



# Final Annual Accounts 2011 of the European Centre for Disease Prevention and Control

**Seventh Financial Year – 2011**

**Stockholm, June 1<sup>st</sup> 2012**

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## 1. Final Annual Accounts – Certification

The annual accounts of the European Centre for Disease Prevention and Control for the year 2011 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.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European Centre for Disease Prevention and Control in accordance with art 43 of ECDC's Financial Regulation.

I have obtained from the authorising officer, who certified its reliability, all the information necessary for the production of the accounts that show the European Centre for Disease Prevention and Control's assets and liabilities 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 a true and fair view of the financial position of the European Centre for Disease Prevention and Control in all material aspects .

*Stockholm, June 1<sup>st</sup> 2012*

A handwritten signature in blue ink, appearing to read 'A. Van Brabant', with a horizontal line underneath.

Van Brabant Anja  
Accounting Officer of ECDC

## 2. Annual Accounts – Presentation

The annual accounts of the European Centre for Disease Prevention and Control include the financial statements and the report on implementation of the budget. They are accompanied by the report on budget and financial management during the year.

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

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

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

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

The annual accounts are drawn up in accordance with Article 76 of the Financial Regulation of the European Centre for Disease Prevention and Control adopted by the Management Board on 14th November 2008.

According to Article 82 of this Financial Regulation, the Centre's accounting officer shall send to the Commission's accounting officer by no later than 1 March of the following year its Provisional annual accounts, together with the report on budgetary and financial management during the year, referred to in Article 76 of this regulation.

The Director shall send the Final annual accounts, together with the opinion of the management board, to the Commission's accounting officer, the Court of Auditors, the European Parliament and the Council, by 1 July of the following year at the latest.

The Final annual accounts will be published in the Official Journal of the European Communities together with the statement of assurance given by the Court of Auditors by 15<sup>th</sup> of November of the following year in accordance with Article 83 of ECDC's Financial Regulation.

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

### 3. Accounting principles, rules and methods

The Annual Accounts of the Centre have been prepared according to Article 78 of the Financial Regulation which sets out the following accounting principles to be applied in drawing up the financial statements:

- o going concern basis;
- o prudence;
- o consistent accounting methods;
- o comparability of information;
- o materiality;
- o no netting;
- o reality over appearance;
- o accrual-based accounting.

and according to the accounting rules and methods adopted by the Commissions' Accounting Officer (Article 43d of the Financial Regulation)

#### Reporting Currency

The Centre's reporting currency is the Euro

#### Transactions and balances

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

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

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

#### Intangible fixed assets & Internally Developed Intangible fixed assets

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

The Accounting Officer of the European Commission had granted a temporary exception with respect to the introduction of the International Public Sector Accounting Standards (IPSAS) based EC rules. One of these exceptions related to Accounting Rule n°6 and the non-capitalisation of internally developed intangible assets, normally software. From 2010 onwards, the exception has been lifted and as a consequence, the annual accounts have to reflect the capitalization of internally developed intangible fixed assets in accordance with the rules laid down. From an accounting perspective there are only three phases to an IT Project: a Research phase, a Development phase and an Operational phase. Under the accounting rule, only the development phase can be capitalized and recorded as 'Assets under construction'. Once the project goes live, the resulting asset (the development cost) will be amortised over its useful life which means the costs will be spread over several years. The

depreciation rates should range between 3 and 8 years. The amount of research expenses incurred on IT projects and development costs not capitalized are disclosed in these annual accounts 2011 as required. In addition to the criteria which an intangible asset should meet, also a threshold had to be set for the total estimated development cost of an IT project. The threshold for ECDC was set at € 150 thousand.

The application of accounting rule n° 6 in the annual accounts of 2011 increases the transparency related to the Centre's internally developed intangible fixed assets in particular its internally developed IT projects (for example GIS, EPIS, VBORNET, E3, Tessy, CRM, TTT and others)

### Tangible fixed assets

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

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

| Type of Asset                  | Depreciation Rate |
|--------------------------------|-------------------|
| Intangible assets              | 25%               |
| Plant, machinery and equipment | 10% to 25%        |
| Furniture & Vehicles           | 10% to 25%        |
| Fixtures and fittings          | 10% to 33%        |
| Computer hardware              | 25%               |

In addition, improvements to the building are capitalized and depreciated over the lease period which runs according with the contract signed in 2007 between ECDC and the landlord Akademiska Hus AB until 31/1/2018.

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

### Impairment of assets

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

## Inventories

The inventories shown in the accounts reflect the stock of publications of the Centre at year-end. These inventories are assets held for distribution in the ordinary course of its operations. The Centre's inventories are goods purchased which are for distribution to other parties for no charge. These parties are mainly our stakeholders: Management Board, Advisory Forum, Member States, and Competent Bodies etc. These publications are also distributed at conferences and events.

As the Centre controls the rights to create and issue various assets, these publications are recognized as inventories and reported at their printing cost. The cost of these inventories is assigned by using the first-in, first-out method (FIFO). Publications which are, at year-end, older than N-1, are written down as these hold no longer a service potential expected to be realized from their distribution.

## Receivables

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

## Cash & cash equivalents

Cash and cash equivalents include bank accounts and one imprest account.

## Use of estimates

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

## 4. Financial Statements

### 4.1. Balance Sheet

| <b>Balance Sheet</b>                           | <i>Notes</i> | <i>As at Dec. 31,<br/>2011</i> | <i>As at Dec. 31,<br/>2010</i> |
|--|--------------|--------------------------------|--------------------------------|
|  |              | <i>(All amounts in €)</i>      |                                |
| <b>Assets</b>                                  |              |                                |                                |
| <b>A. Non Current Assets</b>                   |              |                                |                                |
| Intangible Assets                              | 4.5.1        | 848.073,14                     | 574.044,59                     |
| Intangible fixed assets under construction     | 4.5.1        | 1.644.327,99                   | 1.123.945,52                   |
| Tangible Fixed Assets                          | 4.5.2        | 2.600.743,31                   | 2.703.249,22                   |
| <b>Total Assets</b>                            |              | <b>5.093.144,44</b>            | <b>4.401.239,33</b>            |
| <b>Total Non Current Assets</b>                |              | <b>5.093.144,44</b>            | <b>4.401.239,33</b>            |
| <b>B. Current Assets</b>                       |              |                                |                                |
| Prefinancing                                   | 4.5.3        | 65.423,40                      | 226.665,00                     |
| Stocks   | 4.5.4        | 81.640,80                      | 42.813,39                      |
| Short Term Receivables                         | 4.5.5        | 373.538,76                     | 541.489,99                     |
| Accrued Income                                 | 4.5.6        | 253.670,81                     | 216.905,78                     |
| Deferred Charges                               | 4.5.6        | 356.892,96                     | 339.255,13                     |
| Cash and Cash equivalents                      | 4.5.7        | 7.371.769,13                   | 10.082.951,48                  |
| <b>Total Current Assets</b>                    |              | <b>8.502.935,86</b>            | <b>11.450.080,77</b>           |
| <b>Total Assets</b>                            |              | <b>13.596.080,30</b>           | <b>15.851.320,10</b>           |
| <b>Liabilities</b>                             |              |                                |                                |
| <b>A. Capital</b>                              |              |                                |                                |
| Accumulated surplus                            | 4.4          | 9.207.176,16                   | 16.276.578,46                  |
| Economic result of the year                    | 4.4          | (2.938.210,25)                 | (7.069.402,30)                 |
| <b>Total Capital</b>                           |              | <b>6.268.965,91</b>            | <b>9.207.176,16</b>            |
| <b>B. Non Current Liabilities</b>              |              |                                |                                |
| Long term Provisions                           |              | 0,00                           | 0,00                           |
| <b>C. Current Liabilities</b>                  |              |                                |                                |
| Short-term provisions                          | 4.5.8        | 962.319,76                     | 0,00                           |
| Accounts Payable                               | 4.5.9        | 2.142.367,18                   | 1.632.073,48                   |
| Pre-financing to be returned to the Commission | 4.5.10       | 0,00                           | 0,00                           |
| Open Pre-financing from Grants                 | 4.5.10       | 253.670,81                     | 439.044,78                     |
| Deferrals & Accruals                           | 4.5.11       | 3.968.756,64                   | 4.573.025,68                   |
|  |              | <b>7.327.114,39</b>            | <b>6.644.143,94</b>            |
| <b>Total Liabilities</b>                       |              | <b>13.596.080,30</b>           | <b>15.851.320,10</b>           |



## 4.2. Economic Outturn Account

|   |        | 2011                      | 2010                   |
|---|--------|---------------------------|------------------------|
|   |        | <i>(All amounts in €)</i> |                        |
| <b>Operating Revenue</b>                                      | 4.5.12 | <b>56.863.808,37</b>      | <b>48.443.126,86</b>   |
| <b>Administrative Expenses</b>                                | 4.5.13 | <b>(40.884.446,74)</b>    | <b>(34.854.881,20)</b> |
| <i>Staff related expenses</i>                                 | 4.5.13 | <i>(23.965.418,57)</i>    | <i>(20.611.241,71)</i> |
| <i>Depreciation/Amortisation/Write-off</i>                    | 4.5.13 | <i>(1.251.981,86)</i>     | <i>(1.162.810,80)</i>  |
| <i>Other Administrative Expenses</i>                          | 4.5.13 | <i>(15.667.046,31)</i>    | <i>(13.080.828,69)</i> |
| <b>Operational Expenses</b>                                   | 4.5.14 | <b>(17.634.694,81)</b>    | <b>(19.452.124,62)</b> |
| <b>Surplus from Administrative &amp; Operating Activities</b> |        | <b>(1.655.333,18)</b>     | <b>(5.863.878,96)</b>  |
| Financial revenues  | 4.5.15 | <b>0,00</b>               | <b>0,00</b>            |
| Financial Expenses  | 4.5.15 | <b>(3.125,93)</b>         | <b>(19.426,44)</b>     |
| Currency Exchange Gains/(Losses)                              | 4.5.16 | <b>(1.279.751,14)</b>     | <b>(1.186.096,90)</b>  |
| <b>Economic Result for the Year</b>                           |        | <b>(2.938.210,25)</b>     | <b>(7.069.402,30)</b>  |

### 4.3. Cash Flow Statement

|  | 2011                         | 2010                          |
|--|------------------------------|-------------------------------|
| <b>Cash Flows from ordinary activities</b>                             |                              |                               |
| <b>Surplus/(deficit) from ordinary activities</b>                      | <b>(2.938.210,25)</b>        | <b>(7.069.402,30)</b>         |
| <b>Operating activities</b>  |                              |                               |
| <u>Adjustments</u>   |                              |                               |
| Amortization (intangible fixed assets)                                 | 268.185,29                   | 221.741,77                    |
| Depreciation (tangible fixed assets)                                   | 973.240,54                   | 928.723,27                    |
| Increase/(decrease) in Provisions for risks and liabilities            | 962.319,76                   | (122.000,00)                  |
| Increase/(decrease) in Value reduction for doubtful debts              | 0,00                         | (2.973,54)                    |
| (Increase)/decrease in Stock   | (38.827,41)                  | (1.599,13)                    |
| (Increase)/decrease in Long term Pre-financing                         | 0,00                         | 0,00                          |
| (Increase)/decrease in Short term Pre-financing                        | 161.241,60                   | (119.781,00)                  |
| (Increase)/decrease in Short term Receivables                          | 100.328,24                   | (328.551,63)                  |
| (Increase)/decrease in Receivables related to consolidated EU entities | 13.220,13                    | (372,03)                      |
| Increase/(decrease) in Accounts payable                                | (51.128,38)                  | (350.821,45)                  |
| Increase/(decrease) in Liabilities related to consolidated EU entities | (228.220,93)                 | (2.163.729,86)                |
| Other non-cash movements   | 230.669,90                   | 29.251,05                     |
| <b><i>Net cash Flow from operating activities</i></b>                  | <b><u>(547.181,51)</u></b>   | <b><u>(8.979.514,85)</u></b>  |
| <b>Cash Flows from investing activities</b>                            |                              |                               |
| Increase of tangible and intangible fixed assets                       | (2.164.000,84)               | (2.386.207,42)                |
| <b><i>Net cash flow from investing activities</i></b>                  | <b><u>(2.164.000,84)</u></b> | <b><u>(2.386.207,42)</u></b>  |
| Net increase/(decrease) in cash and cash equivalents                   | <b><u>(2.711.182,35)</u></b> | <b><u>(11.365.722,27)</u></b> |
| <b><i>Cash and cash equivalents at the beginning of the period</i></b> | <b>10.082.951,48</b>         | <b>21.448.673,75</b>          |
| <b><i>Cash and cash equivalents at the end of the period</i></b>       | <b><u>7.371.769,13</u></b>   | <b><u>10.082.951,48</u></b>   |

#### 4.4. Statement of Changes in Capital

| Capital<br><i>(All amounts in €)</i>                  | Reserves                 |                   | Accumulated<br>Surplus /<br>Deficit | Economic result<br>of the year | Total Capital       |
|---|--------------------------|-------------------|-------------------------------------|--------------------------------|---------------------|
|   | Fair<br>value<br>reserve | Other<br>reserves |                                     |                                |                     |
| <b>Balance as of 1 January 2011</b>                   | <b>0,00</b>              | <b>0,00</b>       | <b>16.276.578,46</b>                | <b>(7.069.402,30)</b>          | <b>9.207.176,16</b> |
| Other revaluations                                    | 0,00                     | 0,00              | 0,00                                | 0,00                           | 0,00                |
| Reclassifications                                     | 0,00                     | 0,00              | 0,00                                | 0,00                           | 0,00                |
| Allocation of the Economic Result of<br>Previous Year | 0,00                     | 0,00              | (7.069.402,30)                      | 7.069.402,30                   | 0,00                |
| Economic result of the year                           | 0,00                     | 0,00              | 0,00                                | (2.938.210,25)                 | (2.938.210,25)      |
| <b>Balance as of 31 December 2011</b>                 | <b>0,00</b>              | <b>0,00</b>       | <b>9.207.176,16</b>                 | <b>(2.938.210,25)</b>          | <b>6.268.965,91</b> |

## 4.5. Notes to the Financial Statements

### 4.5.1. Intangible Assets

*All amounts in €*

|   | Internally generated Computer Software | Other Computer Software | Total Computer Software | Other Intangible fixed assets (1) | Intangible fixed assets under construction | Total               |
|---|--|-------------------------|-------------------------|-----------------------------------|--|---------------------|
| <b>Gross carrying amounts 01.01.2011</b>                  | <b>0,00</b>                            | <b>1.156.583,51</b>     | <b>1.156.583,51</b>     | <b>00,0</b>                       | <b>1.123.945,52</b>                        | <b>2.280.529,03</b> |
| Additions   |  | 542.213,84              | 542.213,84              |                                   | 740.496,34                                 | 1.282.710,18        |
| Disposals   |  |                         |                         |                                   | (220.113,87)                               | (220.113,87)        |
| Transfer between headings                                 |  |                         |                         |                                   |  |                     |
| Other changes   |  |                         |                         |                                   |  |                     |
| <b>Gross carrying amounts 31.12.2011</b>                  | <b>0,00</b>                            | <b>1.698.797,35</b>     | <b>1.698.797,35</b>     | <b>0,00</b>                       | <b>1.644.327,99</b>                        | <b>3.343.125,34</b> |
| <b>Accumulated amortization and impairment 01.01.2011</b> |  | <b>(582.538,92)</b>     | <b>(582.538,92)</b>     |                                   | <b>0,00</b>                                | <b>(582.538,92)</b> |
| Amortization  |  | (268.185,29)            | (268.185,29)            |                                   | 0,00                                       | (268.185,29)        |
| Write-back of amortization                                |  |                         |                         |                                   |  |                     |
| Disposals   |  |                         |                         |                                   | 0,00                                       | 0,00                |
| <b>Accumulated amortization 31.12.2011</b>                |  | <b>(850.724,21)</b>     | <b>(850.724,21)</b>     |                                   | <b>0,00</b>                                | <b>(850.724,21)</b> |
| <b>Net carrying amounts 31.12.2011</b>                    | <b>0,00</b>                            | <b>848.073,14</b>       | <b>848.073,14</b>       | <b>0,00</b>                       | <b>1.644.327,99</b>                        | <b>2.492.401,13</b> |

| Not capitalised cost  | Research cost     | Not capitalised development cost * |
|-----------------------|-------------------|------------------------------------|
| Cost of the year 2011 | <b>591.334,99</b> | <b>1.167.583,55</b>                |

\* Including yearly amortization on the capitalised Intangible Internally generated

#### 4.5.2. Fixed Assets

*All amounts in €*

|  | Buildings           | Plant and Equipment | Computer hardware     | Furniture and vehicles | Tangible Fixed Assets under Construction | Total                 |
|--|---------------------|---------------------|-----------------------|------------------------|--|-----------------------|
| <b>Gross carrying amounts 01.01.2011</b>   | <b>997.295,80</b>   | <b>970.150,04</b>   | <b>2.652.982,31</b>   | <b>723.973,96</b>      | <b>0,00</b>                              | <b>5.342.234,77</b>   |
| Additions                                  | 74.869,63           | 43.831,22           | 649.645,22            | 112.944,59             |  | <b>881.290,66</b>     |
| Disposals                                  |                     | (597,92)            | (16.864,65)           | 34.180,43              |  | <b>(51.643,00)</b>    |
| Transfer between headings                  |                     |                     |                       |                        |  | <b>0,00</b>           |
| Other changes                              |                     |                     |                       |                        |  | <b>0,00</b>           |
| <b>Gross carrying amounts 31.12.2011</b>   | <b>1.072.165,43</b> | <b>1.013.383,34</b> | <b>3.283.595,54</b>   | <b>802.738,12</b>      | <b>0,00</b>                              | <b>6.171.882,43</b>   |
| <b>Accumulated depreciation 01.01.2011</b> | <b>(289.341,22)</b> | <b>(684.553,35)</b> | <b>(1.373.165,73)</b> | <b>(291.925,25)</b>    | <b>0,00</b>                              | <b>(2.638.985,55)</b> |
| Depreciation                               | (109.147,14)        | (177.129,23)        | (606.524,98)          | (80.439,19)            |  | <b>(973.240,54)</b>   |
| Write-back of depreciation                 |                     |                     |                       |                        |  |                       |
| Disposals                                  |                     | 199,31              | 6.707,23              | 34.180,43              |  | <b>41.086,97</b>      |
| Impairment                                 |                     |                     |                       |                        |  | <b>0,00</b>           |
| Write-back of impairment                   |                     |                     |                       |                        |  | <b>0,00</b>           |
| Transfer between headings                  |                     |                     |                       |                        |  | <b>0,00</b>           |
| Other changes                              |                     |                     |                       |                        |  | <b>0,00</b>           |
| <b>Accumulated depreciation 31.12.2011</b> | <b>(398.488,36)</b> | <b>(861.483,27)</b> | <b>(1.972.983,48)</b> | <b>(338.184,01)</b>    | <b>0,00</b>                              | <b>(3.571.139,12)</b> |
| <b>Net carrying amounts 31.12.2011</b>     | <b>673.677,07</b>   | <b>151.900,07</b>   | <b>1.310.612,06</b>   | <b>464.554,11</b>      | <b>0,00</b>                              | <b>2.600.743,31</b>   |

### 4.5.3. Pre-financing

The Centre has signed grant agreements with several Health Institutions and Universities of EU member states in relation to its activities. Pre-financing payments in relation to those grants are reported as receivables and cleared after the agreed deliverables and corresponding costs statements are submitted by the beneficiaries to ECDC. The total amounts of Pre-financing paid (but not cleared), accrued and remaining open as, at 31/12/2011 is reported below:

*All amounts in €*

|   |                     |
|---|---------------------|
| Non cleared pre-financing at 31/12/2011 | 395.855,61          |
| Accrued Charges on Pre-financing        | <u>(330.432,21)</u> |
| <b>Open pre-financing at 31/12/2011</b> | <b>65.423,40</b>    |

### 4.5.4. Stocks

*All amounts in €*

|                   | 01/01/2011       | Additions        | Disposals          | Write down<br>at year end | 31/12/2011       |
|-------------------|------------------|------------------|--------------------|---------------------------|------------------|
| ECDC Publications | 42.813,39        | 90.623,59        | (39.145,00)        | (12.651,18)               | 81.640,80        |
| Other             | 0,00             | 0,00             | (0,00)             | 0,00                      | 0,00             |
| <b>Total</b>      | <b>42.813,39</b> | <b>90.623,59</b> | <b>(39.145,00)</b> | <b>(12.651,18)</b>        | <b>81.640,80</b> |

The additions reflect the amount of publications purchased at printing cost in 2011. The amount disposed shows the amount of publications distributed free of charge in 2011. The amount written down equals the value of publications in stock which are older than N-1, as these hold no longer a service potential, expected to be realized from their distribution.

### 4.5.5. Short term Receivables

Short term receivables relate to the following:

*All amounts in €*

|  | 31/12/2011        | 31/12/2010        |
|--|-------------------|-------------------|
| VAT Receivable from Member States                | 371.257,43        | 499.383,68        |
| Receivable from other EU institutions and bodies | 855,78            | 14.075,91         |
| Receivable from Staff                            | 1.425,55          | 27.030,40         |
| Other  | 0,00              | 1.000,00          |
| <b>Total</b>                                     | <b>373.538,76</b> | <b>541.489,99</b> |

Short term receivables comprises mainly of VAT Receivable from the Swedish Authorities. According to the Memorandum of Understanding signed between the Government of Sweden and the Centre, the later has to file an application of Reimbursement of VAT paid on purchases greater than SEK 1.500 (approx. 168€ at EC year-end rate 2011). The VAT receivable appearing in the accounts relates to invoices paid in the last quarter of 2011. Previous claims during 2011 were already paid back in full.

The amount of € 855,78 concerns salary related receivables generated by transfer of EU employees from other agencies to ECDC.

#### 4.5.6. Deferred Charges & Accrued Income

Deferred Charges relate mainly to warranties and maintenance costs in relations to ICT equipment that are paid in advance upon reception of goods but are valid for a period longer than 12 months (usually 3 years). The part not related to 2011 is reported here.

Accrued income relates to the cut-off procedure at year-end for the second Grant from DG Enlargement, which was further implemented by ECDC in 2011 and ended on the 30/11/2011.

#### 4.5.7. Cash in Bank and imprest account

The Centre keeps its accounts to SEB bank in Euro and in SEK. The balances as at December 31, 2011 are as follows:

*All amounts in €*

|                          | <b>31/12/2011</b>   | <b>31/12/2010</b>    |
|--------------------------|---------------------|----------------------|
| Acc No 59368289476 (EUR) | 4.923.283,43        | 9.274.822,80         |
| Acc No 59378215971 (EUR) | 32.301,69           | 215.153,38           |
| Acc No 52011096375 (SEK) | 2.415.424,29        | 589.724,90           |
| Acc No 52011097061 (SEK) | 759,72              | 3.250,40             |
| Cash in Hand             | 0,00                | 0,00                 |
| <b>Total</b>             | <b>7.371.769,13</b> | <b>10.082.951,48</b> |

The Centre mainly uses the account No 52011096375 to execute its local transactions in SEK while the Euro account No 59368289476 is used for cross border payments and the reception of the Commission subsidy. Account No 59378215971 (EUR) is used to for receiving the funds and execute the payments related to the DG Enlargement grant for the cooperation of the Centre with the Candidate and Potential Candidate countries, while account No 52011097061 is the imprest account of the Centre. No cash has been handled by the Centre in 2011.

#### 4.5.8. Short Term Provisions

In 2011, 2 short term provisions were booked. One provision for € 300.000 has been booked for an ex-staff related court case which is pending a decision from the Court of Justice. The other provision for 662.319,76 € has been booked to reflect the decision from the Council, made on the 19<sup>th</sup> of December 2011, not to adopt the European Commission's proposal related to the adjustment, with the effect from 1 July 2011, of the remuneration and pension of the officials and other servants of the European Union and the corrections coefficients applied thereto. And the fact that the European Commission has introduced a legal action before the Court of Justice against the Council for not adopting the annual adjustment to remuneration and pensions of EU staff for 2011.

### 4.5.9. Accounts Payable

The breakdown of accounts payable at the end of the year is as follows:

*All amounts in €*

|  | <b>31/12/2011</b>   | <b>31/12/2010</b>   |
|--|---------------------|---------------------|
| Vendors  | 2.032.318,47        | 1.484.936,79        |
| Interest Income payable to the Commission (1)        | 77.775,13           | 27.870,55           |
| Other payables to the Commission                     | 3.349,50            | 23.917,12           |
| Other payables to Member States                      | 28.500,00           | 0,00                |
| Social Security Contributions & income taxes payable | 0,00                | 75.963,07           |
| Sundry Payables                                      | 424,08              | 19.385,95           |
| <b>Total</b>   | <b>2.142.367,18</b> | <b>1.632.073,48</b> |

(1) see also Note 4.5.15

### 4.5.10. Pre-financing

#### *Pre-financing to be returned to the EC*

In general, the amount represents the positive outturn of the budgetary accounts that according to the financial regulation is to be returned to the Commission.

In 2011, ECDC had a positive budget outturn (see also 5.1), but when added to the negative outturn from previous years, the overall balance of the outturn remains negative therefore no amount has to be returned to the Commission for 2011.

#### *Open pre-financing*

An amount of € 253 thousand, which cover expenditure related to the further implementation of the second grant agreement with DG Enlargement for actions with the candidate and potential candidate countries which ended 30/11/2011.



#### 4.5.11. Accrued Expenses & Deferred Income

Accrued expenses are estimates provided by the authorising officers on the cost of services and deliveries of goods incurred during 2011 but not yet invoiced or processed. In addition, the cost of the untaken leave of staff during 2011 is reported here

|                      | <i>All amounts in €</i> |                     |
|----------------------|-------------------------|---------------------|
|                      | <b>31.12.2011</b>       | <b>31.12.2010</b>   |
| Untaken annual leave | 464.340,12              | 564.380,00          |
| Accrued charges      | 3.494.064,52            | 4.007.645,68        |
| <b>Total</b>         | <b>3.958.404,64</b>     | <b>4.572.025,68</b> |

10.352,00 € has been booked as deferred income, being proceeds from the sale of vehicle and insurance payments

#### 4.5.12. Revenue

The Centre is almost exclusively financed by the Community Budget together with the EFTA Member States contributing to its budget by approximately 2%.

During 2011, the Centre received an amount of € 16 thousand back from insurance companies related to insurance claims introduced prior to 2011. This amount has been included in the budget tables 2011 in order to be returned to the European Commission.

The Centre is also reporting, as accrued revenue, an amount of € 190 thousand related to the second Grant from DG Enlargement for cooperation with the candidate and potential candidate countries for accession to the Union. The accrued revenue is equal to the expenditures made for Grant 2 during 2011. Related to the first grant agreement, ECDC and DG Enlargement have come to a mutual agreement about the total expenditure made under grant I, as a consequence there are no longer open amounts on the balance sheet.

Below is the breakdown of the revenue for the year:

|  | <i>All amounts in €</i> |                      |
|--|-------------------------|----------------------|
|  | <b>2011</b>             | <b>2010</b>          |
| Community Subsidy (including EEA contribution) | 56.656.000,00           | 48.254.334,00        |
| DG Enlargement Grant 1                         | 0,00                    | 0,00                 |
| DG Enlargement Grant 2                         | 190.897,61              | 120.935,72           |
| Other revenue                                  | 16.910,76               | 14.040,14            |
| Correction to the revenue from 2009 (*)        | 0,00                    | 53.817,00            |
| <b>Total</b>                                   | <b>56.863.808,37</b>    | <b>48.443.126,86</b> |

(\*) The correction related to the fact that the Commission Subsidy in 2009 was understated by € 53.817,00

#### 4.5.13. Administrative Expenses

Administrative expenses relate mainly to costs incurred by the daily operations of the Centre and include Staff related costs. The breakdown of the main areas is provided below:

*All amounts in €*

|  | <b>2011</b>          | <b>2010</b>          |
|--|----------------------|----------------------|
| Staff related expenses                                     | 23.965.418,57        | 20.611.241,71        |
| Costs related to Seconded National Experts                 | 365.989,98           | 506.883,89           |
| Mission Expenses   | 1.015.410,91         | 840.588,19           |
| Management Board, Advisory Forum & Administrative Meetings | 197.056,88           | 157.218,40           |
| Rent and Building Costs                                    | 3.737.431,91         | 3.938.039,76         |
| Depreciation/Amortisation/Write-off                        | 1.251.981,86         | 1.162.810,80         |
| Recruitment Related Costs                                  | 163.247,21           | 155.300,13           |
| IT costs Research  | 591.334,99           | 724.860,48           |
| IT costs Development                                       | 1.167.583,55         | 1.377.744,09         |
| IT costs Operational                                       | 4.845.450,28         | 2.003.039,09         |
| Other  | 3.583.540,60         | 3.377.154,66         |
| <b>Administrative Expenses – Total</b>                     | <b>40.884.446,74</b> | <b>34.854.881,20</b> |

#### 4.5.14. Operational Expenses

Operational Expenses relate to the activities of the Operational Units and the Director's cabinet and also include the developments in the area of information and communication technology in relation to the operations.

*All amounts in €*

|                                     | <b>2011</b>          | <b>2010</b>          |
|-------------------------------------|----------------------|----------------------|
| <b>Operational Expenses – Total</b> | <b>17.634.694,81</b> | <b>19.452.124,62</b> |

#### 4.5.15. Finance Income / Expense

This heading covers expenses mainly relating to bank fees and interest expenses on late payment of charges.

In addition, the Centre received € 77 thousand of interest income earned on the Community Subsidy that is reported under Note 4.5.9. – Accounts Payable, as according to the Financial Regulation it has to be returned to the Commission.

#### 4.5.16. Exchange rate gains/ losses

The Seat of the Centre is outside of the Euro-zone. As a result a substantial part of its activities is carried out in Swedish crowns while the Centre's income as well as its reporting Currency is Euro. The exchange rate differences encountered in 2011 consist of the revaluation of the Swedish Crown in relation to € at year-end, together with the adjustment of the weighting factor applied to the remuneration of staff employed in Sweden and differences related to the payments made in Swedish Crown as the exchange rate used in our financial system differs from the daily rate used by the bank when the payments are actually made. These three components resulted in exchange rate losses of € 1.279 thousand (versus gains of € 1.186 thousand in 2010).

#### 4.5.17. Contingent Assets & Liabilities

##### Contingent Liabilities

As at 31 December 2011, the Centre had agreements with several contractors and suppliers for the amount of € 5.642 thousand. These agreements relate mainly to operational projects and are covered by budgetary Commitments against 2011 appropriations.

#### 4.5.18. Operational Leases

The Centre has a lease agreement with Akademiska Hus AB in order to cover its housing needs. Rental costs for the remaining period to 31/1/2018 reach almost 9.7 million €. In addition the centre has lease agreements for printing and copying equipment that run until end of March 2012.

The payment schedule for the following years is presented below:

*All amounts in €*

|                   | Charges paid during the year | Charges still to be paid |                     |                   | Total charges to be paid |
|-------------------|------------------------------|--------------------------|---------------------|-------------------|--------------------------|
|                   |                              | <1yr                     | 1-5 yrs             | >5 yrs            |                          |
| Printers/ Copiers | 80.949,09                    | 11.415,00                |                     |                   | 11.415,00                |
| Buildings         | 1.855.186,54                 | 1.600.000,00             | 8.000.000,00        | 140.000,00        | 9.740.000,00             |
| <b>Total</b>      | <b>1.936.135,63</b>          | <b>1.611.415,00</b>      | <b>8.000.000,00</b> | <b>140.000,00</b> | <b>9.751.415,00</b>      |

#### 4.5.19. Related party disclosures

The Centre is managed by the Senior Management Team (SMT) consisting of the Director (Authorising Officer) and the heads of Unit (Authorising Officers by Delegation). All members are temporary agents of the European Communities in the following grades:

| <b>Grade</b> | <b>No of Persons<br/>in the Grade</b> |
|--------------|---------------------------------------|
| AD14         | 2                                     |
| AD12         | 3                                     |
| Total        | 5                                     |

and as such their remuneration, allowances and other entitlements are covered by the Conditions of Employment of Other Servants of the European Communities

#### 4.5.20. Pension Obligations

ECDC staff are members of the European Communities Pension Scheme which is a defined benefit pension plan.

A defined benefit plan is a pension plan that generally defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age and years of service.

In 2011, throughout the whole year, ECDC staff contributed 11,6% of their basic salary to the pension scheme. The cost undertaken by the European Commission is not presented on the ECDC's accounts.

Future benefits payable to ECDC staff under the EC Pension Scheme are accounted for in the accounts of the European Commission and no such provisions are entered in the Centre's accounts.

## 5. Report to the Budget Implementation

### 5.1. Budget Execution

*All amounts in €*

|  | <b>2011</b>  | <b>2010</b>          |
|--|--|----------------------|
| REVENUE  |  |                      |
| Commission subsidy   | 56.656.000,00  | 48.254.334,00        |
| Grant funds from Commission  | 0,00   | 360.000,00           |
| Other revenue  | 16.910,76  | 14.040,14            |
|  | <b>TOTAL REVENUE (a)</b>                                     | <b>48.628.374,14</b> |
| EXPENDITURE  |  |                      |
| <i>Title I: Staff</i>  |  |                      |
| Payments   | 26.058.187,00  | 24.342.545,98        |
| Appropriations carried over  | 1.249.994,67   | 1.291.875,93         |
| <i>Title II: Administrative Expenses</i>   |  |                      |
| Payments   | 4.482.891,66   | 4.034.681,10         |
| Appropriations carried over  | 1.485.046,95   | 2.079.105,50         |
| <i>Title III: Operating Expenditure</i>  |  |                      |
| Payments   | 13.177.825,30  | 11.520.141,02        |
| Appropriations carried over  | 8.324.922,44   | 12.455.073,27        |
|  | <b>TOTAL EXPENDITURE (b)</b>                                 | <b>55.723.422,80</b> |
|  | <b>OUTTURN FOR THE FINANCIAL YEAR (a-b)</b>                  | <b>-7.095.048,66</b> |
| Cancellation of unused payment appropriations carried over from previous year  | 1.132.269,14   | 1.760.389,89         |
| Adjustment for carry-over from the previous year of appropriations available at 31.12.2011 arising from assigned revenue | 190.897,61   | 175.891,72           |
| Exchange differences for the year (gain+/-loss-)   | -20.953,46   | -19.425,89           |
|  | <b>BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR</b> | <b>-5.178.192,94</b> |
| Balance 2010   | -5.178.192,94  | 2.630.368,32         |
| Positive balance from 2010 reimbursed in year 2011 to the Commission   | 0,00   | (2.630.368,32)       |
| <b>Result used for determining amounts in general accounting</b>   | <u>-1.981.936,91</u>   | -5.178.192,94        |
| <b>Commission subsidy (2011 Revenue)</b>   | <u>56.656.000,00</u>   |                      |
| <b>Pre-financing remaining open to be reimbursed to EC in 2012</b>   | 0,00   |                      |
| NOT INCLUDED IN THE BUDGET OUTTURN:  |  |                      |
| Interest generated by 31/12/2011 on the Commission subsidy funds and to be reimbursed to the Commission (liability)      | 77.775,13  | 27.870,55            |

## 5.2. Explanatory notes to the Budget

### 5.2.1. Income

The initial Budget appropriations for 2011 as voted by the Management board meeting in December 2010 amounted to 56.656 thousand €. During the year the following adjustments were made:

| Budget Line               |  | Initial Available Budget | Adjustments   | Final Available Budget |
|---------------------------|--|--------------------------|---------------|------------------------|
| 2000 IC1                  | European Community Contribution - Current Year Appropriations            | 52.769.631,68            | (0,00)        | 52.769.631,68          |
| 2001 IC4                  | European Community Contribution - Earmarked funds (Reuse previous years) | 2.630.368,32             | (0,00)        | 2.630.368,32           |
| <b>200</b>                | <b>European Community contribution</b>                                   | <b>55.400.000,00</b>     | <b>(0,00)</b> | <b>55.400.000,00</b>   |
| 3000 IC1                  | Subsidy from EEA/EFTA member states (% of EU contribution)               | 1.256.000,00             | (0,00)        | 1.256.000,00           |
| <b>300</b>                | <b>Subsidy from the EEA/EFTA</b>   | <b>1.256.000,00</b>      | <b>(0,00)</b> | <b>1.256.000,00</b>    |
| <b>Total Revenue 2011</b> |  | <b>56.656.000,00</b>     | <b>(0,00)</b> | <b>56.656.000,00</b>   |
| R0 – DG ELARG             | European Community Contribution - Earmarked funds                        | 0,00                     | (0,00)        | 0,00                   |

No adjustments to the budget, as shown in the table above, had to be made in 2011, neither to the European Community Contribution 2011 nor to the EEA/EFTA Member States contribution.

The 2<sup>nd</sup> grant received from DG ELARG was further implemented throughout its second and final year. An extension on the duration of the implementation was requested to and agreed by DG ELARG until the 30/11/2011 but no additional funding was received in 2011. The grant II ended 30/11/2011 and will be closed in the accounts of 2012 when the last reimbursements and payments will have been made and the final report on its implementation delivered by ECDC and approved by DG ELARG.

## 5.2.2. Expenditure

An overview of the budget implementation (execution on commitments and payments) by fund source is provided below:

| Fund Source                                | Commitment (CA)/ Payment (PA) Appropriations 2011 | Executed Commitment | % Commit -ted | Executed Payment in 2011 | % Paid | Carried forward to 2012 | Canceled     |
|--|---|---------------------|---------------|--------------------------|--------|-------------------------|--------------|
| C1 - Current Year Appropriations           | 56.656.000,00<br>(CA/PA)                          | 54.577.618,41       | 96%           | 43.559.208,56            | 76%    | 11.018.409,85           | 2.078.381,59 |
| C8 – Carry-forward of 2010 appropriations  | 15.635.157,09<br>(PA)                             |                     |               | 14.502.887,95            | 92%    | 0,00                    | 1.132.269,14 |
| R0 - Assigned Revenue DG ELARG Grant 2 (*) | 190.897,61<br>(PA)                                |                     |               | 159.695,40 (°)           | 83%    | 31.202,21               | 0,00         |

\* Grant 2 -Actions with Candidate & Potential Candidate Countries

° executed payments in 2011 on carry-over from 2010

For a detailed analysis of the budget execution by Budget article please refer to Annexes 1-3

An overview of the impact of the budget transfers in fund source 'C1 –Current Year Appropriations' is provided below:

| Budget 2011 Fund Source C1 Current Year Appropriations | Initial Budget       | EFTA/EC Subsidy Decrease | MB Amendments | Director Adjustments | FINAL BUDGET         |
|--|----------------------|--------------------------|---------------|----------------------|----------------------|
| Title 1 – Staff related Expenditure                    | 28.987.000,00        | 0,00                     | 0,00          | -99.000,00           | 28.888.000,00        |
| Title 2 – Administrative Expenditure                   | 5.831.000,00         |                          |               | 323.537,00           | 6.154.537,00         |
| Title 3 - Operations                                   | 21.838.000,00        |                          | 0,00          | -224.537,00          | 21.613.463,00        |
| <b>Total Budget</b>                                    | <b>56.656.000,00</b> | <b>0,00</b>              | <b>0,00</b>   | <b>0,00</b>          | <b>56.656.000,00</b> |

### 5.2.3. Reconciliation between the Budget Outturn Account (see 5.1) and the Economic Outturn Account (see 4.2)

*All amounts in €*

|   |                                     |
|---|-------------------------------------|
| <b>Economic Outturn Account</b>   | <b><u><u>(2.938.210,25)</u></u></b> |
| <i>Adjustment for accrual items (items not in the budgetary result but included in the economic result)</i>         |                                     |
| Adjustments for Accrual Cut-off (reversal 31.12.2010)   | (5.902.375,69)                      |
| Adjustments for Accrual Cut-off (cut- off 31.12.2011)   | 3.445.897,67                        |
| Unpaid invoices at year end but booked in charges   | 1.945.697,81                        |
| Depreciation of intangible and tangible fixed assets  | 1.241.425,83                        |
| Provisions  | 962.319,76                          |
| Value reductions  | 344.499,50                          |
| Pre-financing given in previous year and cleared in the year  | 226.665,00                          |
| Pre-financing received in previous year and cleared in the year   | (185.373,97)                        |
| Payments made from carry-forward of payment appropriations  | 14.502.887,95                       |
| Other (includes reversal of 2010 deferred charges)  | 324.771,71                          |
| Exchange rate differences (losses)  | 1.279.751,14                        |
| <i>Adjustment for budgetary items (item included in the budgetary result but not in the economic result)</i>        |                                     |
| Asset acquisitions (less unpaid amounts)  | (1.724.790,47)                      |
| New pre-financing paid in the year 2011 and remaining open as at 31.12.2011   | (65.423,40)                         |
| New pre-financing received in the year 2011 and remaining open as at 31.12.2011                                     | 0,00                                |
| Budgetary recovery orders issued before 2011 and cashed in the year   | 1.000,00                            |
| Payment appropriations carried over to 2012   | (11.059.964,06)                     |
| Cancellation of unused carried over payment appropriations from previous year                                       | 1.132.269,14                        |
| Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue | 190.897,61                          |
| Other (includes deferred charges and stock acquisitions for 2011)   | (525.689,25)                        |
| <b>Budgetary Outturn Account 2011</b>   | <b><u><u>3.196.256,03</u></u></b>   |



#### 5.2.4. Budgetary Principles

The establishment and implementation of the budget of the European Centre for Disease Prevention and Control are governed by the following basic principles:

- (a) unity and budget accuracy;  
all expenditure and revenue must be incorporated in a single budget document, must be booked on a budget line and expenditure must not exceed authorised appropriations;
- (b) universality:  
this principle comprises two rules:
  - o the rule of non-assignment, meaning that budget revenue must not be earmarked for specific items of expenditure (total revenue must cover total expenditure);
  - o the gross budget rule, meaning that revenue and expenditure are entered in full in the budget without any adjustment against each other;
- (c) annuality:  
the appropriations entered are authorised for a single year and must therefore be used during that year;
- (d) equilibrium:  
the revenue and expenditure shown in the budget must be in balance (estimated revenue must equal payment appropriations);
- (e) specification:  
each appropriation is assigned to a specific purpose and a specific objective;
- (f) unit of account:  
the budget is drawn up and implemented in euro and the accounts are presented in euro;
- (g) sound financial management:  
budget appropriations are used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness;
- (h) transparency:  
the budget is established and implemented and the accounts presented in compliance with the principle of transparency - the budget and amending budgets are published in the Official Journal of the European Communities.



### Annex 1 – Budget Execution /Fund source C1 – Current year appropriations

| Budget Line Position | Budget Line Description   | Commitment Appropriation Transaction Amount | Executed Commitment Amount | % Committed   | Payment Appropriation Transaction Amount | Executed Payment Amount | % Paid        | RAL               | Cancelled         |
|----------------------|---|---|----------------------------|---------------|--|-------------------------|---------------|-------------------|-------------------|
| A-1100               | Basic salaries  | 11,344,000.00                               | 11,167,592.03              | 98.44%        | 11,344,000.00                            | 11,167,592.03           | 98.44%        | 0.00              | 176,407.97        |
| A-1101               | Family Allowances   | 1,805,000.00                                | 1,710,615.00               | 94.77%        | 1,805,000.00                             | 1,710,615.00            | 94.77%        | 0.00              | 94,385.00         |
| A-1102               | Expatriation Allowances   | 1,741,500.00                                | 1,642,991.62               | 94.34%        | 1,741,500.00                             | 1,642,991.62            | 94.34%        | 0.00              | 98,508.38         |
|                      | <b>Total Article 110</b>  | <b>14,890,500.00</b>                        | <b>14,521,198.65</b>       | <b>97.52%</b> | <b>14,890,500.00</b>                     | <b>14,521,198.65</b>    | <b>97.52%</b> | <b>0.00</b>       | <b>369,301.35</b> |
| A-1111               | Contract Agents - Basic Salaries                                      | 3,250,000.00                                | 3,059,379.10               | 94.13%        | 3,250,000.00                             | 3,059,379.10            | 94.13%        | 0.00              | 190,620.90        |
| A-1112               | Contract Agents - Allowances  | 1,150,000.00                                | 1,053,422.54               | 91.60%        | 1,150,000.00                             | 1,053,422.54            | 91.60%        | 0.00              | 96,577.46         |
|                      | <b>Total Article 111</b>  | <b>4,400,000.00</b>                         | <b>4,112,801.64</b>        | <b>93.47%</b> | <b>4,400,000.00</b>                      | <b>4,112,801.64</b>     | <b>93.47%</b> | <b>0.00</b>       | <b>287,198.36</b> |
| A-1140               | Birth & Death grants  | 5,000.00                                    | 3,569.58                   | 71.39%        | 5,000.00                                 | 3,569.58                | 71.39%        | 0.00              | 1,430.42          |
| A-1141               | Travel expenses from place of employment to place of origin           | 666,000.00                                  | 611,017.79                 | 91.74%        | 666,000.00                               | 611,017.79              | 91.74%        | 0.00              | 54,982.21         |
| A-1142               | Overtime  | 60,000.00                                   | 55,166.50                  | 91.94%        | 60,000.00                                | 55,166.50               | 91.94%        | 0.00              | 4,833.50          |
| A-1149               | Learning & Development  | 498,000.00                                  | 498,000.00                 | 100.00%       | 498,000.00                               | 203,244.27              | 40.81%        | 294,755.73        | 0.00              |
|                      | <b>Total Article 114</b>  | <b>1,229,000.00</b>                         | <b>1,167,753.87</b>        | <b>95.02%</b> | <b>1,229,000.00</b>                      | <b>872,998.14</b>       | <b>71.03%</b> | <b>294,755.73</b> | <b>61,246.13</b>  |
| A-1170               | Freelance and joint interpreting and conference service interpreters  | 50,000.00                                   | 46,410.00                  | 92.82%        | 50,000.00                                | 46,410.00               | 92.82%        | 0.00              | 3,590.00          |
| A-1173               | Translations  | 30,000.00                                   | 2,727.06                   | 9.09%         | 30,000.00                                | 2,727.06                | 9.09%         | 0.00              | 27,272.94         |
| A-1174               | Payment for administrative assistance from the Community institutions | 288,000.00                                  | 256,394.48                 | 89.03%        | 288,000.00                               | 243,894.48              | 84.69%        | 12,500.00         | 31,605.52         |
| A-1175               | Interim services  | 1,213,000.00                                | 1,213,000.00               | 100.00%       | 1,213,000.00                             | 619,238.54              | 51.05%        | 593,761.46        | 0.00              |
|                      | <b>Total Article 117</b>  | <b>1,581,000.00</b>                         | <b>1,518,531.54</b>        | <b>96.05%</b> | <b>1,581,000.00</b>                      | <b>912,270.08</b>       | <b>57.70%</b> | <b>606,261.46</b> | <b>62,468.46</b>  |
| A-1180               | Miscellaneous expenditure on recruitment                              | 186,000.00                                  | 163,892.20                 | 88.11%        | 186,000.00                               | 110,887.80              | 59.62%        | 53,004.40         | 22,107.80         |
| A-1181               | Travel expenses   | 46,000.00                                   | 12,136.02                  | 26.38%        | 46,000.00                                | 12,136.02               | 26.38%        | 0.00              | 33,864.05         |
| A-1182               | Installation, resettlement & transfer allowances                      | 170,000.00                                  | 108,671.44                 | 63.92%        | 170,000.00                               | 108,671.44              | 63.92%        | 0.00              | 61,328.56         |
| A-1183               | Removal Expenses  | 200,000.00                                  | 179,294.10                 | 89.65%        | 200,000.00                               | 144,751.44              | 72.38%        | 34,542.66         | 20,705.90         |
| A-1184               | Temporary daily subsistence allowance                                 | 80,000.00                                   | 74,462.69                  | 93.08%        | 80,000.00                                | 74,462.69               | 93.08%        | 0.00              | 5,537.31          |
|                      | <b>Total Article 118</b>  | <b>682,000.00</b>                           | <b>538,456.45</b>          | <b>78.95%</b> | <b>682,000.00</b>                        | <b>450,909.39</b>       | <b>66.12%</b> | <b>87,547.06</b>  | <b>143,543.55</b> |



Final Annual Accounts 2011

| Budget Line Position | Budget Line Description                                      | Commitment Appropriation Transaction Amount | Executed Commitment Amount | % Committed    | Payment Appropriation Transaction Amount | Executed Payment Amount | % Paid        | RAL                 | Cancelled           |
|----------------------|--|---|----------------------------|----------------|--|-------------------------|---------------|---------------------|---------------------|
| A-1190               | Weightings applied to remunerations                          | 3,697,500.00                                | 3,144,602.09               | 85.05%         | 3,697,500.00                             | 3,144,602.09            | 85.05%        | 0.00                | 552,897.91          |
| A-1191               | Provisional Appropriation (rappel)                           | 0.00  | 0.00                       | 0.00%          | 0.00                                     | 0.00                    | 0.00%         | 0.00                | 0.00                |
|                      | <b>Total Article 119</b>                                     | <b>3,697,500.00</b>                         | <b>3,144,602.09</b>        | <b>85.05%</b>  | <b>3,697,500.00</b>                      | <b>3,144,602.09</b>     | <b>85.05%</b> | <b>0.00</b>         | <b>552,897.91</b>   |
|                      | <b>Total Chapter 11</b>                                      | <b>26,480,000.00</b>                        | <b>25,003,344.24</b>       | <b>94.42%</b>  | <b>26,480,000.00</b>                     | <b>24,014,779.99</b>    | <b>90.69%</b> | <b>988,564.25</b>   | <b>1,476,655.76</b> |
| A-1300               | Mission expenses, travel expenses and incidental expenditure | 1,050,000.00                                | 1,043,827.15               | 99.41%         | 1,050,000.00                             | 866,054.40              | 82.48%        | 177,772.75          | 6,172.85            |
|                      | <b>Total Article 130</b>                                     | <b>1,050,000.00</b>                         | <b>1,043,827.15</b>        | <b>99.41%</b>  | <b>1,050,000.00</b>                      | <b>866,054.40</b>       | <b>82.48%</b> | <b>177,772.75</b>   | <b>6,172.85</b>     |
|                      | <b>Total Chapter 13</b>                                      | <b>1,050,000.00</b>                         | <b>1,043,827.15</b>        | <b>99.41%</b>  | <b>1,050,000.00</b>                      | <b>866,054.40</b>       | <b>82.48%</b> | <b>177,772.75</b>   | <b>6,172.85</b>     |
| A-1410               | Medical Service  | 115,000.00                                  | 115,000.00                 | 100.00%        | 115,000.00                               | 86,100.96               | 74.87%        | 28,899.04           | 0.00                |
|                      | <b>Total Article 141</b>                                     | <b>115,000.00</b>                           | <b>115,000.00</b>          | <b>100.00%</b> | <b>115,000.00</b>                        | <b>86,100.96</b>        | <b>74.87%</b> | <b>28,899.04</b>    | <b>0.00</b>         |
|                      | <b>Total Chapter 14</b>                                      | <b>115,000.00</b>                           | <b>115,000.00</b>          | <b>100.00%</b> | <b>115,000.00</b>                        | <b>86,100.96</b>        | <b>74.87%</b> | <b>28,899.04</b>    | <b>0.00</b>         |
| A-1520               | Staff Exchanges  | 299,000.00                                  | 288,926.69                 | 96.63%         | 299,000.00                               | 286,754.41              | 95.90%        | 2,172.28            | 10,073.31           |
|                      | <b>Total Article 152</b>                                     | <b>299,000.00</b>                           | <b>288,926.69</b>          | <b>96.63%</b>  | <b>299,000.00</b>                        | <b>286,754.41</b>       | <b>95.90%</b> | <b>2,172.28</b>     | <b>10,073.31</b>    |
|                      | <b>Total Chapter 15</b>                                      | <b>299,000.00</b>                           | <b>288,926.69</b>          | <b>96.63%</b>  | <b>299,000.00</b>                        | <b>286,754.41</b>       | <b>95.90%</b> | <b>2,172.28</b>     | <b>10,073.31</b>    |
| A-1700               | Entertainment & Representation Expenses                      | 29,000.00                                   | 25,744.49                  | 88.77%         | 29,000.00                                | 11,239.82               | 38.76%        | 14,504.67           | 3,255.51            |
|                      | <b>Total Article 170</b>                                     | <b>29,000.00</b>                            | <b>25,744.49</b>           | <b>88.77%</b>  | <b>29,000.00</b>                         | <b>11,239.82</b>        | <b>38.76%</b> | <b>14,504.67</b>    | <b>3,255.51</b>     |
|                      | <b>Total Chapter 17</b>                                      | <b>29,000.00</b>                            | <b>25,744.49</b>           | <b>88.77%</b>  | <b>29,000.00</b>                         | <b>11,239.82</b>        | <b>38.76%</b> | <b>14,504.67</b>    | <b>3,255.51</b>     |
| A-1801               | Social Contact Between Staff                                 | 60,000.00                                   | 54,971.22                  | 91.62%         | 60,000.00                                | 16,889.54               | 28.15%        | 38,081.68           | 5,028.78            |
| A-1802               | Sickness Insurance   | 520,000.00                                  | 494,331.61                 | 95.06%         | 520,000.00                               | 494,331.61              | 95.06%        | 0.00                | 25,668.39           |
| A-1803               | Accident and Occupational Diseases                           | 125,000.00                                  | 102,645.38                 | 82.12%         | 125,000.00                               | 102,645.38              | 82.12%        | 0.00                | 22,354.62           |
| A-1804               | Unemployment for temporary staff                             | 210,000.00                                  | 179,390.89                 | 85.42%         | 210,000.00                               | 179,390.89              | 85.42%        | 0.00                | 30,609.11           |
|                      | <b>Total Article 180</b>                                     | <b>915,000.00</b>                           | <b>831,339.10</b>          | <b>90.86%</b>  | <b>915,000.00</b>                        | <b>793,257.42</b>       | <b>86.69%</b> | <b>38,081.68</b>    | <b>83,660.90</b>    |
|                      | <b>Total Chapter 18</b>                                      | <b>915,000.00</b>                           | <b>831,339.10</b>          | <b>90.86%</b>  | <b>915,000.00</b>                        | <b>793,257.42</b>       | <b>86.69%</b> | <b>38,081.68</b>    | <b>83,660.90</b>    |
|                      | <b>Total Title 1</b>   | <b>28,888,000.00</b>                        | <b>27,308,181.67</b>       | <b>94.53%</b>  | <b>28,888,000.00</b>                     | <b>26,058,187.00</b>    | <b>90.20%</b> | <b>1,249,994.67</b> | <b>1,579,818.33</b> |



Final Annual Accounts 2011

| Budget Line Position | Budget Line Description  | Commitment Appropriation Transaction Amount | Executed Commitment Amount | % Committed   | Payment Appropriation Transaction Amount | Executed Payment Amount | % Paid        | RAL               | Cancelled        |
|----------------------|--|---|----------------------------|---------------|--|-------------------------|---------------|-------------------|------------------|
| A-2000               | RENT & RELATED EXPENDITURE   | 1,801,000.00                                | 1,798,424.90               | 99.86%        | 1,801,000.00                             | 1,797,824.90            | 99.82%        | 600.00            | 2,575.10         |
| A-2001               | Insurance  | 8,000.00                                    | 7,710.81                   | 96.39%        | 8,000.00                                 | 7,710.81                | 96.39%        | 0.00              | 289.19           |
| A-2002               | Water, Gas, Electricity etc  | 195,000.00                                  | 195,000.00                 | 100.00%       | 195,000.00                               | 157,778.49              | 80.91%        | 37,221.51         | 0.00             |
| A-2003               | Maintenance, cleaning  | 147,000.00                                  | 145,825.26                 | 99.20%        | 147,000.00                               | 117,475.34              | 79.92%        | 28,349.92         | 1,174.74         |
| A-2004               | Fitting-out  | 497,337.99                                  | 478,444.70                 | 96.20%        | 497,337.99                               | 15,532.70               | 3.12%         | 462,912.00        | 18,893.29        |
| A-2005               | Security of Building   | 252,000.00                                  | 252,000.00                 | 100.00%       | 252,000.00                               | 210,273.37              | 83.44%        | 41,726.63         | 0.00             |
| A-2006               | Restauration & Canteen costs                                       | 42,000.00                                   | 33,290.71                  | 79.26%        | 42,000.00                                | 9,975.54                | 23.75%        | 23,315.17         | 8,709.29         |
| A-2009               | Other expenditure on buildings                                     | 85,500.00                                   | 83,929.12                  | 98.16%        | 85,500.00                                | 76,407.40               | 89.37%        | 7,521.72          | 1,570.88         |
|                      | <b>Total Article 200</b>   | <b>3,027,837.99</b>                         | <b>2,994,625.50</b>        | <b>98.90%</b> | <b>3,027,837.99</b>                      | <b>2,392,978.55</b>     | <b>79.03%</b> | <b>601,646.95</b> | <b>33,212.49</b> |
|                      | <b>Total Chapter 20</b>  | <b>3,027,837.99</b>                         | <b>2,994,625.50</b>        | <b>98.90%</b> | <b>3,027,837.99</b>                      | <b>2,392,978.55</b>     | <b>79.03%</b> | <b>601,646.95</b> | <b>33,212.49</b> |
| A-2110               | Purchases of new hardware for operation the centre                 | 610,000.00                                  | 607,482.08                 | 99.59%        | 610,000.00                               | 352,566.39              | 57.80%        | 254,915.69        | 2,517.92         |
| A-2111               | Purchase of new software for the operation at the centre           | 971,037.00                                  | 967,859.02                 | 99.67%        | 971,037.00                               | 672,845.70              | 69.29%        | 295,013.32        | 3,177.98         |
| A-2112               | Purchase and Maintenance of printing and reproduction equipment    | 120,000.00                                  | 117,284.40                 | 97.74%        | 120,000.00                               | 81,944.88               | 68.29%        | 35,339.52         | 2,715.60         |
| A-2114               | Developments to support administrative and management applications | 343,000.00                                  | 339,475.27                 | 98.97%        | 343,000.00                               | 249,323.18              | 72.69%        | 90,152.09         | 3,524.73         |
|                      | <b>Total Article 211</b>   | <b>2,044,037.00</b>                         | <b>2,032,100.77</b>        | <b>99.42%</b> | <b>2,044,037.00</b>                      | <b>1,356,680.15</b>     | <b>66.37%</b> | <b>675,420.62</b> | <b>11,936.23</b> |
|                      | <b>Total Chapter 21</b>  | <b>2,044,037.00</b>                         | <b>2,032,100.77</b>        | <b>99.42%</b> | <b>2,044,037.00</b>                      | <b>1,356,680.15</b>     | <b>66.37%</b> | <b>675,420.62</b> | <b>11,936.23</b> |
| A-2200               | Technical equipment and AV installations                           | 17,662.01                                   | 17,662.01                  | 100.00%       | 17,662.01                                | 7,322.29                | 41.46%        | 10,339.72         | 0.00             |
| A-2201               | Furniture  | 65,000.00                                   | 37,136.78                  | 57.13%        | 65,000.00                                | 23,176.35               | 35.66%        | 13,960.43         | 27,863.22        |
| A-2202               | Purchase and maintenance of vehicles                               | 20,000.00                                   | 16,400.00                  | 82.00%        | 20,000.00                                | 14,432.31               | 72.16%        | 1,967.69          | 3,600.00         |
|                      | <b>Total Article 220</b>   | <b>102,662.01</b>                           | <b>71,198.79</b>           | <b>69.35%</b> | <b>102,662.01</b>                        | <b>44,930.95</b>        | <b>43.77%</b> | <b>26,267.84</b>  | <b>31,463.22</b> |
|                      | <b>Total Chapter 22</b>  | <b>102,662.01</b>                           | <b>71,198.79</b>           | <b>69.35%</b> | <b>102,662.01</b>                        | <b>44,930.95</b>        | <b>43.77%</b> | <b>26,267.84</b>  | <b>31,463.22</b> |



Final Annual Accounts 2011

| Budget Line Position | Budget Line Description                                    | Commitment Appropriation Transaction Amount | Executed Commitment Amount | % Committed    | Payment Appropriation Transaction Amount | Executed Payment Amount | % Paid        | RAL                 | Cancelled         |
|----------------------|--|---|----------------------------|----------------|--|-------------------------|---------------|---------------------|-------------------|
| A-2300               | Stationery and office supplies                             | 130,000.00                                  | 117,323.97                 | 90.25%         | 130,000.00                               | 114,323.97              | 87.94%        | 3,000.00            | 12,676.03         |
| A-2301               | Financial and other charges, exchange losses               | 15,000.00                                   | 5,000.00                   | 33.33%         | 15,000.00                                | 3,341.72                | 22.28%        | 1,658.28            | 10,000.00         |
| A-2302               | Library expenses, purchase of books and info subscriptions | 15,000.00                                   | 15,000.00                  | 100.00%        | 15,000.00                                | 3,348.33                | 22.32%        | 11,651.67           | 0.00              |
| A-2307               | Legal Expenses   | 35,000.00                                   | 10,000.00                  | 28.57%         | 35,000.00                                | 7,500.00                | 21.43%        | 2,500.00            | 25,000.00         |
| A-2308               | Business Continuity  | 20,000.00                                   | 20,000.00                  | 100.00%        | 20,000.00                                | 20,000.00               | 100.00%       | 0.00                | 0.00              |
| A-2309               | Other operating expenditure                                | 20,000.00                                   | 17,348.71                  | 86.74%         | 20,000.00                                | 12,095.18               | 60.48%        | 5,253.53            | 2,651.29          |
|                      | <b>Total Article 230</b>                                   | <b>235,000.00</b>                           | <b>184,672.68</b>          | <b>78.58%</b>  | <b>235,000.00</b>                        | <b>160,609.20</b>       | <b>68.34%</b> | <b>24,063.48</b>    | <b>50,327.32</b>  |
|                      | <b>Total Chapter 23</b>                                    | <b>235,000.00</b>                           | <b>184,672.68</b>          | <b>78.58%</b>  | <b>235,000.00</b>                        | <b>160,609.20</b>       | <b>68.34%</b> | <b>24,063.48</b>    | <b>50,327.32</b>  |
| A-2400               | Postal and delivery charges                                | 50,000.00                                   | 50,000.00                  | 100.00%        | 50,000.00                                | 48,303.03               | 96.61%        | 1,696.97            | 0.00              |
|                      | <b>Total Article 240</b>                                   | <b>50,000.00</b>                            | <b>50,000.00</b>           | <b>100.00%</b> | <b>50,000.00</b>                         | <b>48,303.03</b>        | <b>96.61%</b> | <b>1,696.97</b>     | <b>0.00</b>       |
| A-2410               | Telecommunication and internet charges                     | 235,000.00                                  | 235,000.00                 | 100.00%        | 235,000.00                               | 212,767.07              | 90.54%        | 22,232.93           | 0.00              |
|                      | <b>Total Article 241</b>                                   | <b>235,000.00</b>                           | <b>235,000.00</b>          | <b>100.00%</b> | <b>235,000.00</b>                        | <b>212,767.07</b>       | <b>90.54%</b> | <b>22,232.93</b>    | <b>0.00</b>       |
|                      | <b>Total Chapter 24</b>                                    | <b>285,000.00</b>                           | <b>285,000.00</b>          | <b>100.00%</b> | <b>285,000.00</b>                        | <b>261,070.10</b>       | <b>91.60%</b> | <b>23,929.90</b>    | <b>0.00</b>       |
| A-2500               | Governance and administrative meetings                     | 230,000.00                                  | 185,750.13                 | 80.76%         | 230,000.00                               | 131,691.57              | 57.26%        | 54,058.56           | 44,249.87         |
| A-2501               | Evaluation and Strategic Management Consulting             | 230,000.00                                  | 204,238.74                 | 88.80%         | 230,000.00                               | 134,931.14              | 58.67%        | 69,307.60           | 25,761.26         |
|                      | <b>Total Article 250</b>                                   | <b>460,000.00</b>                           | <b>389,988.87</b>          | <b>84.78%</b>  | <b>460,000.00</b>                        | <b>266,622.71</b>       | <b>57.96%</b> | <b>123,366.16</b>   | <b>70,011.13</b>  |
|                      | <b>Total Chapter 25</b>                                    | <b>460,000.00</b>                           | <b>389,988.87</b>          | <b>84.78%</b>  | <b>460,000.00</b>                        | <b>266,622.71</b>       | <b>57.96%</b> | <b>123,366.16</b>   | <b>70,011.13</b>  |
|                      | <b>Total Title 2</b>                                       | <b>6,154,537.00</b>                         | <b>5,957,586.61</b>        | <b>96.80%</b>  | <b>6,154,537.00</b>                      | <b>4,482,891.66</b>     | <b>72.84%</b> | <b>1,474,694.95</b> | <b>196,950.39</b> |



| Budget Line Position | Budget Line Description   | Commitment Appropriation Transaction Amount | Executed Commitment Amount | % Committed   | Payment Appropriation Transaction Amount | Executed Payment Amount | % Paid        | RAL                  | Cancelled           |
|----------------------|---|---|----------------------------|---------------|--|-------------------------|---------------|----------------------|---------------------|
| B3-000               | Networking, surveillance and data collection on Communicable diseases | 2,978,973.00                                | 2,945,030.01               | 98.86%        | 2,978,973.00                             | 1,366,180.13            | 45.86%        | 1,578,849.88         | 33,942.99           |
| B3-001               | Preparedness, response and emerging health threats                    | 165,054.00                                  | 165,054.00                 | 100.00%       | 165,054.00                               | 45,700.00               | 27.69%        | 119,354.00           | 0.00                |
| B3-002               | Scientific opinions and studies                                       | 4,937,631.00                                | 4,878,337.32               | 98.80%        | 4,937,631.00                             | 3,084,141.13            | 62.46%        | 1,794,196.19         | 59,293.68           |
| B3-003               | Technical assistance and training                                     | 3,742,419.00                                | 3,629,966.97               | 97.00%        | 3,742,419.00                             | 2,695,095.54            | 72.01%        | 934,871.43           | 112,452.03          |
| B3-004               | Publications and Communications                                       | 1,469,587.00                                | 1,459,134.38               | 99.29%        | 1,469,587.00                             | 929,884.83              | 63.28%        | 529,249.55           | 10,452.62           |
| B3-005               | ICT to support projects   | 5,511,041.00                                | 5,456,487.86               | 99.01%        | 5,511,041.00                             | 3,334,562.57            | 60.51%        | 2,121,925.29         | 54,553.14           |
| B3-006               | Build up and maintenance of the Crisis Centre                         | 170,766.00                                  | 170,649.06                 | 99.93%        | 170,766.00                               | 43,218.22               | 25.31%        | 127,430.84           | 116.94              |
| B3-007               | Translations of scientific and technical reports and documents        | 251,142.00                                  | 249,726.20                 | 99.44%        | 251,142.00                               | 249,726.20              | 99.44%        | 0.00                 | 1,415.80            |
| B3-008               | Meetings to implement the work programme                              | 2,136,850.00                                | 2,118,587.28               | 99.15%        | 2,136,850.00                             | 1,210,627.13            | 56.65%        | 907,960.15           | 18,262.72           |
| B3-009               | Country cooperation and partnership                                   | 110,000.00                                  | 99,142.76                  | 90.13%        | 110,000.00                               | 18,000.00               | 16.36%        | 81,142.76            | 10,857.24           |
| B3-010               | Scientific Library and Knowledge Services                             | 140,000.00                                  | 139,734.29                 | 99.81%        | 140,000.00                               | 40,994.15               | 29.28%        | 98,740.14            | 265.71              |
|                      | <b>Total Chapter 30</b>   | <b>21,613,463.00</b>                        | <b>21,311,850.13</b>       | <b>98.60%</b> | <b>21,613,463.00</b>                     | <b>13,018,129.90</b>    | <b>60.23%</b> | <b>8,293,720.23</b>  | <b>301,612.87</b>   |
|                      | <b>Total Title 3</b>  | <b>21,613,463.00</b>                        | <b>21,311,850.13</b>       | <b>98.60%</b> | <b>21,613,463.00</b>                     | <b>13,018,129.90</b>    | <b>60.23%</b> | <b>8,293,720.23</b>  | <b>301,612.87</b>   |
|                      | <b>GRAND TOTAL</b>  | <b>56,656,000.00</b>                        | <b>54,577,618.41</b>       | <b>96.33%</b> | <b>56,656,000.00</b>                     | <b>43,559,208.56</b>    | <b>76.88%</b> | <b>11,018,409.85</b> | <b>2,078,381.59</b> |

### Budget Execution /Fund source C4 – Current year appropriations

| Budget Line Position | Budget Line Description                            | Commitment Appropriation Transaction Amount | Executed Commitment Amount | % Committed  | Payment Appropriation Transaction Amount | Executed Payment Amount | % Paid       | RAL              |
|----------------------|--|---|----------------------------|--------------|--|-------------------------|--------------|------------------|
| A-2110               | Purchases of new hardware for operation the centre | 800.00                                      | 0.00                       | 0.00%        | 800.00                                   | 0.00                    | 0.00%        | 800.00           |
|                      | <b>Total Chapter 21</b>                            | <b>800.00</b>                               | <b>0.00</b>                | <b>0.00%</b> | <b>800.00</b>                            | <b>0.00</b>             | <b>0.00%</b> | <b>800.00</b>    |
| A-2202               | Purchase and maintenance of vehicles               | 9,552.00                                    | 0.00                       | 0.00%        | 9,552.00                                 | 0.00                    | 0.00%        | 9,552.00         |
|                      | <b>Total Chapter 22</b>                            | <b>9,552.00</b>                             | <b>0.00</b>                | <b>0.00%</b> | <b>9,552.00</b>                          | <b>0.00</b>             | <b>0.00%</b> | <b>9,552.00</b>  |
|                      | <b>Total Title 2</b>                               | <b>10,352.00</b>                            | <b>0.00</b>                | <b>0.00%</b> | <b>10,352.00</b>                         | <b>0.00</b>             | <b>0.00%</b> | <b>10,352.00</b> |
|                      | <b>GRAND TOTAL</b>                                 | <b>10,352.00</b>                            | <b>0.00</b>                | <b>0.00%</b> | <b>10,352.00</b>                         | <b>0.00</b>             | <b>0.00%</b> | <b>10,352.00</b> |

**Annex 2 – Budget Execution /Fund source C8 – Appropriations carried over**

| Budget Line Position | Budget Line Description  | Commitment Appropriation Transaction Amount | Executed Commitment Amount | % Committed   | Payment Appropriation Transaction Amount | Executed Payment Amount | % Paid        | Cancelled         |
|----------------------|--|---|----------------------------|---------------|--|-------------------------|---------------|-------------------|
| A-1149               | Learning & Development   | 332,878.60                                  | 304,344.11                 | 91.43%        | 332,878.60                               | 304,344.11              | 91.43%        | 28,534.49         |
|                      | <b>Total Article 114</b>   | <b>332,878.60</b>                           | <b>304,344.11</b>          | <b>91.43%</b> | <b>332,878.60</b>                        | <b>304,344.11</b>       | <b>91.43%</b> | <b>28,534.49</b>  |
| A-1170               | Freelance and joint interpreting and conference service interpreters | 19,404.00                                   | 13,020.00                  | 67.10%        | 19,404.00                                | 13,020.00               | 67.10%        | 6,384.00          |
| A-1173               | Translations   | 755.26                                      | 755.26                     | 100.00%       | 755.26                                   | 755.26                  | 100.00%       | 0.00              |
| A-1174               | Payment for Administrative Assistance                                | 9,924.86                                    | 4,321.46                   | 43.54%        | 9,924.86                                 | 4,321.46                | 43.54%        | 5,603.40          |
| A-1175               | Interim services   | 646,120.22                                  | 579,230.04                 | 89.65%        | 646,120.22                               | 579,230.04              | 89.65%        | 66,890.18         |
|                      | <b>Total Article 117</b>   | <b>676,204.34</b>                           | <b>597,326.76</b>          | <b>88.34%</b> | <b>676,204.34</b>                        | <b>597,326.76</b>       | <b>88.34%</b> | <b>78,877.58</b>  |
| A-1180               | Miscellaneous expenditure on recruitment                             | 12,105.39                                   | 8,527.14                   | 70.44%        | 12,105.39                                | 8,527.14                | 70.44%        | 3,578.25          |
| A-1183               | Removal Expenses   | 33,117.76                                   | 31,658.23                  | 95.59%        | 33,117.76                                | 31,658.23               | 95.59%        | 1,459.53          |
|                      | <b>Total Article 118</b>   | <b>45,223.15</b>                            | <b>40,185.37</b>           | <b>88.86%</b> | <b>45,223.15</b>                         | <b>40,185.37</b>        | <b>88.86%</b> | <b>5,037.78</b>   |
|                      | <b>Total Chapter 11</b>  | <b>1,054,306.09</b>                         | <b>941,856.24</b>          | <b>89.33%</b> | <b>1,054,306.09</b>                      | <b>941,856.24</b>       | <b>89.33%</b> | <b>112,449.85</b> |
| A-1300               | Mission expenses, travel expenses and incidental expenditure         | 67,790.33                                   | 67,588.50                  | 99.70%        | 67,790.33                                | 67,588.50               | 99.70%        | 201.83            |
|                      | <b>Total Article 130</b>   | <b>67,790.33</b>                            | <b>67,588.50</b>           | <b>99.70%</b> | <b>67,790.33</b>                         | <b>67,588.50</b>        | <b>99.70%</b> | <b>201.83</b>     |
|                      | <b>Total Chapter 13</b>  | <b>67,790.33</b>                            | <b>67,588.50</b>           | <b>99.70%</b> | <b>67,790.33</b>                         | <b>67,588.50</b>        | <b>99.70%</b> | <b>201.83</b>     |
| A-1410               | Medical Service  | 13,952.30                                   | 12,456.22                  | 89.28%        | 13,952.30                                | 12,456.22               | 89.28%        | 1,496.08          |
|                      | <b>Total Article 141</b>   | <b>13,952.30</b>                            | <b>12,456.22</b>           | <b>89.28%</b> | <b>13,952.30</b>                         | <b>12,456.22</b>        | <b>89.28%</b> | <b>1,496.08</b>   |
|                      | <b>Total Chapter 14</b>  | <b>13,952.30</b>                            | <b>12,456.22</b>           | <b>89.28%</b> | <b>13,952.30</b>                         | <b>12,456.22</b>        | <b>89.28%</b> | <b>1,496.08</b>   |
| A-1520               | Staff Exchanges  | 103,575.70                                  | 86,269.95                  | 83.29%        | 103,575.70                               | 86,269.95               | 83.29%        | 17,305.75         |
|                      | <b>Total Article 152</b>   | <b>103,575.70</b>                           | <b>86,269.95</b>           | <b>83.29%</b> | <b>103,575.70</b>                        | <b>86,269.95</b>        | <b>83.29%</b> | <b>17,305.75</b>  |
|                      | <b>Total Chapter 15</b>  | <b>103,575.70</b>                           | <b>86,269.95</b>           | <b>83.29%</b> | <b>103,575.70</b>                        | <b>86,269.95</b>        | <b>83.29%</b> | <b>17,305.75</b>  |
| A-1700               | Entertainment & Representation Expenses                              | 7,547.20                                    | 5,564.20                   | 73.73%        | 7,547.20                                 | 5,564.20                | 73.73%        | 1,983.00          |
|                      | <b>Total Article 170</b>   | <b>7,547.20</b>                             | <b>5,564.20</b>            | <b>73.73%</b> | <b>7,547.20</b>                          | <b>5,564.20</b>         | <b>73.73%</b> | <b>1,983.00</b>   |
|                      | <b>Total Chapter 17</b>  | <b>7,547.20</b>                             | <b>5,564.20</b>            | <b>73.73%</b> | <b>7,547.20</b>                          | <b>5,564.20</b>         | <b>73.73%</b> | <b>1,983.00</b>   |



Final Annual Accounts 2011

|        |                              |                     |                     |               |                     |                     |               |                   |
|--------|------------------------------|---------------------|---------------------|---------------|---------------------|---------------------|---------------|-------------------|
| A-1801 | Social Contact Between Staff | 44,704.31           | 41,110.86           | 91.96%        | 44,704.31           | 41,110.86           | 91.96%        | 3,593.45          |
|        | <b>Total Article 180</b>     | <b>44,704.31</b>    | <b>41,110.86</b>    | <b>91.96%</b> | <b>44,704.31</b>    | <b>41,110.86</b>    | <b>91.96%</b> | <b>3,593.45</b>   |
|        | <b>Total Chapter 18</b>      | <b>44,704.31</b>    | <b>41,110.86</b>    | <b>91.96%</b> | <b>44,704.31</b>    | <b>41,110.86</b>    | <b>91.96%</b> | <b>3,593.45</b>   |
|        | <b>Total Title 1</b>         | <b>1,291,875.93</b> | <b>1,154,845.97</b> | <b>89.39%</b> | <b>1,291,875.93</b> | <b>1,154,845.97</b> | <b>89.39%</b> | <b>137,029.96</b> |

| Budget Line Position | Budget Line Description  | Commitment Appropriation Transaction Amount | Executed Commitment Amount | % Committed   | Payment Appropriation Transaction Amount | Executed Payment Amount | % Paid        | Cancelled         |
|----------------------|--|---|----------------------------|---------------|--|-------------------------|---------------|-------------------|
| A-2000               | Rent & Related Expenditure   | 28,740.20                                   | 28,740.20                  | 100.00%       | 28,740.20                                | 28,740.20               | 100.00%       | 0.00              |
| A-2002               | Water, Gas, Electricity Expenses                                   | 51,186.97                                   | 36,566.85                  | 71.44%        | 51,186.97                                | 36,566.85               | 71.44%        | 14,620.12         |
| A-2003               | Maintenance, cleaning  | 49,811.25                                   | 48,172.02                  | 96.71%        | 49,811.25                                | 48,172.02               | 96.71%        | 1,639.23          |
| A-2004               | Fitting-out  | 83,233.35                                   | 75,703.52                  | 90.95%        | 83,233.35                                | 75,703.52               | 90.95%        | 7,529.83          |
| A-2005               | Security of Building   | 102,278.40                                  | 101,943.75                 | 99.67%        | 102,278.40                               | 101,943.75              | 99.67%        | 334.65            |
| A-2006               | Restauration & Canteen costs                                       | 67,853.31                                   | 67,853.31                  | 100.00%       | 67,853.31                                | 67,853.31               | 100.00%       | 0.00              |
| A-2009               | Other expenditure on buildings                                     | 41,915.03                                   | 35,752.90                  | 85.30%        | 41,915.03                                | 35,752.90               | 85.30%        | 6,162.13          |
|                      | <b>Total Article 200</b>   | <b>425,018.51</b>                           | <b>394,732.55</b>          | <b>92.87%</b> | <b>425,018.51</b>                        | <b>394,732.55</b>       | <b>92.87%</b> | <b>30,285.96</b>  |
|                      | <b>Total Chapter 20</b>  | <b>425,018.51</b>                           | <b>394,732.55</b>          | <b>92.87%</b> | <b>425,018.51</b>                        | <b>394,732.55</b>       | <b>92.87%</b> | <b>30,285.96</b>  |
| A-2110               | Purchases of new hardware for operation the centre                 | 493,390.37                                  | 492,090.36                 | 99.74%        | 493,390.37                               | 492,090.36              | 99.74%        | 1,300.01          |
| A-2111               | Purchase of new software for the operation at the centre           | 138,048.00                                  | 137,820.74                 | 99.84%        | 138,048.00                               | 137,820.74              | 99.84%        | 227.26            |
| A-2112               | Purchase and Maintenance of printing and reproduction equipment    | 63,418.53                                   | 55,521.36                  | 87.55%        | 63,418.53                                | 55,521.36               | 87.55%        | 7,897.17          |
| A-2114               | Developments to support administrative and management applications | 615,275.38                                  | 523,312.02                 | 85.05%        | 615,275.38                               | 523,312.02              | 85.05%        | 91,963.36         |
|                      | <b>Total Article 211</b>   | <b>1,310,132.28</b>                         | <b>1,208,744.48</b>        | <b>92.26%</b> | <b>1,310,132.28</b>                      | <b>1,208,744.48</b>     | <b>92.26%</b> | <b>101,387.80</b> |
|                      | <b>Total Chapter 21</b>  | <b>1,310,132.28</b>                         | <b>1,208,744.48</b>        | <b>92.26%</b> | <b>1,310,132.28</b>                      | <b>1,208,744.48</b>     | <b>92.26%</b> | <b>101,387.80</b> |





## Final Annual Accounts 2011

| Budget Line Position | Budget Line Description                                    | Commitment Appropriation Transaction Amount | Executed Commitment Amount | % Committed   | Payment Appropriation Transaction Amount | Executed Payment Amount | % Paid        | Cancelled         |
|----------------------|--|---|----------------------------|---------------|--|-------------------------|---------------|-------------------|
| A-2200               | Technical equipment and AV installations                   | 32,510.22                                   | 32,510.22                  | 100.00%       | 32,510.22                                | 32,510.22               | 100.00%       | 0.00              |
| A-2201               | Furniture  | 109,531.32                                  | 107,235.14                 | 97.90%        | 109,531.32                               | 107,235.14              | 97.90%        | 2,296.18          |
| A-2202               | Purchase and maintenance of vehicles                       | 24,655.17                                   | 23,264.58                  | 94.36%        | 24,655.17                                | 23,264.58               | 94.36%        | 1,390.59          |
|                      | <b>Total Article 220</b>                                   | <b>166,696.71</b>                           | <b>163,009.94</b>          | <b>97.79%</b> | <b>166,696.71</b>                        | <b>163,009.94</b>       | <b>97.79%</b> | <b>3,686.77</b>   |
|                      | <b>Total Chapter 22</b>                                    | <b>166,696.71</b>                           | <b>163,009.94</b>          | <b>97.79%</b> | <b>166,696.71</b>                        | <b>163,009.94</b>       | <b>97.79%</b> | <b>3,686.77</b>   |
| A-2300               | Stationery and office supplies                             | 53,430.64                                   | 49,016.64                  | 91.74%        | 53,430.64                                | 49,016.64               | 91.74%        | 4,414.00          |
| A-2301               | Financial and other charges, exchange losses               | 2,909.82                                    | 179.17                     | 6.16%         | 2,909.82                                 | 179.17                  | 6.16%         | 2,730.65          |
| A-2302               | Library expenses, purchase of books and info subscriptions | 7,655.46                                    | 5,364.12                   | 70.07%        | 7,655.46                                 | 5,364.12                | 70.07%        | 2,291.34          |
| A-2309               | Other operating expenditure                                | 4,331.95                                    | 3,795.89                   | 87.63%        | 4,331.95                                 | 3,795.89                | 87.63%        | 536.06            |
|                      | <b>Total Article 230</b>                                   | <b>68,327.87</b>                            | <b>58,355.82</b>           | <b>85.41%</b> | <b>68,327.87</b>                         | <b>58,355.82</b>        | <b>85.41%</b> | <b>9,972.05</b>   |
|                      | <b>Total Chapter 23</b>                                    | <b>68,327.87</b>                            | <b>58,355.82</b>           | <b>85.41%</b> | <b>68,327.87</b>                         | <b>58,355.82</b>        | <b>85.41%</b> | <b>9,972.05</b>   |
| A-2400               | Postal and delivery charges                                | 3,704.69                                    | 3,351.79                   | 90.47%        | 3,704.69                                 | 3,351.79                | 90.47%        | 352.90            |
|                      | <b>Total Article 240</b>                                   | <b>3,704.69</b>                             | <b>3,351.79</b>            | <b>90.47%</b> | <b>3,704.69</b>                          | <b>3,351.79</b>         | <b>90.47%</b> | <b>352.90</b>     |
| A-2410               | Telecommunication and internet charges                     | 3,081.04                                    | 3,065.14                   | 99.48%        | 3,081.04                                 | 3,065.14                | 99.48%        | 15.90             |
|                      | <b>Total Article 241</b>                                   | <b>3,081.04</b>                             | <b>3,065.14</b>            | <b>99.48%</b> | <b>3,081.04</b>                          | <b>3,065.14</b>         | <b>99.48%</b> | <b>15.90</b>      |
|                      | <b>Total Chapter 24</b>                                    | <b>6,785.73</b>                             | <b>6,416.93</b>            | <b>94.57%</b> | <b>6,785.73</b>                          | <b>6,416.93</b>         | <b>94.57%</b> | <b>368.80</b>     |
| A-2500               | Governance and administrative meetings                     | 74,939.40                                   | 37,476.24                  | 50.01%        | 74,939.40                                | 37,476.24               | 50.01%        | 37,463.16         |
| A-2501               | Evaluation and Strategic Management Consulting             | 27,205.00                                   | 7,105.74                   | 26.12%        | 27,205.00                                | 7,105.74                | 26.12%        | 20,099.26         |
|                      | <b>Total Article 250</b>                                   | <b>102,144.40</b>                           | <b>44,581.98</b>           | <b>43.65%</b> | <b>102,144.40</b>                        | <b>44,581.98</b>        | <b>43.65%</b> | <b>57,562.42</b>  |
|                      | <b>Total Chapter 25</b>                                    | <b>102,144.40</b>                           | <b>44,581.98</b>           | <b>43.65%</b> | <b>102,144.40</b>                        | <b>44,581.98</b>        | <b>43.65%</b> | <b>57,562.42</b>  |
|                      | <b>Total Title 2</b>                                       | <b>2,079,105.50</b>                         | <b>1,875,841.70</b>        | <b>90.22%</b> | <b>2,079,105.50</b>                      | <b>1,875,841.70</b>     | <b>90.22%</b> | <b>203,263.80</b> |

| Budget Line Position | Budget Line Description   | Commitment Appropriation Transaction Amount | Executed Commitment Amount | % Committed   | Payment Appropriation Transaction Amount | Executed Payment Amount | % Paid        | Cancelled           |
|----------------------|---|---|----------------------------|---------------|--|-------------------------|---------------|---------------------|
| B3-000               | Networking, surveillance and data collection on Communicable diseases | 3,259,060.53                                | 3,087,292.58               | 94.73%        | 3,259,060.53                             | 3,087,292.58            | 94.73%        | 171,767.95          |
| B3-001               | Preparedness, response and emerging health threats                    | 912,830.34                                  | 893,361.19                 | 97.87%        | 912,830.34                               | 893,361.19              | 97.87%        | 19,469.15           |
| B3-002               | Scientific opinions and studies                                       | 1,997,178.48                                | 1,946,544.24               | 97.46%        | 1,997,178.48                             | 1,946,544.24            | 97.46%        | 50,634.24           |
| B3-003               | Technical assistance and training                                     | 1,423,405.86                                | 1,141,677.81               | 80.21%        | 1,423,405.86                             | 1,141,677.81            | 80.21%        | 281,728.05          |
| B3-004               | Publications and Communications                                       | 1,029,721.06                                | 958,984.52                 | 93.13%        | 1,029,721.06                             | 958,984.52              | 93.13%        | 70,736.54           |
| B3-005               | ICT to support projects   | 2,252,273.79                                | 2,167,892.58               | 96.25%        | 2,252,273.79                             | 2,167,892.58            | 96.25%        | 84,381.21           |
| B3-006               | Build up and maintenance of the Crisis Centre                         | 84,408.63                                   | 71,251.05                  | 84.41%        | 84,408.63                                | 71,251.05               | 84.41%        | 13,157.58           |
| B3-007               | Translations of scientific and technical reports and documents        | 378,889.00                                  | 363,141.00                 | 95.84%        | 378,889.00                               | 363,141.00              | 95.84%        | 15,748.00           |
| B3-008               | Meetings to implement the work programme                              | 580,291.27                                  | 512,206.33                 | 88.27%        | 580,291.27                               | 512,206.33              | 88.27%        | 68,084.94           |
| B3-009               | Country cooperation and partnership                                   | 184,290.20                                  | 168,546.32                 | 91.46%        | 184,290.20                               | 168,546.32              | 91.46%        | 15,743.88           |
| B3-010               | Scientific Library and Knowledge Services                             | 161,826.50                                  | 161,302.66                 | 99.68%        | 161,826.50                               | 161,302.66              | 99.68%        | 523.84              |
|                      | <b>Total Chapter 30</b>   | <b>12,264,175.66</b>                        | <b>11,472,200.28</b>       | <b>93.54%</b> | <b>12,264,175.66</b>                     | <b>11,472,200.28</b>    | <b>93.54%</b> | <b>791,975.38</b>   |
|                      | <b>Total Title 3</b>  | <b>12,264,175.66</b>                        | <b>11,472,200.28</b>       | <b>93.54%</b> | <b>12,264,175.66</b>                     | <b>11,472,200.28</b>    | <b>93.54%</b> | <b>791,975.38</b>   |
|                      | <b>GRAND TOTAL</b>  | <b>15,635,157.09</b>                        | <b>14,502,887.95</b>       | <b>92.76%</b> | <b>15,635,157.09</b>                     | <b>14,502,887.95</b>    | <b>92.76%</b> | <b>1,132,269.14</b> |



- Annex 3 – Budget Execution/Fund source R0 – Assigned Revenue (DG ELARG Grant)

| Budget Line Position | Budget Line Description                                      | Commitment Appropriation Transaction Amount | Executed Commitment Amount | % Committed    | Payment Appropriation Transaction Amount | Executed Payment Amount | % Paid        | RAL              |
|----------------------|--|---|----------------------------|----------------|--|-------------------------|---------------|------------------|
| B3-011               | GRANT DG ELARG - CANDIDATE AND POTENTIAL CANDIDATE COUNTRIES | 190,897.61                                  | 190,897.61                 | 100.00%        | 190,897.61                               | 159,695.40              | 83.66%        | 31,202.21        |
|                      | <b>Total Article 310</b>                                     | <b>190,897.61</b>                           | <b>190,897.61</b>          | <b>100.00%</b> | <b>190,897.61</b>                        | <b>159,695.40</b>       | <b>83.66%</b> | <b>31,202.21</b> |
|                      | <b>Total Chapter 31</b>                                      | <b>190,897.61</b>                           | <b>190,897.61</b>          | <b>100.00%</b> | <b>190,897.61</b>                        | <b>159,695.40</b>       | <b>83.66%</b> | <b>31,202.21</b> |



# Report on budget and financial management of the European Centre for Disease Prevention and Control

**Seventh Financial Year – 2011**

**Stockholm, June 1<sup>st</sup>, 2012**

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## 1. Developments in the Organisation during the year

Since it was set up in 2005, ECDC has grown to around 300 staff, with 200 temporary agents and another 100 contract agents foreseen to be working at ECDC in 2011. The former semi-matrix structure of the Centre was established in 2005, and few changes were made to it over the years. The matrix was never fully implemented in the ECDC organisational chart. It remained a mix of five functional units and six groups of disease-specific programmes, which were never totally integrated. The initial structure worked very well during the start-up phase when staff needed to be able to multi-task as there was an insufficient number of staff to manage all processes.

However, the structure lacked the necessary flexibility to be able to re-allocate resources in a cost-efficient manner over time and therefore had to be reviewed. The need to change the ECDC structure was based on external requirements and internal recommendations.

On 1 April 2011, ECDC implemented important changes to the way in which the Centre is structured.

The new organisation of ECDC has two key objectives:

- To enhance ECDC's focus on excellence
- To ensure the necessary cohesion and flexibility of ECDC as an organisation in order to maximise output from available resources.

The major innovations of the new structure are:

- The appointment of a Deputy to the Director who will focus on internal management and coordination issues.
- The creation of three new, high-profile teams attached to the Deputy to the Director:
  - Microbiology Coordination
  - Quality Management
  - Internal Communication and Knowledge Services.
- The original Disease Specific Programmes are renamed "Disease Programmes" (DPs) and the programme for Respiratory Tract Infections is split into one programme for influenza, and one for tuberculosis.
- The creation of the Office of the Chief Scientist and the transfer of the Heads of Disease Programmes (HDP) and their programme officers to this Office.
- Support to the DPs provided by two Shared Resources Units (Surveillance and Response Support Unit and Public Health Capacity and Communication Unit), as agreed in the annual work plans.
- The majority of expert staff is now placed in these two Shared Resources Units.

The advantages of these innovations for ECDC are:

- The Deputy to the Director will focus on ensuring the efficient day-to-day operation of ECDC and will lead the implementation of an ECDC-wide quality management system.
- The Director will be better able to focus on strategy, leadership and relations with the Centre's key partners.

- The position of the HDPs is strengthened now that they are all in the Office of the Chief Scientist and the DP budget is managed by one section.
- Competing demands from the different DP will be dealt with in the same unit.
- HDP will make binding agreements with vertical units on use of expert resources as part of the annual work plans.
- Open, formalised negotiation will lead to greater clarity as to how ECDC's resources are used and what individual activities cost (in terms of the resources they absorb). This, in combination with activity-based budgeting, will facilitate financial forecasting and planning.
- Clearer information on the resources needed for different activities will facilitate better management decisions on priorities.
- Having most of the Centre's disease control experts in one unit (Surveillance and Response Support) will facilitate the creation of ad hoc teams to assess new threats and other emerging issues.
- Having most of the generic public health and training experts in one unit (Public Health Capacity and Communication Unit) will ensure the critical mass necessary to efficiently support the countries in strengthening their national capacity.
- Internal communication and coordination will improve within the organisation, which is still developing, to enable better information flows and avoid the overlapping of work.
- Having ICT centralised in one unit (stepwise process to be fully implemented in 2012) provides the basis for necessary standardisations and cost-efficient operations and paves the way for the development of a new field in European public health informatics.

Following this, ECDC has been reorganized into four Units and the Director's Office. The Heads of Units are responsible for the activities in their Units, which are divided in sections. ECDC has a Senior Management Team (SMT), consisting of the Director and the Heads of Unit, which play an important role in the management of ECDC.

The Annual Work Programme 2011, prepared along the lines of the strategic multi-annual Work Programme 2007-2013, was approved by the Management Board in November 2010. The programme includes specific objectives. The implementation was followed up on a regular basis through the Management Information System (MIS), which had been implemented in 2009 with the view to be a central point of reference for the management and monitoring of the activities in the work programme and additional features have been developed into the application throughout 2011. The monthly reporting to the SMT of key data, such as commitments, payments and budget transfers was continued in 2011 through MIS and intensified towards the end of the year with the issue of weekly budget bulletins in order to facilitate the decision making.

In the fourth quarter of 2011, the Director approved the formal Business Continuity Plan for ECDC.

In 2011, the Director of ECDC, as Authorizing Officer (AO), delegated financial responsibility to the four Heads of Unit (Authorizing Officers by Delegation (AOD)). The Heads of Unit in turn delegated, but only in their absence, to the Deputy Heads of Unit. Should the Deputy Head of Unit, be unavailable, the authority returns to the Director. Thereby, a very limited number of persons act as AO/AOD in ECDC. The AODs can enter into budgetary and legal commitments and authorize payments. However, all contracts over 250.000€ need to be signed by the Director.

For the expenditure of 2011, the AODs signed a Declaration of Assurance to the AO, similar to the one signed by the AO himself, for the area for which they have been delegated responsibility.

## 2. Budget Implementation & Finance

ABAC WF (the EC integrated budgetary and accounting system) has reinforced compliance with the accrual accounting rules and ensured that ECDC financial systems are updated with all changes in the financial regulation.

The core budget of the Centre decreased from € 57.8 million in 2010 to € 56.6 million in 2011 (-2%).

The budget execution at year-end slightly increased and reached 96% compared to 95% in 2010 in terms of commitment appropriations, equivalent to € 54.5 million. This means that 3.7% or € 2.1 million remained unused of which € 1.6 million in Title I, € 0.2 million in Title II and € 0.3 million in Title III. The majority of budget lines with unused appropriations are staff related such as Salaries & Allowances and Weightings applied to remunerations. These appropriations in Title I, remained unspent at year-end, due to the fact that the proposal for a Council Regulation, adjusting the remuneration and pension of EU civil servants adopted by the European Commission on 24<sup>th</sup> of November 2011, was not adopted by the Council.

The budget execution, in terms of payments, increased by 8% compared to 2010 and reached 76% of the total budget compared to 68% in 2010. The payment execution for administrative expenses increased by nearly 13% compared to 2010 and reached almost 73%. A significant improvement has been made in the payment execution for operational expenses, where a payment execution of 60% has been achieved. This means an increase of 14% compared to 2010, and even more so when compared to the 36% of 2009. This upwards trend will be further strengthened in 2012.

During 2011, ECDC has addressed the high level of carry-forward and has reduced the amount to 11 million €, equivalent to 19 % of the total budget, compared to 27 % of the total budget carried forward in 2010 (15.6 million €). The level of carry forward of operational expenditure of Title 3 has also been reduced by 12 % compared to 2010. This downwards trend will be further strengthened in 2012.

An overview comparing 2011 vs. 2010 - Current Year C1 credits % committed and % paid:

| Title Description                     | Commitments % |               |              | Payments %    |               |              |
|---------------------------------------|---------------|---------------|--------------|---------------|---------------|--------------|
|                                       | 2011          | 2010          | difference   | 2011          | 2010          | difference   |
| TITLE 1 <i>Staff expenses</i>         | 94.53%        | 96.40%        | -1.87%       | 90.20%        | 91.53%        | -1.33%       |
| TITLE 2 <i>Administrative expense</i> | 96.80%        | 90.78%        | 6.02%        | 72.84%        | 59.91%        | 12.93%       |
| TITLE 3 <i>Operational expenses</i>   | 98.60%        | 96.63%        | 1.97%        | 60.23%        | 46.55%        | 13.68%       |
| <b>TOTAL TITLE 1 + 2 + 3</b>          | <b>96.33%</b> | <b>95.84%</b> | <b>0.49%</b> | <b>76.88%</b> | <b>68.79%</b> | <b>8.09%</b> |

The number of commitments and payments processed in 2011 by the Finance section compared to 2010 are very similar. 598 commitments verified throughout the year and 6948 payment orders, issued by the Director and the Authorizing Officers by delegation, were executed during 2011



(compared to 7000 in 2010) while the total amount of payments made in 2011 increased by 3.5% and reached € 58.2 million (EUR 56.2 million in 2010).

The second grant agreement, related to the cooperation with the European Commission on gradual integration of the Candidate and Potential candidate Countries for EU accession to ECDC programs, received from DG Enlargement, was further implemented and ended on the 30<sup>th</sup> of November 2011. (see table below) No additional funding was received during 2011 related to this grant.

Here is an overview of the budget implementation (execution on commitments and payments) by fund source:

| Fund Source   | Commitment/<br>Payment<br>Appropriations<br>2011 | Executed<br>Commitment<br>2011 | %<br>Commit-<br>ted | Executed<br>Payment<br>in 2011 | % Paid | Carried Over<br>to 2012 | Cancelled    |
|---|--|--------------------------------|---------------------|--------------------------------|--------|-------------------------|--------------|
| C1 - Current<br>Year<br>Appropriations              | 56.656.000,00                                    | 54.577.618,41                  | 96,33%              | 43.559.208,56                  | 76,88% | 11.018.409,85           | 2.078.381,59 |
| C8 - Carry Over<br>of 2010<br>appropriations        | 15.635.157,09                                    |                                |                     | 14.502.887,95                  | 92,76% | 0,00                    | 1.132.269,14 |
| R0 - Assigned<br>Revenue DG<br>ELARG Grant 2<br>(*) | 190.897,61                                       |                                |                     | 159.695,40 (°)                 | 83,66% | 31.202,21               | 0,00         |

\* Grant 2 -Actions with Candidate & Potential Candidate Countries,  
° executed payments in 2011 on carry-over from 2010

During the year, in order to improve the efficiency of the funds allocated to ECDC, the Director exercised his right to amend the budget between titles within the limitations of article 23 point 1 of ECDC's Financial Regulation. As a result, budget transfers were made between titles for the net amount of € 323.537, in order to meet the needs of the Centre.

Specifically, the funds were transferred to budget line A-2004 Fitting-out of premises, in order to enable pending improvements of the ICT environment.

An overview of the impact of the budget transfers in fund source 'C1 –Current Year Appropriations' is provided below:

| Budget 2011<br>Fund Source C1<br>Current Year<br>Appropriations | Initial Budget       | MB<br>Amendments | Director<br>Adjustments | FINAL BUDGET         |
|---|----------------------|------------------|-------------------------|----------------------|
| Title 1 – Staff related<br>Expenditure                          | 29.987.000,00        | 0,00             | -99.000,00              | 28.888.000           |
| Title 2 –Administrative<br>Expenditure                          | 5.831.000,00         | 0,00             | 323.537,00              | 6.154.537,00         |
| Title 3 - Operations  | 21.838.000,00        | 0,00             | -224.537,00             | 21.613.463,00        |
| <b>Total Budget</b>   | <b>56.656.000,00</b> | <b>0,00</b>      | <b>0,00</b>             | <b>56.656.000,00</b> |

In 2011, the procurement office supported 60 open procedures, 59 calls for tenders and 1 call for proposal, as well as 46 reopening procedures (IT Framework Contracts). Furthermore 14 negotiated procedures with a value above 25,000 EUR were concluded, among which one was above 60,000 EUR. 32 opinions were given by the CPCG (Committee for Procurement Contracts and Grants) before launching the procedures, giving advice to ensure compliance with relevant rules and regulations.

### 3. Audit issues and internal control

#### Internal Control Standards

Since 2006, the ECDC has had a set of Internal Control Standards (ICS) in place. They specify the necessary requirements, actions and expectations in order to build an effective system of internal control that could provide a reasonable assurance on the achievement of the ECDC objectives. These control standards were developed along the lines of the European Commission's Internal Control Standards, which are based on the international COSO standards.

In early 2010, ECDC followed the example of the European Commission and introduced the revised set of Internal Control Standards. These revised Internal Control Standards are more detailed in the requirements and increase the internal control especially in the areas of staff allocation and mobility, business continuity, external communication and accounting and financial reporting. The revised ICS were discussed in detail in the Audit Committee and adopted by the Management Board in March 2010.

The standards cover the areas of mission and values, human resources, planning and risk management processes, operations and control activities, information and financial reporting, and evaluation and audit.

Each Internal Control Standard is made up of a number of requirements to be met. For each such requirement ECDC has identified what is in place already, the actions to take, the person responsible and the deadline for when it should be in place.

A review of the implementation of the ICS was performed as part of the work for the annual report 2011. The results were discussed and validated by ECDC management. One of the standards has not been implemented, regarding evaluation of activities (no 14), and three of the others have only been partly implemented, while the rest are mainly or fully implemented. Work will continue in 2012 on the outstanding actions not yet in place, in order to make sure all ICS are fully implemented.

#### European Court of Auditors

ECDC is audited every year by the European Court of Auditors (ECA). The audit provides a Statement of Assurance as to the reliability of the accounts of the Centre and the legality and regularity of the transactions underlying them.

ECDC has received an unqualified <sup>(2)</sup> opinion every year, indicating that the accounts are reliable and the transactions underlying the accounts are legal and regular.

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<sup>2</sup> Unqualified audit opinion = The auditor's report contains a clear written expression of opinion on the financial statements or the legality and regularity of underlying transactions as a whole. An **unqualified opinion** is expressed when the auditor concludes that, on the whole, the underlying transactions are legal and regular and the supervisory and control systems are adequate to manage the risk.

For 2011, the process is ongoing since the second audit from the Court of Auditors at ECDC, related to the annual accounts 2011, took place in April 2012. The draft report will be available by the 15th of June 2012. The first part of the audit was performed in October 2011.

Regarding the 2010 annual accounts, there were only two comments raised by the ECA.

One regarding the high level of carry-forward, matched by a low level of accrued expenditure, being excessive and at odds with the budgetary principle of annuality, and one regarding staff selection procedures putting at risk the transparency of the recruitment procedures. These issues are being addressed by ECDC. The level of carry-forwards has already been reduced, and the selection procedures have been reviewed.

### Internal Audit Service

The ECDC is also audited by its Internal Auditor, the Internal Audit Service of the European Commission (IAS). The audit work to be performed is defined in the risk based annual IAS Strategic Audit Plan. All observations and recommendations are taken into account and appropriate action plans are developed. The implementation of these actions is being followed up regularly.

In 2011, an audit on "The process supporting the establishment of the Annual Work Programme, focusing on the Management Information System" was performed. The audit raised 4 very important and 5 important observations. An action plan was developed by ECDC, indicating that all the recommendations were accepted and that they are planned to be implemented by Q1 2012.

At the end of 2011 there were no critical observations, 4 very important observations and 10 important observations open. However, of those all but two (both important observations) were implemented by ECDC and awaiting review by the IAS. The two outstanding observations are planned to be implemented in Q1 2012.

## 4. Human Resources and Staffing

The Human Resources section is supporting the Centre's management and staff in this consolidation phase by continuous HR services in areas such as recruitment, working conditions, pay and entitlements as well as learning and development. The objective of the Centre's learning and development activities is to offer professional growth for the individual as well as to maintain and further strengthen the Centre's organisational performance. In 2011, a management development programme was launched for managers on all levels. With the aim of further strengthening the managerial competence in the organisation, a 360-degree feedback programme was launched in 2011 and will continue over the coming two years.

The total number of temporary agents in place at the Centre as of 31.12.2011 was 177, out of the 200 posts provided for in the Establishment Table for 2011.

As of 31.12.2011 the Centre has 88,5 % filled posts in the Establishment Table. The vacancy rate of 11,5% will continue to be reduced in the first quarter of 2012 with a further 15 appointments confirmed with start dates in January (6), February (7) and March (2). Considering that these appointments include 3 internal temporary agents and two staff members have a confirmed leaving date in the first 2 months of 2012, the Centre anticipates to employ 187 temporary agents as of 1 March 2012, which results in a vacancy rate of 6,5%.

It should also be noted that the Centre's internal movements (staff applying through open procedures for new posts within the Centre) resulted during 2011 in a total of 7 successful internal recruitments for temporary agent posts. This in turn led to replacement recruitments for temporary agents as well as contract agents. Moreover, a total of 88 contract agents were in place by the end of 2011 and 5 seconded national experts.

The turnover rate for temporary agents and contract agents was 8 % in 2011.

Table 1: Number of staff and selection procedures

|                           | 2009 | 2010  | 2011 |
|---------------------------|------|-------|------|
| Total staff (TA, CA, SNE) | 199  | 254   | 270  |
| Selection procedures      | 119  | 133** | 56*  |

\* This is the number of selection procedures completed in 2011, i.e. either the staff member has started employment with ECDC in 2011 or the selection procedure was unsuccessful. Out of the 56 selection procedures, there were 40 external recruitments, 12 internal staff members who were successful in external recruitment procedures and 4 unsuccessful recruitments.

\*\*In order to be able to monitor statistics, we have, for the first time in 2010, only considered recruitment procedures that led to an actual start of employment in 2010. Subsequently this includes procedures already launched in 2009 and finalized in 2010, however not those procedures still ongoing at the end of 2010 (with a start date in 2011).

Table 2: Staff (TA, CA, SNE's) by Unit

|              | TA         | CA        | SNE      | Total      |
|--------------|------------|-----------|----------|------------|
| DIR          | 13         | 6         | 1        | 20         |
| OCS          | 20         | 11        | 0        | 31         |
| SRS          | 65         | 10        | 3        | 78         |
| PHC          | 41         | 24        | 1        | 66         |
| RMC          | 38         | 37        | 0        | 75         |
| <b>Total</b> | <b>177</b> | <b>88</b> | <b>5</b> | <b>270</b> |

Table 3: Breakdown by nationality (temporary agents and contract agents)

| <b>Nationality</b> | <b>Number of statutory staff (TA and CA)<br/>at 31.12.2011</b> |
|--------------------|--|
| Austria            | 2  |
| Belgium            | 10   |
| Bulgaria           | 6  |
| Cyprus             | 1  |
| Czech Republic     | 4  |
| Denmark            | 4  |
| Estonia            | 3  |
| Finland            | 14   |
| France             | 26   |
| Germany            | 24   |
| Greece             | 7  |
| Hungary            | 3  |
| Ireland            | 1  |
| Italy              | 20   |
| Latvia             | 7  |
| Lithuania          | 6  |
| Luxembourg         | 1  |
| Malta              | 2  |
| Netherlands        | 11   |
| Poland             | 6  |
| Portugal           | 5  |
| Romania            | 17   |
| Slovakia           | 1  |
| Slovenia           | 0  |
| Spain              | 12   |
| Sweden             | 55   |
| United Kingdom     | 17   |
| <b>ECDC total</b>  | <b>265</b>   |