is € 1 812,03 (as C8). The total amount to carry over is € 3 021,35 (as C5).

3.3.2.1. Title I

With total budget of € 16 970 600, the budgetary execution of 2014-C1 appropriations reached 96.6% for commitments and 95.8% for payments at the end of 2014.

At the end of 2014, 8 posts were left vacant in order to reach the 140 posts of the 2014 establishment plan adopted.

Payments execution of 2014-C8 appropriations reached 82% of the total amount carried over in Title I (€ 129 189).

3.3.2.2. Title II

With total budget of € 2 800 000, the budgetary execution of 2014-C1 appropriations reached 96.8% for commitments and 75.5% for payments at the end of 2014.

Payment execution of 2014-C8 appropriations reached 94.6% of the total amount carried over in Title II (€ 517 651).

3.3.2.3. Title III

With total budget of 5 945 000, the budgetary execution of 2014-C1 appropriations reached 99% for commitments and 62% for payments at the end of 2014.

Payments execution of 2014-C8 appropriations reached 98.8% of the total amount carried over in Title III (€ 1 574 976).

3.3.2.4. Total Budget

For C1 Appropriations:

The level of execution of the total commitment appropriations 2014-C1 reached 97 % of the appropriations and reached:

- › T1: 96,6%
- › T2: 96,8%
- › T3: 99,6%

With regard to the execution of payment appropriations 2014-C1, the Agency used 86 % of the appropriations and reached:

- › T1: 95,9%
- › T2: 75,5%
- › T3: 62,1%

For C8 Appropriations:

Payments execution of 2014-C8 appropriations reached 96.9% of the total amount of € 2 221 816 carried over (€ 69 599 were cancelled).

3.4. Multi-annual comparison

2014-C1	2008	2009	2010	2011	2012	2013	2014
<i>Budget</i>	18 000 000	21 000 000	24 147 240	25 988 665	25 799 000	25 858 799	25 715 600
<i>Commitments C1</i>	17 254 187	20 598 991	23 969 587	24 638 232	24 489 177	25 306 933	25 030 954
<i>% Commitments C1 / Budget</i>	96 %	98 %	99 %	95 %	95 %	98 %	97 %
<i>Unused C1 budget</i>	745 813	401 009	177 653	1 350 433	1 309 823	551 866	684 646
<i>Payments C1</i>	13 150 158	16 052 085	18 504 096	21 020 345	22 090 435	22 786 192	22 069 562
<i>% Payments C1 / Commitments C1</i>	76 %	78 %	77 %	85 %	90 %	88 %	86 %
<i>Payment appropriations C1 to be carried over</i>	4 104 029	4 546 906	5 465 491	3 617 887	2 398 742	2 221 817	2 961 031
<i>% Payment appropriations C1 to be carried over / Commitments C1</i>	24 %	22 %	23 %	15 %	10 %	8.8 %	11.8 %

For 2014-C1 fund sources:

- › The execution of C1 commitment appropriations reached a high level of 97%;
- › The level of C1 payment execution reached 86%;
- › The C1 payment appropriations to be carried over amount to € 2 961 392 which represents 11.8% of the appropriations committed.

2014-C8	2008	2009	2010	2011	2012	2013	2014
<i>Commitments carried over C8</i>	2 694 913	4 104 029	4 545 798	5 465 491	3 617 887	2 398 742	2 221 817
<i>C8 to be cancelled</i>	484 494	520 818	292 742	126 116	126 316	87 293	69 599
<i>% C8 to be cancelled / Commitments carried over C8</i>	18 %	13 %	6 %	2 %	3 %	3.6 %	3.1 %

For 2014-C8 fund sources:

- › The unpaid balance of the carry-overs remained stable at around 3% as compared to the last four years.

4. Expenditure

4.1. TITLE I

4.1.1. Chapter 11 – Staff in active employment

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
16 250 600	15 735 109	15 685 398	15 899 476	15 493 206	15 127 238
	97%	96%		97%	95%

2014 C4			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
47 153,29	28 681,29	0			
	61%				

At the end of 31/12/2014, the Agency employed 132 Temporary Agents and 15 Contract Agents.

Eight posts were left still vacant compared to the 140 posts of the establishment plan adopted.

In 2014, the Agency welcomed 11 trainees.

4.1.2. Chapter 13 – Missions and travel

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
150 000	147 937	147 592	129 000	129 000	124 925
	98%	98%		100%	97%

This chapter covers the costs incurred by the staff during missions (daily allowances and travel costs).

Throughout 2014, 744 administrative missions took place, including trips for trainings and medical services.

4.1.3. Chapter 14 – Socio-medical infrastructure

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
290 000	271 649	193 022	344 000	299 058	239 132
	94%	67%		87%	70%

2014 C4			2013 C4		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
			4 500	4 500	0
				100%	0%

This chapter covers the costs of annual and pre-recruitment medical inspections and the costs of staff training needs.

The amount committed in 2014 (€ 271 649) is distributed as follows:

- › Medical visits € 35 481
- › Trainings ordered through the catalogue of the Commission € 25 500
- › Languages training courses € 90 726
- › Ad hoc training courses € 119 942

4.1.4. Chapter 15 – Seconded National Experts

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
275 000	238 508	238 508	210 000	208 884	208 884
	87%	87%		99%	99%

The Agency employed 4 Seconded National Experts in 2014.

4.1.5. Chapter 17 – Entertainment and representation expenses

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
5 000	3 350	1 709	7 524	1 675	1 641
	67%	34%		22%	22%

This chapter covers the Agency's representation expenses.

4.2. TITLE II

4.2.1. Chapter 20 – Rental of buildings and associated costs

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
1 182 934	1 175 566	1 055 391	1 563 930	1 563 793	1 380 951
	99%	89%		100%	88%

This chapter covers the cost of renting the Agency's premises and all associated expenditure (heating, cleaning, security and other expenditure on buildings). The Agency has two sites: one in Valenciennes (administrative seat) and one in Lille (conference rooms).

The Agency is also renting parking spaces for its staff.

The expenditures related to the lease of the premises and associated services (e.g. reception, security, cleaning) are relatively stable (subject to year index factor).

Improvements of the electric grid and cooling systems in the server room were achieved (77.000 €).

Health and Safety initiatives were introduced (11.000 €).

4.2.2. Chapter 21 – Data processing

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
1 025 517	1 001 422	606 192	672 042	672 042	489 860
	98%	59%		100%	73%

2014 C4			2013 C4		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
93 863	84 444	75 544	20 521	20 515	18 626
				100%	91

This chapter covers the expenses related to the purchase and maintenance of data processing equipment and software.

In the course of 2014 the Agency has enhanced the data centre by acquiring additional blades and disks for the servers that operate in virtual environment (€ 425 000 with the related services). In order to renew the fleet of the laptop at the end of the life-cycle, € 205 000 were committed.

In addition, the recurring costs were:

- › Software: ABAC system cost has been € 121 000. The yearly renewal of the other available licenses totalled at € 194 000. The cost to have access to on-line services was € 49 000.

4.2.3. Chapter 22 – Movable property and associated costs

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
93 863	84 444	75 544	79 441	65 364	31 804
	90%	80%		82%	40%

This chapter covers equipment for audio-visual, documentation storage, archiving and mail handling, hiring of fax machines, photocopiers, purchase of office furniture.

The Agency improved the equipment of the meeting area in Valenciennes (€ 57 000).

4.2.4. Chapter 23 – Current administrative expenditures

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
178 464	171 245	158 872	153 085	151 577	123 638
	96%	89%		99%	81%

This chapter covers:

- › stationery and office supplies € 74 700;
- › legal expenses € 20 870;
- › miscellaneous insurance € 1254;
- › internal meetings and social events € 40 225;
- › departmental removals and associated handlings € 20 535;
- › petty expenses € 8 000;
- › publications and translations € 5 661.

4.2.5. Chapter 24 – Postal expenses and Telecommunications

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
139 859	139 103	80 189	158 141	158 141	113 620
	99%	57%		95%	72%

This chapter covers postal and delivery expenses, subscription expenses, cost of communication (telephone, internet, mobiles and data transmission) and all related equipment (purchase, maintenance, cabling of building).

The cost for the contracted telecom services was € 109 000, including the current s-Testa and future Test-ng connection.

Due to the obsolescence of the smart phone devices, the fleet was renewed (€ 18 000).

4.2.6. Chapter 25 – Meetings and associated costs

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
179 363	139 548	137 047	233 358	220 996	176 279
	78%	76%		95%	75%

This chapter covers the travel, subsistence and incidental expenses of the Members of the Administrative Board and the Sub-Committee on Financial, Budgetary and Staff-Related Issues.

Below is the list of Administrative Board and “Sub-Committee” meetings held in 2014.

Sub-committee	Administrative Board
23/01/2014	19/03/2014
05/03/2014	26/06/2014
18/06/2014	30/09/2014
18/09/2014	26/11/2014
13/11/2014	

4.3. TITLE III

4.3.1. Chapter 30 – Operational activities

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
3 135 975	3 126 468	2 040 674	3 446 746	3 408 367	2 668 292
	99%	65%		99%	77%

2014 C4			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
3 021,35	0	0			
	0%	0%			

This chapter covers all expenses directly linked to the Regulation n°881/2004. Namely, the main expenses are costs of the working groups (reimbursement of experts’ travel and daily subsistence), the studies and the translations linked to the operational activities.

For general activities (missions, experts, catering), the total amount committed was € 1 449 000 in 2014 vs. € 1 708 000 in 2013. The carry-overs linked to the general activities decreased to 6.4% vs. 7.5% (€ 92 500 in 2014 vs. € 128 083 in 2013).

For studies, the total amount committed was € 726 000 in 2014 vs. € 932 000 in 2013. The carry-overs linked to the studies increased to 58% in 2014 vs. 43% in 2013.

For translation and interpretation services € 952 000 has been committed in 2014 vs. € 618 642 in 2013. The carry-overs linked to the studies increased to 41% in 2014 vs. 33% in 2013.

For this chapter, the execution of payments appropriations 2014-C8 reached 98.9% of the total amount carried over € 740 075 (only € 7 940 were cancelled).

4.3.2. Chapter 31 – Operational expenditures

2014			2013		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
2 809 025	2 796 604	1 649 422	2 962 053	2 934 827	2 099 927
	99%	59%		100 %	71%

This chapter covers operational expenditures such as scientific library, IT dedicated systems, information and communication.

The Agency provided ICT services and information management supporting the operational activities for the following IT systems that were maintained and further developed:

- › European Railway Agency Database of Interoperability and Safety (ERADIS)
- › European Centralised Virtual Vehicle Register (ECVVR)
- › Reference Document Database (RDD)
- › Extranet
- › ERTMS Tool
- › European Railway Accident Investigation Links (ERAIL)
- › Register of Infrastructure (RINF)
- › European Register of Authorised Types of Vehicles (ERATV)
- › National Safety Authority Cross-Audit web application (NSA XA)

The number of IT systems has been increasing each year and the weight of the provided services has an impact on the budget. Out of € 2 796 604 committed for dedicated IT systems in Title III, € 1 147 182 were carried over.

For the website maintenance/development, € 105 000 were committed.

The execution of payments appropriations 2014-C8 reached 98.7% of the € 834.900 of the total amount carried over.