



Final Annual Accounts 2013 of the European Centre for Disease Prevention and Control

Ninth Financial Year – 2013

Stockholm, June 10th 2014

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1. Final Annual Accounts – Certification

The annual accounts of the European Centre for Disease Prevention and Control for the year 2013 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 article 50 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 10th 2014



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.¹ 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 92 of the Financial Regulation of the European Centre for Disease Prevention and Control adopted by the Management Board on 19th December 2013.

According to Article 98 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 92 of this regulation.

The Accounting Officer shall send the final accounts, together with the opinion of the management board, to the accounting officer of the Commission, the Court of Auditors, the European Parliament and the Council, by 1 July of the following financial year.

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

¹ 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 94 of the Financial Regulation which stipulates that, the rules adopted by the Accounting Officer of the European Commission based on internationally accepted accounting standards for public sector, shall apply. The financial statements referred to in Article 92 shall present information, including information on accounting policies, in a manner that ensures it is relevant, reliable, comparable and understandable.

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 depreciation follows the same principle as applied to the Centre's fixed assets i.e. if a project goes live in the first half of a month then the depreciation is applicable for that same month, if a project goes live on or following the 16th of a month then the depreciation applies starting from the following month.

The amount of research expenses incurred on IT projects and development costs not capitalized are disclosed in these annual accounts 2013 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 at ECDC was set at € 150.000.

The application of accounting rule n° 6 in the annual accounts of 2013 increases the transparency regarding the Centre's internally developed intangible fixed assets in particular its internally developed IT projects (for example GIS, EPIS, VBORNET, E3, Tessa, CRM, DMS and others)

In 2013, the following projects have gone live: VBORNET, DMS, CRM and GIS EMMA. As a consequence, their development costs, booked in previous years as 'Intangible assets under construction' are now depreciated, starting 2013, over the next four years.

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%

The fixed asset's depreciation commences in the month if the asset's delivery date is before or on the 15th of the month, while if the delivery date of the asset is on the 16th or after that date, the monthly depreciation will only commence the following month.

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.

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

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 free of 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

Balance Sheet	<i>Notes</i>	As at Dec. 31, 2013	As at Dec. 31, 2012
		<i>(All amounts in €)</i>	
Assets			
A. Non Current Assets			
Intangible Assets	4.5.1	4.062.892,72	1.513.879,07
Intangible fixed assets under construction	4.5.1	0,00	2.245.362,02
Tangible Fixed Assets	4.5.2	2.681.896,60	3.102.897,65
Total Assets		6.744.789,32	6.862.138,74
Total Non Current Assets		6.744.789,32	6.862.138,74
B. Current Assets			
Prefinancing	4.5.3	64.534,00	65.595,97
Stocks	4.5.4	52.526,29	76.027,68
Short Term Receivables	4.5.5	608.396,01	347.061,78
Accrued Income	4.5.6	164.017,37	106.433,38
Deferred Charges	4.5.6	418.983,75	441.569,09
Cash and Cash equivalents	4.5.7	13.002.451,14	8.909.500,09
Total Current Assets		14.310.908,56	9.946.187,99
Total Assets		21.055.697,88	16.808.326,73
Liabilities			
A. Capital			
Accumulated surplus	4.4	8.427.011,32	6.268.965,91
Economic result of the year	4.4	1.176.635,80	2.158.045,41
Total Capital		9.603.647,12	8.427.011,32
B. Non Current Liabilities			
Long term Provisions	4.5.8	512.377,11	528.921,00
C. Current Liabilities			
Short-term provisions	4.5.9	1.725.613,92	1.769.578,46
Accounts Payable	4.5.10	921.947,97	845.301,49
Pre-financing to be returned to the Commission	4.5.11	2.012.975,08	0,00
Open Pre-financing from Grants	4.5.11	674.308,57	188.054,00
Accrued charges	4.5.12	5.440.421,20	5.049.460,46
Deferred Income	4.5.12	164.406,91	0,00
		10.939.673,65	7.852.394,41
Total Liabilities		21.055.697,88	16.808.326,73

4.2. Economic Outturn Account

		2013	2012
		<i>(All amounts in €)</i>	
Operating Revenue	4.5.13	56.525.907,78	58.319.731,18
Administrative Expenses	4.5.14	(42.440.964,72)	(41.749.401,65)
<i>Staff related expenses</i>	4.5.14	<i>(27.760.771,73)</i>	<i>(27.029.785,52)</i>
<i>Depreciation/Amortisation/Write-off</i>	4.5.14	<i>(1.836.910,27)</i>	<i>(1.319.761,27)</i>
<i>Other Administrative Expenses</i>	4.5.14	<i>(12.843.282,72)</i>	<i>(13.399.854,86)</i>
Operational Expenses	4.5.15	(12.244.538,97)	(13.858.462,54)
Surplus from Administrative & Operating Activities		1.840.404,09	2.711.866,99
Financial revenues	4.5.16	0,00	0,00
Financial Expenses	4.5.16	(7.260,31)	(7.131,99)
Currency Exchange Gains/(Losses)	4.5.17	(656.507,98)	(546.689,59)
Economic Result for the Year		1.176.635,80	2.158.045,41

4.3. Cash Flow Statement

	2013	2012
Cash Flows from ordinary activities		
Surplus/(deficit) from ordinary activities	1.176.635,80	2.158.045,41
Operating activities		
<u>Adjustments</u>		
Amortization (intangible fixed assets)	783.202,54	323.985,19
Depreciation (tangible fixed assets)	1.050.124,00	993.534,99
Increase/(decrease) in Provisions for risks and liabilities	(60.508,43)	1.336.179,70
Increase/(decrease) in Value reduction for doubtful debts	0,00	0,00
(Increase)/decrease in Stock	23.501,39	5.613,12
(Increase)/decrease in Long term Pre-financing	0,00	0,00
(Increase)/decrease in Short term Pre-financing	1.061,97	(172,57)
(Increase)/decrease in Short term Receivables	(295.713,73)	88.182,50
(Increase)/decrease in Receivables related to consolidated EU entities	(619,15)	855,78
Increase/(decrease) in Accounts payable	474.403,83	(157.746,22)
Increase/(decrease) in Liabilities related to consolidated EU entities	2.656.839,95	(124.232,46)
Other non-cash movements	3.583,73	2.241,09
<i>Net cash Flow from operating activities</i>	5.812.511,90	4.626.486,53
Cash Flows from investing activities		
Increase of tangible and intangible fixed assets	(1.719.560,85)	(3.088.755,57)
<i>Net cash flow from investing activities</i>	(1.719.560,85)	(3.088.755,57)
Net increase/(decrease) in cash and cash equivalents	4.092.951,05	1.537.730,96
<i>Cash and cash equivalents at the beginning of the period</i>	8.909.500,09	7.371.769,13
<i>Cash and cash equivalents at the end of the period</i>	13.002.451,14	8.909.500,09

4.4. Statement of Changes in Capital

Capital (All amounts in €)	Reserves		Accumulated Surplus / Deficit	Economic result of the year	Total Capital
	Fair value reserve	Other reserves			
Balance as of 1 January 2013	0,00	0,00	6.268.965,91	2.158.045,41	8.427.011,32
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 Previous Year	0,00	0,00	2.158.045,41	(2.158.045,41)	0,00
Economic result of the year	0,00	0,00	0,00	1.176.635,80	1.176.635,80
Balance as of 31 December 2013	0,00	0,00	8.427.011,32	1.176.635,80	9.603.647,12

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 assets (1)	Intangible fixed assets under construction	Total
Gross carrying amounts 01.01.2013	865.504,92	1.823.083,55	2.688.588,47	00,0	2.245.362,02	4.933.950,49
Additions		145.330,40	145.330,40		943.314,47	1.088.644,87
Disposals		(201.226,02)	(201.226,02)			(201.226,02)
Transfer between headings	3.188.676,49		3.188.676,49		(3.188.676,49)	0,00
Other changes						
Gross carrying amounts 31.12.2013	4.054.181,41	1.767.187,93	5.821.369,34	0,00	0,00	5.821.369,34
Accumulated amortization and impairment 01.01.2013		(1.174.709,40)	(1.174.709,40)		0,00	(1.174.709,40)
Amortization	(470.057,73)	(313.144,81)	(783.202,54)		0,00	(783.202,54)
Write-back of amortization						
Disposals		199.435,32	199.435,32		0,00	199.435,32
Accumulated amortization 31.12.2013	(470.057,73)	(1.288.418,89)	(1.758.476,62)		0,00	(1.758.476,62)
Net carrying amounts 31.12.2013	3.584.123,68	478.769,04	4.062.892,72	0,00	0,00	4.062.892,72

Not capitalised cost	Research cost	Not capitalised development cost *
Cost of the year 2013	138.404,86	114.937,99

4.5.2. Fixed Assets

All amounts in €

	Buildings	Plant and Equipment	Computer hardware	Furniture and vehicles	Tangible Fixed Assets under Construction	Total
Gross carrying amounts 01.01.2013	2.183.436,59	1.011.216,00	3.647.748,29	823.472,19	0,00	7.665.873,07
Additions	35.187,45	24.601,21	546.957,19	24.170,13		630.915,98
Disposals			(269.072,40)			(269.072,40)
Transfer between headings						0,00
Other changes						0,00
Gross carrying amounts 31.12.2013	2.218.624,04	1.035.817,21	3.925.633,08	847.642,32	0,00	8.027.716,65
Accumulated depreciation 01.01.2013	(658.522,25)	(929.081,67)	(2.551.992,73)	(423.378,77)	0,00	(4.562.975,42)
Depreciation	(307.245,24)	(56.846,98)	(598.037,91)	(87.993,87)		(1.050.124,00)
Write-back of depreciation						0,00
Disposals			267.279,37			267.279,37
Impairment						0,00
Write-back of impairment						0,00
Transfer between headings						0,00
Other changes						0,00
Accumulated depreciation 31.12.2013	(965.767,49)	(985.928,65)	(2.882.751,27)	(511.372,64)	0,00	(5.345.820,05)
Net carrying amounts 31.12.2013	1.252.856,55	49.888,56	1.042.881,81	336.269,68	0,00	2.681.896,60

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 31/12/2013 is reported below:

All amounts in €

Non cleared pre-financing at 31/12/2013	717.290,36
Accrued Charges on Pre-financing	<u>(652.756,36)</u>
Open pre-financing at 31/12/2013	64.534,00

4.5.4. Stocks

All amounts in €

	01/01/2013	Additions	Disposals	Write down at year end	31/12/2013
ECDC Publications	76.027,68	74.614,96	(18.217,84)	(79.898,52)	52.526,29
Other	0,00	0,00	0,00	0,00	0,00
Total	76.027,68	74.614,96	(18.217,84)	(79.898,52)	52.526,29

The additions reflect the amount of publications purchased at printing cost in 2013. The amount disposed shows the amount of publications distributed free of charge in 2013. 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 €

	31/12/2013	31/12/2012
VAT Receivable from Member States	303.334,14	318.371,39
Receivable from other EU institutions and bodies	2.828,18	0,00
Receivable regarding Staff	282.162,37	28.690,39
Other	<u>20.071,32</u>	<u>0,00</u>
Total	608.396,01	347.061,78

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. 169€ at EC year-end rate 2013). The VAT receivable appearing in the accounts relates to invoices paid in the last quarter of 2013. Previous claims regarding 2013 were already paid back in full. The increase in 'Receivable regarding Staff' includes an amount of € 234.395,32, which is a

receivable against the European Commission. This, due to the fact, that at year-end, it has been decided to reduce the pension contribution rate from 11.6 %, applied to the salaries since 2012, to 10.6% retroactively till 1st of July 2012. The surplus retained on salaries was paid to staff in December 2013 by the Centre. Therefore leaving this amount at year-end for the Centre to be recovered from the European Commission.

An amount of € 16.630,81 included under 'Other' is to be received by the Centre following a positive Court ruling.

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 2013 is reported here.

Accrued income relates to the cut-off procedure at year-end regarding the IPA Grant and the MEDIPIET contract received for implementation from the European Commission.

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, 2013 are as follows:

All amounts in €

	31/12/2013	31/12/2012
Acc No 59368289476 (EUR)	12.328.650,02	8.638.745,58
Acc No 59378215971 (EUR)	151.941,37	12,08
Acc No 59308246266 (EUR)	142.941,66	95.507,59
Acc No 54238209257 (EUR)	100.286,05	0,00
Acc No 54238218396 (EUR)	207.535,11	0,00
Acc No 52011096375 (SEK)	68.468,80	174.042,49
Acc No 52011170974 (SEK)	885,92	457,97
Acc No 52011194822 (SEK)	994,88	0,00
Acc No 52031003712 (SEK)	0,00	0,00
Acc No 52031009052 (SEK)	0,00	0,00
Acc No 52011097061 (SEK)	747,33	734,38
Cash in Hand	0,00	0,00
Total	13.002.451,14	8.909.500,09

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. All other accounts, stated above are used to receive funds and execute payments related to the grants and other contracts received from the European Commission and Joint Undertaking IMI and implemented by ECDC.

Account No 52011097061 is the imprest account of the Centre. No cash has been handled by the Centre in 2013.

4.5.8. Long Term Provisions

In accordance with the lease contract with the landlord, the Centre has the obligation to restore the building in its original state when vacating the premises at the end of the lease, this obligation is still reflected in the accounts. Based on a study carried out in 2012, the dilapidation cost of this obligation has been estimated at 4.539.200 SEK, which equals 512.377 € (converted at the official EC 2013 year-end exchange rate applicable for SEK).

4.5.9. Short Term Provisions

In 2013, additional provisions were booked due to the following. A legal action with the Court of Justice was introduced in previous years by the European Commission against the decision from the Council, not to adopt the European Commission's proposals related to the annual salary adjustment for 2011 and 2012 of the remuneration and pension of the officials and other servants of the European Union and the corrections coefficients applied thereto. In November 2013, a negative ruling was pronounced by the Court of Justice on the given proposal, but also with the instruction for the European Commission to provide the Council with a new proposal. Following this new proposal, provisions have been recalculated, taking also into account the aspect of exchange rate differences involved and provisioned for in the accounts 2013. An amount of € 224.295,27 has been booked regarding the 2011 salary adjustments and € 1.201.318,65 for the salary adjustments of 2012. Another provision related to a court case from previous years remains in the accounts of 2013, as the decision from the Court has been appealed.

4.5.10. Accounts Payable

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

	<i>All amounts in €</i>	
	31/12/2013	31/12/2012
Vendors	741.991,61	815.648,83
Interest Income payable to the Commission (1)	6.403,69	22.045,70
Other payables to the Commission	55.147,81	300,36
Payables to other EU agencies	18.118,81	300,36
Other payables to Member States	0,00	7.306,60
Social Security Contributions & income taxes payable	0,00	0,00
Sundry Payables	100.286,05	0,00
Total	921.947,97	845.301,49

(1) see also Note 4.5.16

4.5.11. Pre-financing

Pre-financing to be returned to the EC

In general, the amount represents the positive outturn of the budgetary accounts which, according to the financial regulation, has to be paid back to the Commission.

In 2013, ECDC has a positive budget outturn (see also 5.1), when added to the negative outturn from previous years, the overall balance of the outturn is positive. As a result, 2.012.975,08 € has to be paid back to the Commission in 2014 regarding the 2013 budget.

Open pre-financing

An amount of € 674 thousand was received by ECDC from the European Commission, which covers expenditure related to the implementation of a service contract for the establishment of a Mediterranean Programme for Intervention Epidemiology Training (MediPIET) and of grant agreements for actions with the candidate and potential candidate countries implemented throughout 2013.

4.5.12. Accrued Expenses & Deferred Income

Accrued expenses are estimates provided by the authorising officers on the cost of services and deliveries of goods incurred during 2013 but not yet invoiced or processed. In addition, the cost of the untaken leave of staff during 2013 is reported here

	<i>All amounts in €</i>	
	31.12.2013	31.12.2012
Untaken annual leave	422.725,14	353.904,28
Accrued charges	5.017.696,06	4.695.556,18
Total	5.440.421,20	5.049.460,46

Deferred income has been booked in 2013 for an amount of 164.406,91€.

4.5.13. Revenue

The Centre is almost exclusively financed by the Community Budget together with the EFTA Member States contributing to its budget by approximately 2,8%. In 2013, the Centre booked 56.302.024,92€ as revenue from its subsidy of 58.315.000€ received from the European Commission.

An amount of € 16 thousand has been booked as miscellaneous income and consists of recovery of taxes and recovery of costs from staff regarding current and previous years. The full amount has been included in the budget tables of 2013 in order to be returned to the European Commission.

The Centre is also reporting as revenue an amount of € 207 thousand, which is the result of the year-end cut-off made regarding three grants which have been further implemented throughout 2013.

Here the posting versus accrued revenue or open pre-financing is equal to the expenditures made under the grants during 2013.

Below is the breakdown of the revenue for the year:

	<i>All amounts in €</i>	
	2013	2012
Community Subsidy (including EEA contribution)	56.302.024,92	58.200.000,00
Revenue from Grant implementation	207.709,34	83.153,76
Other revenue	16.173,52	36.577,42
Total	56.525.907,78	58.319.731,18

4.5.14. 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:

	<i>All amounts in €</i>	
	2013	2012
Staff related expenses	27.760.771,73	27.029.785,52
Costs related to Seconded National Experts & Trainees	370.194,15	313.968,74
Mission Expenses	788.447,62	928.215,36
Management Board, Advisory Forum & Administrative Meetings	139.695,80	256.420,76
Rent and Building Costs	3.837.730,05	3.536.669,03
Depreciation/Amortisation/Write-off	1.836.910,27	1.319.761,27
Recruitment Related Costs	52.867,33	94.364,84
IT costs Research	138.404,86	16.256,54
IT costs Development	114.937,99	347.369,88
IT costs Operational	4.894.550,42	4.727.972,18
Other	2.506.454,50	3.178.617,53
Administrative Expenses – Total	42.440.964,72	41.749.401,65

4.5.15. 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.

	<i>All amounts in €</i>	
	2013	2012
Operational Expenses – Total	12.244.538,97	13.858.462,54

4.5.16. Finance Income / Expense

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

In addition, the Centre received € 6 thousand of interest income earned on the Community Subsidy that is reported under Note 4.5.10. – Accounts Payable, as according to the Financial Regulation it has to be returned to the Commission.

4.5.17. 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 2013 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 € 657 thousand (versus losses of € 547 thousand in 2012).

4.5.18. Contingent Assets & Liabilities

Contingent Liabilities

As at 31 December 2013, the Centre had agreements with several contractors and suppliers for the amount of € 5.247 thousand. These agreements relate mainly to operational projects and are covered by budgetary commitments against 2013 appropriations.

In accordance with the lease contract, the Centre has the obligation to restore the building in its original state when vacating the premises at the end of the lease. This obligation is reflected in the accounts. Based on a study which was carried out in 2012 the cost of this obligation has been estimated at 512.377 € (converted at the official EC 2013 year-end exchange rate applicable for SEK) The residual amount of this contingent liability for 2014 till 2018 equals 336.070 €.

4.5.19. 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 amount to 7.7 million €. In addition the centre had lease agreements in place for printing and copying equipment that ran until end of April 2013.

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	13.896,06	0,00			0,00
Buildings	1.928.120,31	1.950.000,00	5.750.000,00	0,00	7.700.000,00
Total	1.942.016,37	1.950.000,00	5.750.000,00	0,00	7.700.000,00

4.5.20. 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:

Grade	No of Persons in the Grade
AD14	2
AD13	1
AD12	2
AD11	1
Total	6

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

4.5.21. 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 2013, throughout the whole year, ECDC staff initially contributed 11,6% of their basic salary to the pension scheme.

On the 10th of December 2013, the Council adopted a regulation reducing the 2012 pension contribution rate from 11.6 % to 10.6% retroactively from the 1st of July 2012. The surplus retained on salaries was paid out to staff in December 2013 by the Centre.

Following another Regulation adopted by the Council on 17 December 2013, the 2013 pension contribution rate was further reduced from 10.6% to 10.3% of the basic salary, with retroactive effect from 1 July 2013. This retained surplus has been paid back to staff through their February 2014 salary.

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

		<i>All amounts in €</i>	
		2013	2012
REVENUE			
	Commission subsidy	58.315.000,00	58.200.000,00
	Grant funds from Commission	720.035,16	0,00
	Other revenue	180.580,43	197.648,61
	TOTAL REVENUE (a)	59.215.615,59	58.397.648,61
EXPENDITURE			
	<i>Title I: Staff</i>		
	Payments	28.282.625,29	27.919.079,39
	Appropriations carried over	941.192,55	781.087,78
	<i>Title II: Administrative Expenses</i>		
	Payments	4.878.554,03	4.709.025,39
	Appropriations carried over	1.723.484,44	1.172.093,92
	<i>Title III: Operating Expenditure</i>		
	Payments	10.286.915,60	11.878.182,46
	Appropriations carried over	8.673.123,09	8.422.003,20
	TOTAL EXPENDITURE (b)	54.785.895,00	54.881.472,14
	OUTTURN FOR THE FINANCIAL YEAR (a-b)	4.429.720,59	3.516.176,47
	Cancellation of unused payment appropriations carried over from previous year	1.142.984,15	764.357,54
	Adjustment for carry-over from the previous year of appropriations available at 31.12.2012 arising from assigned revenue	101.771,51	41.554,21
	Exchange differences for the year (gain+/loss-)	-2.347.959,65	-2.022.102,54
	BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR	3.326.516,60	668.831,65
	Balance 2012	-1.313.541,52	-1.981.936,91
	Positive balance from 2012 reimbursed in year 2013 to the Commission	0,00	0,00
	Result used for determining amounts in general accounting	<u>2.012.975,08</u>	-1.313.105,26
	Commission subsidy (2013 Revenue)	<u>56.302.024,92</u>	
	Pre-financing remaining open to be reimbursed to EC in 2014	2.012.975,08	
	NOT INCLUDED IN THE BUDGET OUTTURN:		
	Interest generated by 31/12/2013 on the Commission subsidy funds and to be reimbursed to the Commission (liability)	6.403,69	22.045,70

5.2. Explanatory notes to the Budget

5.2.1. Income

The initial Budget appropriations for 2013 as voted by the Management board meeting in November 2012 amounted to € 58.315.000. 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	56.727.000,00	(0,00)	56.727.000,00
2001 IC4	European Community Contribution - Earmarked funds (Reuse previous years)	0,00	(0,00)	0,00
200	European Community contribution	56.727.000,00	(0,00)	56.727.000,00
3000 IC1	Subsidy from EEA/EFTA member states (% of EU contribution)	1.588.000,00	(0,00)	1.588.000,00
300	Subsidy from the EEA/EFTA	1.588.000,00	(0,00)	1.588.000,00
Total Revenue 2013		58.315.000,00	(0,00)	58.315.000,00
R0 – External assigned revenue	European Community Contribution - Earmarked funds	720.035,16	(0,00)	720.035,16

No adjustment to the budget, as shown in the table above, was made in 2013, neither to the European Community Contribution 2013 nor to the EEA/EFTA Member States contribution.

In 2013, an amount of € 720.035,16 was received to the budget 2013 as external assigned revenue. The amounts collected refer to the following contracts: IPA grant, MediPIET, Joint Undertaking IMI grant and ENPI grant

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 2013	Executed Commitments 2013	% Commit -ted	Executed Payments in 2013	% Paid	Carried forward to 2014	Cance lled
C1 - Current Year Appropriations	58.315.000,00 (CA/PA)	53.800.201,50	92,96%	43.237.385,58	74,14%	10.562.815,92	4.514.798,50
C5 – Assigned revenue appropriations	3.000,00	3.000,00	100%	3.000,00	100%	0,00	0,00
C8 – Carry-forward of 2012 appropriations	10.273.933,47 (PA)			9.130.949,32	88,87%	0,00	1.142.984,15
R0 - Assigned Revenue DG ELARG Grant 3 (*)	246.465,43 (CA/PA)			99.043,80	40,19%	147.421,63	0,00
R0 - Assigned Revenue MediPIET	264.000,00 (CA/PA)	254.121,00	96,26%	108.665,54	41,16%	155.334,46	0,00
R0 - Assigned Revenue -Advance IMI grant (°)	100.286,05 (CA/PA)					100.286,05	0,00
R0 - Assigned Revenue ENPI Grant (°)	207.535,11 (CA/PA)					207.535,11	0,00

* Grant 3 -Actions with Candidate & Potential Candidate Countries

° funds received in Q4 2013 to be implemented in 2014

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 2013 Fund Source C1 Current Year Appropriations	Initial Budget	EFTA/EC Subsidy Increase	MB Amendments	Director Adjustments	FINAL BUDGET
Title 1 – Staff related Expenditure	31.535.000,00	0,00	0,00	0,00	31.535.000,00
Title 2 – Administrative Expenditure	6.901.000,00	0,00		+186.172,00	7.087.172,00
Title 3 - Operations	19.879.000,00	0,00	0,00	-186.172,00	19.692.828,00
Total Budget	58.315.000,00	0,00	0,00	0,00	58.315.000,00

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

All amounts in €

Economic Outturn Account 2013	<u>1.176.635,80</u>
<i>Adjustment for accrual items (items not in the budgetary result but included in the economic result)</i>	
Adjustments for Accrual Cut-off (reversal 31.12.2012)	(5.403.539,76)
Adjustments for Accrual Cut-off (cut- off 31.12.2013)	7.012.264,46
Unpaid invoices at year end but booked in charges	0,00
Depreciation of intangible and tangible fixed assets	1.836.910,27
Provisions	709.417,00
Value reductions	0,00
Pre-financing given in previous year and cleared in the year	65.703,39
Pre-financing received in previous year and cleared in the year	0,00
Payments made from carry-forward of payment appropriations	9.130.949,33
Other (deferred charges, stock decrease, exchange rate diff – rappel 2011)	(1.646.280,01)
<i>Adjustment for budgetary items (item included in the budgetary result but not in the economic result)</i>	
Asset acquisitions (less unpaid amounts)	(2.069.526,22)
New pre-financing paid in the year 2013 and remaining open as at 31.12.2013	(64.534,00)
New pre-financing received in the year 2013 and remaining open as at 31.12.2013	2.525.300,90
Budgetary recovery orders issued in 2013 on balance sheet accounts (not 7 or 6 accounts) and cashed	0,00
Payment appropriations carried over to 2014	(11.337.800,08)
Cancellation of unused carried over payment appropriations from previous year	1.142.984,15
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	101.771,51
Other (deferred income)	146.259,87
Budgetary Outturn Account 2013	<u>3.326.516,60</u>

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	12,495,000.00	12,055,723.80	96.48%	12,495,000.00	12,055,723.80	96.48%	0.00	439,276.20
A-1101	Family Allowances	2,000,000.00	1,847,843.30	92.39%	2,000,000.00	1,847,843.30	92.39%	0.00	152,156.70
A-1102	Expatriation Allowances	1,900,000.00	1,803,296.74	94.91%	1,900,000.00	1,803,296.74	94.91%	0.00	96,703.26
	Total Article 110	16,395,000.00	15,706,863.84	95.80%	16,395,000.00	15,706,863.84	95.80%	0.00	688,136.16
A-1111	Contract Agents - Basic Salaries	3,540,000.00	3,513,120.77	99.24%	3,540,000.00	3,513,120.77	99.24%	0.00	26,879.23
A-1112	Contract Agents - Allowances	1,150,000.00	1,093,692.90	95.10%	1,150,000.00	1,093,692.90	95.10%	0.00	56,307.10
	Total Article 111	4,690,000.00	4,606,813.67	98.23%	4,690,000.00	4,606,813.67	98.23%	0.00	83,186.33
A-1140	Birth & Death grants	5,000.00	3,767.89	75.36%	5,000.00	3,767.89	75.36%	0.00	1,232.11
A-1141	Travel expenses from place of employment to place of origin	700,000.00	678,682.90	96.95%	700,000.00	678,682.90	96.95%	0.00	21,317.10
A-1142	Overtime	63,000.00	60,985.74	96.80%	63,000.00	60,985.74	96.80%	0.00	2,014.26
A-1149	Learning & Development	559,000.00	456,147.40	81.60%	559,000.00	288,347.83	51.58%	167,799.57	102,852.60
	Total Article 114	1,327,000.00	1,199,583.93	90.40%	1,327,000.00	1,031,784.36	77.75%	167,799.57	127,416.07
A-1170	Freelance and joint interpreting and conference service interpreters	60,000.00	51,040.00	85.07%	60,000.00	33,440.00	55.73%	17,600.00	8,960.00
A-1173	Translations	40,500.00	27,631.00	68.22%	40,500.00	8,079.80	19.95%	19,551.20	12,869.00
A-1174	Payment for administrative assistance from the Community institutions	175,000.00	175,000.00	100.00%	175,000.00	162,321.81	92.76%	12,678.19	0.00
A-1175	Interim services	1,500,000.00	1,500,000.00	100.00%	1,500,000.00	1,147,694.91	76.51%	352,305.09	0.00
A-1176	Relocation Services	50,000.00	5,648.33	0.00%	50,000.00	5,648.33	0.00%	0.00	44,351.67
	Total Article 117	1,825,500.00	1,759,319.33	96.37%	1,825,500.00	1,357,184.85	74.35%	402,134.48	66,180.67
A-1180	Miscellaneous expenditure on recruitment	150,000.00	67,182.64	44.79%	150,000.00	61,606.17	41.07%	5,576.47	82,817.36
A-1181	Travel expenses	20,000.00	7,203.05	36.02%	20,000.00	7,203.05	36.02%	0.00	12,797.02
A-1182	Installation, resettlement & transfer allowances	200,000.00	119,265.17	59.63%	200,000.00	119,265.17	59.63%	0.00	80,734.83
A-1183	Removal Expenses	175,000.00	118,970.60	67.98%	175,000.00	72,712.37	41.55%	46,258.23	56,029.40
A-1184	Temporary daily subsistence allowance	100,000.00	54,916.34	54.92%	100,000.00	54,916.34	54.92%	0.00	45,083.66
	Total Article 118	645,000.00	367,537.80	56.98%	645,000.00	315,703.10	48.95%	51,834.70	277,462.20



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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	3,650,000.00	3,402,011.23	93.21%	3,650,000.00	3,402,011.23	93.21%	0.00	247,988.77
A-1191	Provisional Appropriation (rappel)	465,000.00	0.00	0.00%	465,000.00	0.00	0.00%	0.00	465,000.00
	Total Article 119	4,115,000.00	3,402,011.23	82.67%	4,115,000.00	3,402,011.23	82.67%	0.00	712,988.77
	Total Chapter 11	28,997,500.00	27,042,129.80	93.26%	28,997,500.00	26,420,361.05	91.11%	621,768.75	1,955,370.20
A-1300	Mission expenses, travel expenses and incidental expenditure	1,000,000.00	795,452.10	79.55%	1,000,000.00	543,033.14	54.30%	252,418.96	204,547.90
	Total Article 130	1,000,000.00	795,452.10	79.55%	1,000,000.00	543,033.14	54.30%	252,418.96	204,547.90
	Total Chapter 13	1,000,000.00	795,452.10	79.55%	1,000,000.00	543,033.14	54.30%	252,418.96	204,547.90
A-1410	Medical Service	150,000.00	120,557.31	80.37%	150,000.00	91,949.91	61.30%	28,607.40	29,442.69
	Total Article 141	150,000.00	120,557.31	80.37%	150,000.00	91,949.91	61.30%	28,607.40	29,442.69
	Total Chapter 14	150,000.00	120,557.31	80.37%	150,000.00	91,949.91	61.30%	28,607.40	29,442.69
A-1520	Staff Exchanges	450,000.00	372,100.00	82.69%	450,000.00	370,163.10	82.26%	1,936.90	77,900.00
	Total Article 152	450,000.00	372,100.00	82.69%	450,000.00	370,163.10	82.26%	1,936.90	77,900.00
	Total Chapter 15	450,000.00	372,100.00	82.69%	450,000.00	370,163.10	82.26%	1,936.90	77,900.00
A-1700	Entertainment & Representation Expenses	9,500.00	8,700.00	91.58%	9,500.00	6,991.69	73.60%	1,708.31	800.00
	Total Article 170	9,500.00	8,700.00	91.58%	9,500.00	6,991.69	73.60%	1,708.31	800.00
	Total Chapter 17	9,500.00	8,700.00	91.58%	9,500.00	6,991.69	73.60%	1,708.31	800.00
A-1801	Social Contact Between Staff	63,000.00	54,425.00	86.39%	63,000.00	19,672.77	31.23%	34,752.23	8,575.00
A-1802	Sickness Insurance	550,000.00	548,066.23	99.65%	550,000.00	548,066.23	99.65%	0.00	1,933.77
A-1803	Accident and Occupational Diseases	105,000.00	80,746.05	76.90%	105,000.00	80,746.05	76.90%	0.00	24,253.95
A-1804	Unemployment for temporary staff	210,000.00	201,641.35	96.02%	210,000.00	201,641.35	96.02%	0.00	8,358.65
	Total Article 180	928,000.00	884,878.63	95.35%	928,000.00	850,126.40	91.61%	34,752.23	43,121.37
	Total Chapter 18	928,000.00	884,878.63	95.35%	928,000.00	850,126.40	91.61%	34,752.23	43,121.37
	Total Title 1	31,535,000.00	29,223,817.84	92.67%	31,535,000.00	28,282,625.29	89.69%	941,192.55	2,311,182.16



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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	1,984,300.00	1,928,120.33	97.17%	1,984,300.00	1,928,120.33	97.17%	0.00	56,179.67
A-2001	Insurance	13,000.00	12,518.32	96.29%	13,000.00	10,560.31	81.23%	1,958.01	481.68
A-2002	Water, Gas, Electricity etc	215,000.00	205,000.00	95.35%	215,000.00	181,330.56	84.34%	23,669.44	10,000.00
A-2003	Maintenance, cleaning	173,000.00	159,648.61	92.28%	173,000.00	132,366.82	76.51%	27,281.79	13,351.39
A-2004	Fitting-out	70,000.00	46,990.67	67.13%	70,000.00	25,704.58	36.72%	21,286.09	23,009.33
A-2005	Security of Building	262,700.00	238,693.30	90.86%	262,700.00	207,386.71	78.94%	31,306.59	24,006.70
A-2006	Restauration & Canteen costs	100,000.00	93,458.35	93.46%	100,000.00	86,458.35	86.46%	7,000.00	6,541.65
A-2009	Other expenditure on buildings	93,000.00	84,107.58	90.44%	93,000.00	77,544.03	83.38%	6,563.55	8,892.42
	Total Article 200	2,911,000.00	2,768,537.16	95.11%	2,911,000.00	2,649,471.69	91.02%	119,065.47	142,462.84
	Total Chapter 20	2,911,000.00	2,768,537.16	95.11%	2,911,000.00	2,649,471.69	91.02%	119,065.47	142,462.84
A-2110	Purchases of new hardware for operation the centre	898,603.00	898,539.23	99.99%	898,603.00	575,657.28	64.06%	322,881.95	63.77
A-2111	Purchase of new software for the operation at the centre	912,720.00	903,273.01	98.96%	912,720.00	698,378.20	76.52%	204,894.81	9,446.99
A-2112	Purchase and Maintenance of printing and reproduction equipment	60,000.00	49,829.09	83.05%	60,000.00	12,959.03	21.60%	36,870.06	10,170.91
A-2114	Developments to support administrative and management applications	1,107,749.00	1,016,463.60	91.76%	1,107,749.00	494,907.00	44.68%	521,556.60	91,285.40
	Total Article 211	2,979,072.00	2,868,104.93	96.28%	2,979,072.00	1,781,901.51	59.81%	1,086,203.42	110,967.07
	Total Chapter 21	2,979,072.00	2,868,104.93	96.28%	2,979,072.00	1,781,901.51	59.81%	1,086,203.42	110,967.07
A-2200	Technical equipment and AV installations	54,000.00	44,413.40	82.25%	54,000.00	10,796.96	19.99%	33,616.44	9,586.60
A-2201	Furniture	40,000.00	34,272.83	85.68%	40,000.00	5,742.67	14.36%	28,530.16	5,727.17
A-2202	Purchase and maintenance of vehicles	10,000.00	3,850.00	38.50%	10,000.00	3,272.65	32.73%	577.35	6,150.00
	Total Article 220	104,000.00	82,536.23	79.36%	104,000.00	19,812.28	19.05%	62,723.95	21,463.77
	Total Chapter 22	104,000.00	82,536.23	79.36%	104,000.00	19,812.28	19.05%	62,723.95	21,463.77



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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	110,000.00	84,508.97	76.83%	110,000.00	28,527.41	25.93%	55,981.56	25,491.03
A-2301	Financial and other charges, exchange losses	10,000.00	6,000.00	60.00%	10,000.00	5,585.69	55.86%	414.31	4,000.00
A-2302	Library expenses, purchase of books and info subscriptions	15,000.00	15,000.00	100.00%	15,000.00	8,817.01	58.78%	6,182.99	0.00
A-2306	Miscellaneous insurance	10,000.00	6,746.14	67.46%	10,000.00	6,746.14	67.46%	0.00	3,253.86
A-2307	Legal Expenses	100,000.00	54,921.33	54.92%	100,000.00	23,171.33	23.17%	31,750.00	45,078.67
A-2308	Business Continuity	20,000.00	0.00	0.00%	20,000.00	0.00	0.00%	0.00	20,000.00
A-2309	Other operating expenditure	70,000.00	64,849.65	92.64%	70,000.00	48,589.65	69.41%	16,260.00	5,150.35
	Total Article 230	335,000.00	232,026.09	69.26%	335,000.00	121,437.23	36.25%	110,588.86	102,973.91
	Total Chapter 23	335,000.00	232,026.09	69.26%	335,000.00	121,437.23	36.25%	110,588.86	102,973.91
A-2400	Postal and delivery charges	30,000.00	25,697.09	85.66%	30,000.00	22,570.75	75.24%	3,126.34	4,302.91
	Total Article 240	30,000.00	25,697.09	85.66%	30,000.00	22,570.75	75.24%	3,126.34	4,302.91
A-2410	Telecommunication and internet charges	198,000.00	198,000.00	100.00%	198,000.00	188,444.09	95.17%	9,555.91	0.00
	Total Article 241	198,000.00	198,000.00	100.00%	198,000.00	188,444.09	95.17%	9,555.91	0.00
	Total Chapter 24	228,000.00	223,697.09	98.11%	228,000.00	211,014.84	92.55%	12,682.25	4,302.91
A-2500	Governance and administrative meetings	255,000.00	170,196.97	66.74%	255,000.00	91,916.48	36.05%	78,280.49	84,803.03
A-2501	Evaluation and Strategic Management Consulting	275,100.00	244,940.00	89.04%	275,100.00	0.00	0.00%	244,940.00	30,160.00
	Total Article 250	530,100.00	415,136.97	78.31%	530,100.00	91,916.48	17.34%	323,220.49	114,963.03
	Total Chapter 25	530,100.00	415,136.97	78.31%	530,100.00	91,916.48	17.34%	323,220.49	114,963.03
	Total Title 2	7,087,172.00	6,590,038.47	92.99%	7,087,172.00	4,875,554.03	68.79%	1,714,484.44	497,133.53

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	2,602,553.00	2,536,114.95	97.45%	2,602,553.00	1,497,874.85	57.55%	1,038,240.10	66,438.05
B3-001	Preparedness, response and emerging health threats	200,000.00	178,616.00	89.31%	200,000.00	33,500.00	16.75%	145,116.00	21,384.00
B3-002	Scientific opinions and studies	3,838,945.00	3,651,442.50	95.12%	3,838,945.00	2,047,996.33	53.35%	1,603,446.17	187,502.50
B3-003	Technical assistance and training	3,822,566.00	3,631,451.45	95.00%	3,822,566.00	1,652,532.65	43.23%	1,978,918.80	191,114.55
B3-004	Publications and Communications	1,089,500.00	1,036,708.17	95.15%	1,089,500.00	620,982.05	57.00%	415,726.12	52,791.83
B3-005	ICT to support projects	5,042,025.00	4,847,753.56	96.15%	5,042,025.00	2,885,310.48	57.23%	1,962,443.08	194,271.44
B3-006	Build up and maintenance of the Crisis Centre	93,634.00	93,345.64	99.69%	93,634.00	92,560.00	98.85%	785.64	288.36
B3-007	Translations of scientific and technical reports and documents	50,000.00	49,911.40	99.82%	50,000.00	8,947.30	17.89%	40,964.10	88.60
B3-008	Meetings to implement the work programme	2,235,355.00	1,580,212.72	70.69%	2,235,355.00	985,454.55	44.08%	594,758.17	655,142.28
B3-009	Country cooperation and partnership	452,000.00	120,119.81	26.58%	452,000.00	22,048.86	4.88%	98,070.95	331,880.19
B3-010	Scientific Library and Knowledge Services	266,250.00	260,668.99	97.90%	266,250.00	231,999.19	87.14%	28,669.80	5,581.01
	Total Chapter 30	19,692,828.00	17,986,345.19	91.33%	19,692,828.00	10,079,206.26	51.18%	7,907,138.93	1,706,482.81
	Total Title 3	19,692,828.00	17,986,345.19	91.33%	19,692,828.00	10,079,206.26	51.18%	7,907,138.93	1,706,482.81
	GRAND TOTAL	58,315,000.00	53,800,201.50	92.26%	58,315,000.00	43,237,385.58	74.14%	10,562,815.92	4,514,798.50

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-2111	Purchase of new software for the operation at the centre	9,000.00	0.00	0.00%	9,000.00	0.00	0.00%	9,000.00
	Total Chapter 21	9,000.00	0.00	0.00%	9,000.00	0.00	0.00%	9,000.00
	Total Title 2	9,000.00	0.00	0.00%	9,000.00	0.00	0.00%	9,000.00
B3-000	Networking, surveillance and data collection on Communicable diseases	133,870.16	0.00	0.00%	133,870.16	0.00	0.00%	133,870.16
B3-002	Scientific opinions and studies	21,536.75	0.00	0.00%	21,536.75	0.00	0.00%	21,536.75
	Total Chapter 30	155,406.91	0.00	0.00%	155,406.91	0.00	0.00%	155,406.91
	Total Title 3	155,406.91	0.00	0.00%	155,406.91	0.00	0.00%	155,406.91
	GRAND TOTAL	164,406.91	0.00	0.00%	164,406.91	0.00	0.00%	164,406.91

Budget Execution /Fund source C5 – 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-2202	Purchase and maintenance of vehicles	3,000.00	3,000.00	100.00%	3,000.00	3,000.00	100.00%	0.00
	Total Chapter 22	3,000.00	3,000.00	100.00%	3,000.00	3,000.00	100.00%	0.00
	Total Title 2	3,000.00	3,000.00	100.00%	3,000.00	3,000.00	100.00%	0.00
	GRAND TOTAL	3,000.00	3,000.00	100.00%	3,000.00	3,000.00	100.00%	0.00

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	243,059.92	200,293.10	82.40%	243,059.92	200,293.10	82.40%	42,766.82
	Total Article 114	243,059.92	200,293.10	82.40%	243,059.92	200,293.10	82.40%	42,766.82
A-1173	Translations	5,187.50	4,216.54	81.28%	5,187.50	4,216.54	81.28%	970.96
A-1174	Payment for Administrative Assistance	13,265.01	3,172.81	23.92%	13,265.01	3,172.81	23.92%	10,092.20
A-1175	Interim services	116,618.30	101,705.58	87.21%	116,618.30	101,705.58	87.21%	14,912.72
	Total Article 117	135,070.81	109,094.93	80.77%	135,070.81	109,094.93	80.77%	25,975.88
A-1180	Miscellaneous expenditure on recruitment	64,939.29	17,621.09	27.13%	64,939.29	17,621.09	27.13%	47,318.20
A-1183	Removal Expenses	43,282.33	43,282.33	100.00%	43,282.33	43,282.33	100.00%	0.00
	Total Article 118	108,221.62	60,903.42	56.28%	108,221.62	60,903.42	56.28%	47,318.20
	Total Chapter 11	486,352.35	370,291.45	76.14%	486,352.35	370,291.45	76.14%	116,060.90
A-1300	Mission expenses, travel expenses and incidental expenditure	219,137.67	214,073.95	97.69%	219,137.67	214,073.95	97.69%	5,063.72
	Total Article 130	219,137.67	214,073.95	97.69%	219,137.67	214,073.95	97.69%	5,063.72
	Total Chapter 13	219,137.67	214,073.95	97.69%	219,137.67	214,073.95	97.69%	5,063.72
A-1410	Medical Service	32,039.79	26,803.78	83.66%	32,039.79	26,803.78	83.66%	5,236.01
	Total Article 141	32,039.79	26,803.78	83.66%	32,039.79	26,803.78	83.66%	5,236.01
	Total Chapter 14	32,039.79	26,803.78	83.66%	32,039.79	26,803.78	83.66%	5,236.01
A-1520	Staff Exchanges	2,000.00	785.11	39.26%	2,000.00	785.11	39.26%	1,214.89
	Total Article 152	2,000.00	785.11	39.26%	2,000.00	785.11	39.26%	1,214.89
	Total Chapter 15	2,000.00	785.11	39.26%	2,000.00	785.11	39.26%	1,214.89
A-1700	Entertainment & Representation Expenses	1,638.54	1,317.03	80.38%	1,638.54	1,317.03	80.38%	321.51
	Total Article 170	1,638.54	1,317.03	80.38%	1,638.54	1,317.03	80.38%	321.51
	Total Chapter 17	1,638.54	1,317.03	80.38%	1,638.54	1,317.03	80.38%	321.51
A-1801	Social Contact Between Staff	39,919.43	35,709.25	89.45%	39,919.43	35,709.25	89.45%	4,210.18
	Total Article 180	39,919.43	35,709.25	89.45%	39,919.43	35,709.25	89.45%	4,210.18
	Total Chapter 18	39,919.43	35,709.25	89.45%	39,919.43	35,709.25	89.45%	4,210.18
	Total Title 1	781,087.78	648,980.57	83.09%	781,087.78	648,980.57	83.09%	132,107.21

Budget Line Position	Budget Line Description	Commitment Appropriation Transaction Amount	Executed Commitment Amount	% Committed	Payment Appropriation Transaction Amount	Executed Payment Amount	% Paid	Cancelled
A-2002	Water, Gas, Electricity Expenses	21,544.06	18,139.23	84.20%	21,544.06	18,139.23	84.20%	3,404.83
A-2003	Maintenance, cleaning	29,631.91	28,751.88	97.03%	29,631.91	28,751.88	97.03%	880.03
A-2004	Fitting-out	40,077.31	38,917.82	97.11%	40,077.31	38,917.82	97.11%	1,159.49
A-2005	Security of BuildingSecurity of Building	17,887.98	17,887.98	100.00%	17,887.98	17,887.98	100.00%	0.00
A-2006	Restauration & Canteen costs	8,891.09	8,176.14	91.96%	8,891.09	8,176.14	91.96%	714.95
A-2009	Other expenditure on buildings	13,221.02	13,019.30	98.47%	13,221.02	13,019.30	98.47%	201.72
	Total Article 200	131,253.37	124,892.35	95.15%	131,253.37	124,892.35	95.15%	6,361.02
	Total Chapter 20	131,253.37	124,892.35	95.15%	131,253.37	124,892.35	95.15%	6,361.02
A-2110	Purchases of new hardware for operation the centre	347,233.55	347,215.29	99.99%	347,233.55	347,215.29	99.99%	18.26
A-2111	Purchase of new software for the operation at the centre	158,083.54	152,800.39	96.66%	158,083.54	152,800.39	96.66%	5,283.15
A-2112	Purchase and Maintenance of printing and reproduction equipment	66,657.82	45,854.96	68.79%	66,657.82	45,854.96	68.79%	20,802.86
A-2114	Developments to support administrative and management applications	163,820.00	158,801.29	96.94%	163,820.00	158,801.29	96.94%	5,018.71
	Total Article 211	735,794.91	704,671.93	95.77%	735,794.91	704,671.93	95.77%	31,122.98
	Total Chapter 21	735,794.91	704,671.93	95.77%	735,794.91	704,671.93	95.77%	31,122.98
A-2200	Technical equipment and AV installations	13,596.69	12,565.38	92.41%	13,596.69	12,565.38	92.41%	1,031.31
A-2201	Furniture	21,277.55	21,205.22	99.66%	21,277.55	21,205.22	99.66%	72.33
A-2202	Purchase and maintenance of vehicles	520.08	306.22	58.88%	520.08	306.22	58.88%	213.86
	Total Article 220	35,394.32	34,076.82	96.28%	35,394.32	34,076.82	96.28%	1,317.50
	Total Chapter 22	35,394.32	34,076.82	96.28%	35,394.32	34,076.82	96.28%	1,317.50

Budget Line Position	Budget Line Description	Commitment Appropriation Transaction Amount	Executed Commitment Amount	% Committed	Payment Appropriation Transaction Amount	Executed Payment Amount	% Paid	Cancelled
A-2300	Stationery and office supplies	64,127.70	59,231.96	92.37%	64,127.70	59,231.96	92.37%	4,895.74
A-2301	Financial and other charges, exchange losses	535.09	156.08	29.17%	535.09	156.08	29.17%	379.01
A-2302	Library expenses, purchase of books and info subscriptions	9,505.11	8,369.14	88.05%	9,505.11	8,369.14	88.05%	1,135.97
A-2309	Other operating expenditure	740.00	720.50	97.36%	740.00	720.50	97.36%	19.50
	Total Article 230	74,907.90	68,477.68	91.42%	74,907.90	68,477.68	91.42%	6,430.22
	Total Chapter 23	74,907.90	68,477.68	91.42%	74,907.90	68,477.68	91.42%	6,430.22
A-2400	Postal and delivery charges	6,470.00	3,672.00	56.75%	6,470.00	3,672.00	56.75%	2,798.00
	Total Article 240	6,470.00	3,672.00	56.75%	6,470.00	3,672.00	56.75%	2,798.00
A-2410	Telecommunication and internet charges	34,654.65	25,090.83	72.40%	34,654.65	25,090.83	72.40%	9,563.82
	Total Article 241	34,654.65	25,090.83	72.40%	34,654.65	25,090.83	72.40%	9,563.82
	Total Chapter 24	41,124.65	28,762.83	69.94%	41,124.65	28,762.83	69.94%	12,361.82
A-2500	Governance and administrative meetings	95,118.77	37,340.90	39.26%	95,118.77	37,340.90	39.26%	57,777.87
A-2501	Evaluation and Strategic Management Consulting	55,500.00	0.00	0.00%	55,500.00	0.00	0.00%	55,500.00
	Total Article 250	150,618.77	37,340.90	24.79%	150,618.77	37,340.90	24.79%	113,277.87
	Total Chapter 25	150,618.77	37,340.90	24.79%	150,618.77	37,340.90	24.79%	113,277.87
	Total Title 2	1,169,093.92	998,222.51	85.38%	1,169,093.92	998,222.51	85.38%	170,871.41



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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	1,197,709.56	1,174,246.67	98.04%	1,197,709.56	1,174,246.67	98.04%	23,462.89
B3-001	Preparedness, response and emerging health threats	55,112.94	51,772.00	93.94%	55,112.94	51,772.00	93.94%	3,340.94
B3-002	Scientific opinions and studies	1,428,386.14	1,369,052.91	95.85%	1,428,386.14	1,369,052.91	95.85%	59,333.23
B3-003	Technical assistance and training	1,905,213.97	1,725,692.09	90.58%	1,905,213.97	1,725,692.09	90.58%	179,521.88
B3-004	Publications and Communications	440,185.89	409,960.84	93.13%	440,185.89	409,960.84	93.13%	30,225.05
B3-005	ICT to support projects	2,342,087.35	2,266,665.84	96.78%	2,342,087.35	2,266,665.84	96.78%	75,421.51
B3-006	Build up and maintenance of the Crisis Centre	63,819.35	62,224.10	97.50%	63,819.35	62,224.10	97.50%	1,595.25
B3-007	Translations of scientific and technical reports and documents	39,916.00	37,568.00	94.12%	39,916.00	37,568.00	94.12%	2,348.00
B3-008	Meetings to implement the work programme	776,165.01	320,345.14	41.27%	776,165.01	320,345.14	41.27%	455,819.87
B3-009	Country cooperation and partnership	28,166.00	19,234.00	68.29%	28,166.00	19,234.00	68.29%	8,932.00
B3-010	Scientific Library and Knowledge Services	46,989.56	46,984.65	99.99%	46,989.56	46,984.65	99.99%	4.91
	Total Chapter 30	8,323,751.77	7,483,746.24	89.91%	8,323,751.77	7,483,746.24	89.91%	840,005.53
	Total Title 3	8,323,751.77	7,483,746.24	89.91%	8,323,751.77	7,483,746.24	89.91%	840,005.53
	GRAND TOTAL	10,273,933.47	9,130,949.32	88.87%	10,273,933.47	9,130,949.32	88.87%	1,142,984.15

Annex 3 – Budget Execution/Fund source R0 – External Assigned Revenue

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	MediPIET	264,000.00	254,121.00	96.26%	264,000.00	108,665.54	41.16%	155,334.46
B3-012	DG ELARG GRANT 3 - ACTIONS WITH CANDIDATE AND POTE	246,465.43	246,465.43	100.00%	246,465.43	99,043.80	40.19%	147,421.63
B3-013	ADVANCE PROJECT - IMI	100,286.05	0.00	0.00%	100,286.05	0.00	0.00%	100,286.05
B3-014	DG DEVCO - ENPI GRANT	207,535.11	0.00	0.00%	207,535.11	0.00	0.00%	207,535.11
	Total Article 301	818,286.59	500,586.43	61.17%	818,286.59	207,709.34	25.38%	610,577.25
	Total Chapter 30	818,286.59	500,586.43	61.17%	818,286.59	207,709.34	25.38%	610,577.25



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

Ninth Financial Year – 2013

Stockholm, June 10th, 2014

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1. Developments in the Organisation during the year 2013

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 employed.

2013 was an important milestone in the history of ECDC as it was the last year of the implementation of its multiannual programme 2007–2013, and the adoption of the new strategic multiannual work programme for the period 2014–2020 (SMAP). The SMAP contains details of agreed deliverables, and milestones towards those deliverables during 2014–2020, as well as indicators for assessing progress. This will facilitate planning for ECDC in future years and provide a high level of transparency to the Centre's partners.

In 2013, ECDC further increased its output, consolidated its structures and developed its partnerships to address the need for a strengthened response to the threat of communicable diseases in Europe.

ECDC is organised into five Units and the Director's Office. The Heads of Units are responsible for the activities in their Units, which are divided in sections. There is also a level of middle management, where a number of Heads of Sections are responsible for the activities. 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 2013, prepared along the lines of the strategic multi-annual Work Programme 2007–2013, was approved by the Management Board in June 2012. 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 2013, as the module for procurement. The monthly reporting to the SMT of key data, such as commitments, payments and budget transfers was continued in 2013 and intensified towards the end of the year with the issue of weekly overviews in order to show the budget implementation and facilitate the decision making.

In 2013, the Director of ECDC, as Authorising Officer (AO), delegated financial responsibility to the five Heads of Unit (Authorising Officers by Delegation (AOD)). The Heads of Unit in turn delegated, but only in their absence, to the Deputy Heads of Unit, if applicable. 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 authorise payments. However, all budgetary and legal commitments over 250.000€ need to be signed by the Director.

For the expenditure of 2013, 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

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 remained approximately at the same level as in the previous year, namely € 58.3 million in 2013 compared to € 58.2 million in 2012.

The budget execution in terms of commitment appropriations at year end initially reached 96% (= 55.9 million €), which would have been a similar percentage to 2012.

Following the general advice of the European Commission (EC) to Agencies, ECDC prepared for the scenario to enable it to pay for the outstanding salary adjustments regarding 2011 in December 2013, pending the decision of the Court of Justice (CJ).

The EC and ECDC simulated the total budgetary impact of the rappel 2011, which was estimated at € 3.4 million. Additionally to 2.1 million € earmarked on salary and non-salary budget lines within Title I, ECDC identified the need to reserve (and transfer) 1.3 million € from Title II and III into Title I. A formal document requesting the approval of the MB regarding these transfers was presented to the MB on the day of the non-approval of the rappel 2011.

Following the negative ruling of the CJ regarding rappel 2011, the transfers have not been carried out and a total of € 3.28 million, strictly foreseen for this purpose, remained unused and had to be cancelled at the end of 2013.

As a consequence, the final budget execution decreased to 92% in terms of commitment appropriations, equivalent to € 53.8 million.

In 2013, a total of 8% of the 2013 budget or € 4.5 million remained unused of which € 2.3 million in Title I, € 0.5 million in Title II and € 1.7 million in Title III. The majority of budget lines with unused appropriations are staff related such as Salaries & Allowances and Weightings applied to remunerations and other cancelled funds earmarked for the rappel 2011 on Title II and III. As described above, 3.28 million € in Title I, II and III remained unspent at year-end due to the non – approval of the salary adjustments.

The budget execution, in terms of payments, reached 74% of the total budget and therefore slightly decreased by 2% compared to 2012. The payment execution for administrative expenses reached almost 69% and therefore remained at the same level as in 2012. The payment execution for operational expenses in Title III reached 51% and therefore decreased by 7% compared to 2012. The main reason for this is, that the substantial amount of 1.3 million €, which had been earmarked for the rappel 2011 on Title III, had to be cancelled at the end of the year.

An overview comparing 2013 vs. 2012 - Current Year C1 credits % committed and % paid:

Title Description	Commitments %			Payments %		
	2013	2012	difference	2013	2012	difference
TITLE 1 <i>Staff expenses</i>	92.67%	92.63%	+0.04%	89.69%	90.11%	-0.47%
TITLE 2 <i>Administrative expense</i>	92.99%	86.13%	+7.96%	68.79%	68.99%	-0.29%
TITLE 3 <i>Operational expenses</i>	91.33%	98.47%	-7.25%	51.18%	57.67%	-11.25%
TOTAL TITLE 1 + 2 + 3	92.26%*	93.91%	-1.76%	74.14%	76.26%	-2.78%

* 95.92% on 16/12/13 before the cancellation of funds related to the adjustments of weightings/ salaries described above

The total number of commitments processed in 2013 increased, while the number of payments decreased compared to 2012. 1052 commitments and 6132 payment orders have been initiated, verified and subsequently authorised by the Director and the Authorising Officers by delegation during 2013, compared to 934 commitments and 6262 payments in 2012.

In 2013, ECDC received a pre-financing of 100.286,05 for the ADVANCE project in cooperation with the Innovative Medicines Initiative (IMI) Joint Undertaking (EU/EFPIA). The scope of this project lies with the WP7 on the Implementability analysis of Accelerated Development of Vaccine benefit-risk Collaboration in Europe. ECDC will start its part of the implementation in 2014.

A pre-financing of € 207.535,11 was received at year-end regarding a new grant agreement with DG Devco called ENPI project. This project aims at preparatory measures for the participation of the European Neighbourhood Countries in ECDC's activities. Its implementation starts on the 1st of February 2014 in cooperation with DG for Development and Cooperation - EuropeAid (DG DEVCO).

A pre-financing of € 264.000 was received regarding the MediPIET project. The purpose of the project is to establish a Mediterranean Programme for Intervention Epidemiology Training (MediPIET), in cooperation with DG for Development and Cooperation - EuropeAid (DG DEVCO), Instrument for Stability.

Regarding the IPA grant agreement, received from European Commission on gradual integration of the Candidate and Potential candidate Countries for EU accession to ECDC programs in 2012, the Centre received a further pre-financing of € 148.214 and has been further implemented throughout 2013.

The implementation of the above mentioned contracts in 2013, is also shown in the table below.

Overview of the budget implementation (execution on commitments and payments) by fund source:

Fund Source	Commitment/ Payment Appropriations 2013	Executed Commitment 2013	% Commit- ted	Executed Payment in 2013	% Paid	Carried Over to 2014	Cancelled
C1 - Current year appropriations	58.315.000,00	53.800.201,50	92,96%	43.237.385,58	74,14%	10.562.815,92	4.514.798,50
C5 – Assigned revenue appropriations	3.000	3.000	100%	3.000	100%	0,00	0,00
C8 - Carry Over of 2012 appropriations	10.273.933,47			9.130.949,32	88,87%	0,00	1.142.984,15
R0 – Carried over of 2012 Assigned Revenue DG ELARG Grant 3	246.465,43			99.043,80	40,19%	147.421,63	0,00
R0 - Carried over of 2012 Assigned MediPIET	264.000	254.121	96,26%	108.665,54	41,16%	155.334,46	0,00
R0 - Assigned Revenue Advance Project - IMI Grant (*)	100.286,05					100.286,05	0,00
R0 - Assigned Revenue DG DEVCO - ENPI GRANT (*)	207.535,11					207.535,11	0,00

* Funds received as pre-financing in the fourth quarter to be implemented in 2014

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 € 186.172 in order to meet the needs of the Centre.

Specifically, the funds were transferred to budget line A-2114 Developments to support administrative and management applications, in order to advance with the intranet website and the ICT governance.

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

Budget 2013 Fund Source C1 Current Year Appropriations	Initial Budget	MB Amendments	Director Adjustments	EFTA Adjustments	FINAL BUDGET
Title 1 – Staff related Expenditure	31.535.000,00	0,00	0,00	0,00	31.535.000,00
Title 2 – Administrative Expenditure	6.901.000,00	0,00	186.172,00	0,00	7.087.172,00
Title 3 - Operations	19.879.000,00	0,00	-186.172,00	0,00	19.692.828,00
Total Budget	58.315.000,00	0,00	0,00	0,00	58.315.000,00

At year-end 2013, ECDC carried forward, to 2014, the amount to € 10.5 million, which is equivalent to 18 % of the total budget and approximately the same amount carried forward at year-end of 2012.

In 2013, there was a significant increase in deliverables from the procurement office which supported 28 open calls for tenders, 3 calls for proposals, as well as 54 negotiated procedures, among which 9 procedures of a value above € 25,000. 56 reopening procedures within ICT framework contracts were undertaken and regular CPCG meetings were held resulting in the issue of 32 CPCG Opinions. Additionally, the procurement office continued to liaise with external stakeholders and accordingly update procedural guidance at the Centre to enhance compliance with the EU Public Procurement legislation. In addition, the Centre decided to strengthen the area of procurement without compromising on the legal tasks to be carried out. The Procurement Section and the Legal Services Section were established. It is envisaged to implement a full restructuring of ECDC Procurement and Finance activities at the beginning of 2014.

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 Committee of Sponsoring Organizations of the Treadway Commission (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 2013. The results were discussed and validated by ECDC management. One of the standards (ICS number 14) has partly not been implemented, regarding evaluation of activities, while the rest are mainly implemented or implemented. Work will continue in 2014 on the outstanding actions not yet in place, in order to make sure all ICS are 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 received an unqualified ⁽²⁾ opinion for 2012, indicating that the accounts are reliable and the transactions underlying the accounts are legal and regular.

In total, there were 5 comments raised by the ECA regarding the 2012 annual accounts. 3 of them regarding the Framework Contract from 2009, already dealt with the year before, one regarding a lack of ex-post verification of grants and one regarding carry-overs in operational expenditure (Title III) being high but reflecting the multi-annual nature of activities.

All of these issues are being addressed by ECDC. A number of actions have already been taken last year regarding the issues on the Framework Contract, e.g. the new Framework Contract is now being managed by one Authorising Officer only, and all the consumption is being monitored by one resource officer.

Regarding ex-post verifications of grants the Grant Verification Policy has been revised. All ex-post verifications planned for 2012 will be performed together with the grant verifications for 2013. Thereby there will be no reduction in the controls performed.

The ECA audit of the 2013 annual accounts is on-going. The draft report will be available in June 2014. The first part of the audit was performed in October 2013 and the second part will be performed in April 2014.

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 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.

² 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.

In 2013, the IAS performed an in-depth risk assessment in ECDC in March. The risk assessment was the basis for the new Strategic Audit Plan for 2014-2016, which was adopted by the Management Board in November 2013.

At the end of 2013, 1 very important observation and 4 important observations are officially open. However, of those, 3 are already implemented by ECDC, and ready for review by the IAS. The 2 remaining open observations are planned to be implemented in Q1 2014 and Q2 2014 respectively.

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 2013, the Centre's management development programme continued and was further developed for managers on all levels. With the aim of further strengthening the managerial competence in the organisation, the 360-degree feedback programme was continued in 2013.

The total number of temporary agents in place at the Centre as of 31.12.2013 was 190.

Moreover, a total of 95 contract agents and 5 seconded national experts were in place by the end of 2013.

The turnover rate for temporary agents and contract agents was 6.3 % in 2013.

Table 1: Number of staff and selection procedures

	2011	2012	2013
Total staff (TA, CA, SNE) on 31 December	270	282	290
Selection procedures ³	56	49	32

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

Number of temporary agents (TA), contract agents (CA) and seconded national experts (SNE) per unit (as of 31 December 2013)

	TA	CA	SNE	Total
DIR	11	6	1	18
OCS	24	9	1	34
SRS	60	13	1	74
PHC	30	20	2	52
RMC	40	39	0	79
ICT	25	8	0	33
Total	190	95	5	290

³ The number of recruitment procedures includes those that led to an actual start of employment in the specified year, i.e. it includes procedures already launched in the previous year, but finalized in the specified year and not those procedures still ongoing at the end of that year. It also includes unsuccessful selection procedures that did not lead to an appointment.

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

On 31 December 2013, ECDC employs staff from 26 member states:

Nationality	AST	AD	TA total	CA	SNE	ECDC total
Austria	0	1	1	2		3
Belgium	0	9	9	1		10
Bulgaria	2	4	6	3		9
Croatia	0	0	0	0		0
Cyprus	1	0	1	1		2
Czech Republic	0	2	2	2		4
Denmark	2	1	3	1		4
Estonia	1	1	2	3		5
Finland	2	8	10	1		11
France	4	16	20	10		30
Germany	7	14	21	6		27
Greece	0	3	3	2	1	6
Hungary	0	3	3	0		3
Ireland	1	0	1	0		1
Italy	6	12	18	5		23
Latvia	2	2	4	1		5
Lithuania	2	1	3	2		5
Luxembourg	0	0	0	0		0
Malta	0	2	2	0		2
Netherlands	2	6	8	2	1	11
Poland	2	1	3	3	1	7
Portugal	1	4	5	3		8
Romania	8	2	10	9		19
Slovakia	0	1	1	0		1
Slovenia	0	1	1	0		1
Spain	1	6	7	5		12
Sweden	12	18	30	28	1	59
United Kingdom	5	11	16	5	1	22
Total	61	129	190	95	5	290