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DIRECTORATE GENERAL FOR RESEARCH AND INNOVATION

Deputy Director-General

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Brussels,
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28. 02 2012

Subject: Report on budgetary and financial management for the Research Executive Agency (REA) for the financial year 2011

Dear Mr President,

On behalf of the REA Steering Committee and in accordance with Article 14(2)(a) of the Framework Regulation for executive agencies¹ and Article 57(a) of the Standard Financial Regulation for the executive agencies², please find enclosed the 2011 report on budgetary and financial management for the Research Executive Agency (REA). This report has been endorsed by the REA Steering Committee at its meeting on 28 February 2012.

Yours faithfully,

Wolfgang Burtscher
Chairman of the
REA Steering Committee

Enclosure: Report on budgetary and financial management for the Research Executive Agency (REA) for financial year 2011

Copies: A. Lamassoure, President of the Committee on Budgets
M. Theurer, President of the Committee on Budgetary Control
G. Stroud (REA Director), P. Dellopoulos (REA Accounting Officer)

Mr. Martin Schulz
President of the European Parliament
Rue Wiertz
1047 Bruxelles

¹ Council Regulation (EC) No 58/2003 of 19 December 2002.

² Commission Regulation (EC) No 1653/2004 of 21 September 2004, as last amended by Regulation (EC) No 651/2008 of 9 July 2008.



Provisional Accounts Budgetary report year 2011

Research Executive Agency

The opinion of the Steering Committee was given on 28 February 2012.

The present annual accounts, together with the opinion of the Steering Committee, have been sent to the Commission's Accounting Officer, the Court of Auditors, the European Parliament and the Council on 1 March 2012.

The accounts will be published on the REA website: <http://ec.europa.eu/research/rea/>

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CERTIFICATION OF THE ACCOUNTS

Certification

The annual accounts of the Research Executive Agency (hereafter "the Agency") have been prepared in accordance with Title VI of the Financial regulation of the Agency (Commission Regulation (EC) No 1653/2004) as well as the accounting rules and methods adopted by the Commission's accounting officer.

I hereby certify that based on the information provided by the authorising officer, I have reasonable assurance that the accounts present a true and fair view of the financial position of the Agency in all material aspects.

Statement of the Director

I, the undersigned, Director of the Research Executive Agency, in my capacity as authorising officer,

- Declare that the information contained in this report gives a true and fair view.
- State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the work of ex-ante controls and the internal audits as well as the observations of the Internal Audit Service.

- Confirm that I am not aware of anything not reported here which could harm the interests of the Agency or the Commission.

Brussels,

Paraskevi Dellopoulos

Accounting Officer

Graham Stroud

Director

1. INTRODUCTION

By Commission Decision of 14 December 2007 the Research Executive Agency (REA) was set up for the management of certain areas of the seventh EU Framework Programme for research and technological development (FP7) in application of Council Regulation (EC) No 58/2003. It is located in Brussels at the following address: Place Rogier 16, COV2, BE-1049 Brussels.

With the subsequent Commission Decision of 31 July 2008, the REA was delegated powers for the implementation of part of the specific programmes implementing FP7 (namely, the People, Capacities and Cooperation programmes) and for implementation of appropriations entered in the European Union's budget (C(2008) 3980 final)

The Agency assumed its operational and administrative autonomy on 15 June 2009.

Over the life of FP7, which runs until end-2013, the Research Executive Agency will manage research projects to a total value of approximately € 6.5 billion, which represents around 13% of the total FP7 budget (of over € 50 billion). The FP7 budget in general, and the share managed by the REA in particular, is mostly spent on grants to research actors in Europe and beyond in order to co-finance research, technological development and demonstration projects. FP7 is a key tool to respond to Europe's needs in terms of jobs and competitiveness in the global knowledge economy.

The research projects managed by the REA are covered by:

- the People Programme, including the Marie Curie Actions, which help European researchers exploit their potential (mainly by stimulating their career development, especially in terms of training and mobility);
- the part of the Capacities Programme which targets European SMEs and helps them compete by strengthening their innovation capacity on the basis of outsourcing research;
- the parts of the Cooperation Programme for cooperative research focusing on the areas of Space and Security, which aim at maximizing the benefits of space-based research and increasing civil security in Europe.

In the specific fields mentioned above, the REA issues calls for proposals (calls that are defined by the European Commission in the relevant annual work programmes), organises the evaluation of the proposals it receives as a result of those calls, prepares and signs grant agreements, monitors the performance of the projects for which a grant is provided (including acceptance of reports and other deliverables) and executes payments and recovery of funds.

The REA also manages the proposal evaluation facilities across nearly the whole of FP7, providing services for legal and financial validation of participants and managing the Research Enquiry Service.

Although FP7 runs until 2013, the REA currently has a lifetime until the end of 2017 in order to finalise projects funded under FP7.

The 2011 financial statements of the REA and its report on budget implementation for 2011 were prepared in conformity with:

- Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002, laying down the Financial Regulation applicable to the general budget of the European Communities, as last amended by Council Regulation (EC) No 1525/2007;
- Commission Regulation (EC) No 1653/2004, of 21 September, on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the Statute for executive agencies to be entrusted with certain tasks in the

management of Community programmes, as last amended by Commission Regulation (EC) No 651/2008;

- Commission Regulation (EC) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities as last amended by Regulation (EC) No 478/2007;
- The 18 accounting rules on accrual accounting adopted by the Accounting Officer of the Commission.

2. REPORTS ON BUDGETARY AND FINANCIAL MANAGEMENT 2011

2.1. The REA's administrative budget for 2011

The administrative budget of the REA covers the whole of 2011.

The administrative budget was adopted by the REA's Steering Committee on 14 December 2010 as detailed below (in euros):

Budget title		Initial budget (adopted on 14.12.2010)
2000	Operating grant from EU Budget	38,496,193
4000	Other revenue from supply of services against payments	678,707
Total Revenue		39,174,900
Title 1	Staff expenditure	26,996,800
Title 2	Infrastructure and Operating Expenditure	9,456,300
Title 3	Technical and Administrative Support Expenditure	2,722,600
Total Expenditures		39,174,900

2.2. Transfers

REA ADMINISTRATIVE BUDGET TRANSFERS OF 2011				
Description	Internally or Externally to Budget Chapters	Budget Item		Transferred Amounts
TRANSFER 2011/01 [REA/SC(2011) 03 of 17.02.2011]	External	A0	1101	-12,858.59
		A0	1111	-21,141.41
		A0	1201	34,000.00
Change of the "recruitment services" option chosen by the REA under the new Service Level Agreement (SLA) between the REA and the PMO				
TRANSFER 2011/02 [Internal transfer of 15.04.2011]	Internal	A0	1100	-33,000.00
		A0	1101	-8,000.00
		A0	1102	-12,200.00
		A0	1110	-53,000.00
		A0	1111	-16,000.00
		A0	1112	122,200.00
Correction of the cost allocation of and the service fee due the PMO between Temporary and Contract Staff.				
Additional budget to cover charges for REA's contribution to child care facilities relating to 2010 (not covered by the balance committed in 2010 and carried forward to 2011).				
TRANSFER 2011/03 [Internal transfer of 20.06.2011]	Internal	A0	3301	250,000.00
		A0	3302	-250,000.00
To increase budget for interim staff recruitments and related expenses for the period 01/07/2011 until 31/12/2011.				
TRANSFER 2011/04 [Internal transfer of 07.07.2011]	Internal	A0	3200	-45,000.00
		A0	3201	45,000.00
To increase the existing provisional budgetary commitment in order to cover the 2011 needs for translation.				
TRANSFER 2011/05 [REA/SC(2011) 3.6 of 18.10.2011]	External	A0	1100	-441,152.44
		A0	1101	-343,988.97
		A0	1102	-300.00
		A0	1110	-246,831.70
		A0	1111	-192,026.89
		A0	1112	-4,700.00
		A0	1200	-22,000.00
		A0	1201	-3,000.00
		A0	1300	-168,400.00
		A0	1400	-100.00
		A0	1410	-2,900.00
		A0	1430	-79,000.00
		A0	2090	-356,000.00
		A0	2101	-14,000.00
		A0	2102	-270,000.00
		A0	2103	1,194,000.00
		A0	2210	-78,000.00
		A0	2250	-5,000.00
		A0	2300	-8,000.00
		A0	2400	-16,000.00
		A0	2410	-500.00
		A0	3200	-80,600.00
		A0	3301	3,500.00
A0	3302	250,000.00		
A0	3303	885,000.00		
Global transfer to:				
<ul style="list-style-type: none"> - complement REA's contribution to the financing of Common FP7 expenditure shared among all members of the Commission's "research family" and relating to: <ul style="list-style-type: none"> * common IT applications managed under the control of the ITPSC and * the common Evaluation Platform, - strengthen the budget for ex-post audits to compensate for the reduction of budget under the budget transfer n° 03/2011. 				
TRANSFER 2011/06 [REA/SC(2011) 4.4 of 13.12.2011]	External	A0	1100	-85,000.00
		A0	1101	89,000.00
		A0	1102	-22,387.93
		A0	1110	82,000.00
		A0	1111	343,000.00
		A0	1112	-41,612.07
		A0	1200	-2,000.00
A0	1300	-225,600.00		

	A0	1410	-107,972.80	
	A0	1420	-80,900.00	
	A0	2000	-613.28	
	A0	2090	26,000.00	
	A0	2100	168,690.00	
	A0	2101	-135,200.00	
	A0	2102	-15,040.00	
	A0	2103	350,000.00	
	A0	2200	-60,000.00	
	A0	2210	-46,400.00	
	A0	2250	-20,000.00	
	A0	2320	-3,000.00	
	A0	2330	-50,000.00	
	A0	2352	-9,000.00	
	A0	2400	-3,000.00	
	A0	2410	-100.00	
	A0	3100	-61,000.00	
	A0	3200	-78,351.92	
	A0	3201	-32,700.00	
	A0	3301	-96,030.00	
	A0	3302	-354,872.00	
	A0	3303	472,090.00	
Global transfer to :				
- increase budget for chapter A011 in order to cope with 2011 indexation of salaries and to include a certain safety margin to ensure that the December 2011 salary payment will not be stalled due to budget shortages;				
- further complement REA's contribution to the financing of Common FP7 expenditure shared among all members of the Commission's "research family" and relating to:				
* common IT applications managed under the control of the ITPSC and				
* the common Evaluation Platform,				
- budget for the purchase of an additional server for Sharepoint and computers (PCs – desktops and laptops) for additional staff as well as for a first batch of renewals of old PCs;				
- adjust the budget for the common building charges.				
TRANSFER 2011/07 [REA/SC(2011)WP. 5.2 of 20.12.2011]	External	A0	1102	75,000.00
		A0	1112	203,000.00
		A0	1420	-148,100.00
		A0	1430	-19,900.00
		A0	3200	-110,000.00
To cover the additional amount to pay to OIB for the Agency's contribution to the childcare facilities.				
TRANSFER 2011/08 [Internal transfer of 22.12.2011]	Internal	A0	2100	-3,715.40
		A0	2101	3,715.40
To budget for additional SAP Maintenance expenditure.				

2.3. Implementation of appropriations of 2011

97.17% of the Agency's administrative budget appropriations were committed and 88.86% were paid by 31 December 2011.

Details of budget implementation of the 2011 appropriations are provided in the following table:

2.4. Liquidation of appropriations carried forward from 2010

The implementation of appropriations carried forward from 2010 is further detailed in the following table:

DETAILED BUDGET EXECUTION OF THE 2010 ADMINISTRATIVE BUDGET (C6)				Situation as of 31 December 2011		Execution of B2010 during 2011 (Payment Appropriations)	
Budget line	Name of the budget line		Balance of Budget 2010 - RAL	%	Payment Consumed on RAL	%	
Title, Chapter, Article, Item and Sector	Description		Balance at 31/12/2010; Still to be paid during 2011	% of the B2010	Total Execution (during 2011)	% of RAL	
TOTAL of the ADMINISTRATIVE EXPENDITURES			3,329,638.39	9.91%	2,155,355.66	64.73%	
Title 1	STAFF EXPENDITURES		572,988.32	2.74%	273,060.97	47.66%	
Chapter 11	Salaries allowances and other personnel charges		23,871.57	0.12%	14,883.48	62.35%	
Article 110	Staff occupying an employment in the establishment plan		21,175.57	0.26%	12,187.48	57.55%	
Item 1100	HR	Temporary Agents - Basic Salaries	0.00	0.00%	0.00	-	
Item 1101	HR	Temporary Agents - Allowances	0.00	0.00%	0.00	-	
Item 1102	HR	Temporary Agents - Other Charges	21,175.57	19.27%	12,187.48	57.55%	
Article 111	Contract Agents		2,696.00	0.02%	2,696.00	100.00%	
Item 1110	HR	Contract Agents - Basic Salaries	0.00	0.00%	0.00	-	
Item 1111	HR	Contract Agents - Allowances	0.00	0.00%	0.00	-	
Item 1112	HR	Contract Agents - Other Charges	2,696.00	1.65%	2,696.00	100.00%	
Article 112	Seconded National Experts		0.00	-	0.00	-	
Item 1121	HR	Seconded National Experts - Allowances	0.00	-	0.00	-	
Item 1122	HR	Seconded National Experts - Other Charges	0.00	-	0.00	-	
Chapter 12	Sundries of recruitment and change of personnel		42,928.25	32.47%	4,976.89	11.59%	
Article 120	Sundries of recruitment and change of personnel		42,928.25	32.47%	4,976.89	11.59%	
Item 1200	HR	Sundries of recruitment of the personnel	39,341.71	43.62%	3,317.39	8.43%	
Item 1201	HR	Expenses of installation of the rights	3,586.54	8.54%	1,659.50	46.27%	
Chapter 13	Expenses of missions		171,992.95	46.11%	65,180.22	37.90%	
Item 1300	OTHER	Mission expenses	171,992.95	46.11%	65,180.22	37.90%	
Chapter 14	Socio, infrastructure and training		329,714.48	50.15%	187,946.28	57.00%	
Item 1400	LOG	Restaurants and Canteens	252.00	50.40%	0.00	0.00%	
Item 1410	HR	Medical service	67,831.35	58.06%	25,898.49	38.18%	
Item 1420	TRAIN	Training and Courses of languages	179,299.76	41.50%	127,927.89	71.35%	
Item 1430	LOG	Other Social expenses and Mobility costs for the staff	82,331.37	79.16%	34,119.90	41.44%	
Item 1440	LOG	Complementary assistances to the handicapped people	0.00	-	0.00	-	
Chapter 17	Representation expenses and Events		4,481.07	29.87%	74.10	1.65%	
Item 1700	OTHER	Representation expenses, Events and Sundries of internal meetings	4,481.07	29.87%	74.10	1.65%	
Title 2	INFRASTRUCTURE AND OPERATING EXPENDITURES		1,692,179.08	17.13%	1,001,217.60	59.17%	
Chapter 20	Offices		629,965.12	11.83%	85,321.84	13.54%	
Item 2000	LOG	Rent/Usufruct instalments	0.00	0.00%	0.00	-	
Item 2090	LOG	Charges for the building	629,965.12	28.19%	85,321.84	13.54%	
Chapter 21	Computer equipment purchase and maintenance		522,143.40	14.47%	392,343.61	75.14%	
Article 210	Computer equipment purchase and maintenance		522,143.40	14.47%	392,343.61	75.14%	
Item 2100	IT	IT equipment (hardware) and maintenance	158,063.55	63.99%	152,947.19	96.76%	
Item 2101	IT	Purchase and development of software, Office automation, IT Helpdesk and Provisions of other IT services	206,344.75	36.78%	197,588.42	95.76%	
Item 2102	IT	Other external services for the data processing	41,808.00	61.18%	41,808.00	100.00%	
Item 2103	IT	Management expenditures and other IT expenses	115,927.10	4.24%	0.00	0.00%	
Chapter 22	Movable property and associated expenses		499,569.22	69.58%	497,385.29	99.56%	
Article 220	Material and Technical installations		0.00	0.00%	0.00	-	
Item 2200	LOG	Material and Technical installations	0.00	0.00%	0.00	-	
Article 221	Furniture		499,185.42	81.43%	497,385.29	99.64%	
Item 2210	LOG	Furniture	499,185.42	81.43%	497,385.29	99.64%	
Article 225	Documentation and library		383.80	0.70%	0.00	0.00%	
Item 2250	LOG	Library expenses and subscriptions	383.80	0.70%	0.00	0.00%	
Chapter 23	Current administrative expenditures		35,530.91	24.15%	26,166.79	73.65%	
Article 230	Paper mill and office supplies		33,560.00	24.68%	25,912.20	77.21%	
Item 2300	LOG	Paper mill and office supplies	33,560.00	24.68%	25,912.20	77.21%	
Article 232	Financial expenses		44.51	29.67%	44.51	100.00%	

A total balance of € 1,174,282.73 did not lead to final expenditure and these appropriations are cancelled.

2.5. REA staffing

The REA has recruited 46 staff during 2011, 42 contract agents and 4 Temporary agents and seconded officials.

ALL TEMPORARY AGENTS		
<i>Seconded Officials included</i>		
Function Group and Category	2011	
	Adopted by the Steering Committee	Filled on 31/12/2011
AD16	0	0
AD15	0	0
AD14	1	1
AD13	1	1
AD12	3	1
AD11	5	4
AD10	9	11
AD9	12	6
AD8	4	3
AD7	16	18
AD6	26	20
AD5	29	28
TOTAL AD	106	93
AST11	0	0
AST10	0	0
AST9	1	0
AST8	1	0
AST7	2	1
AST6	1	1
AST5	2	3
AST4	2	2
AST3	2	3
AST2	0	0
AST1	0	0
TOTAL AST	11	10
GRAND TOTAL (AD+AST)	117	103
CONTRACT AGENTS		
FG IV	60	56
FG III	124	123
FG II	158	165
FG I	7	7
TOTAL CA	349	351

2.6. Administrative budget outturn account for 2011

The budget outturn presented below details the budget revenue and the budget expenditure for 2011 and presents a calculation of the amount of the unused subsidy received for 2010 which will be reimbursed to the European Commission.

BUDGET OUTTURN ACCOUNT FOR THE FINANCIAL YEAR 2011 (in euros)	
	2011
REVENUE cashed in 2011	
Commission subsidy (for the operating budget -Titles 1,2 and 3 - of the agency)	38,496,928.00
Revenue from other institutions or bodies of the EU	0.00
Other donors	0.00
Fee income	0.00
Other revenue	671,893.63
TOTAL REVENUE (a)	39,168,821.63
EXPENDITURE	
<i>Title I: Staff</i>	
Payments	23,970,164.48
Appropriations carried over	642,064.12
<i>Title II: Administrative Expenses</i>	
Payments	8,601,529.12
Appropriations carried over	1,420,525.96
<i>Title III: Operating Expenditure</i>	
Payments	2,238,889.82
Appropriations carried over	1,193,384.99
TOTAL EXPENDITURE (b)	38,066,558.49
OUTTURN FOR THE FINANCIAL YEAR (a-b)	1,102,263.14
Cancellation of unused payment appropriations carried over from previous year	1,174,282.73
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	0.00
Exchange differences for the year (gain +/-loss -)	-137.13
BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR	2,276,408.74
Balance year N-1	1,774,573.67
Positive balance from year N-1 reimbursed in year N to the Commission	-1,774,573.67
Result used for determining amounts in general accounting	2,276,408.74
Pre-financing remaining open to be reimbursed by agency to Commission in year N+1	2,276,408.74

The interest generated by 31 December 2011 on the subsidy funds and to be reimbursed to the Commission for a total amount of € 120,876.46 are not included in the budget outturn.

2.7. Reconciliation of the 2011 administrative budget outturn with the 2011 economic outturn

Economic result (- for loss) (in euros)	-442,316.48
Adjustment for accrual items (items not in the budgetary result but included in the economic result)	
Adjustments for Accrual Cut-off (reversal 31.12.N-1)	-1,987,186.83
Adjustments for Accrual Cut-off (cut- off 31.12.N)	2,360,553.41
Unpaid invoices at year end but booked in charges	7,384.60
Depreciation of intangible and tangible fixed assets	872,696.42
Short term provisions	204,696.82
Recovery Orders issued in 2011 in class 7 and not yet cashed	-57,855.09
Payments made from carry over of payment appropriations	2,155,355.66
Write back of accrued charges and deferred income for 2010	2,988,576.20
Adjustment for budgetary items (item included in the budgetary result but not in the economic result)	
Asset acquisitions (less unpaid amounts)	-1,657,582.19
Budgetary recovery orders issued before 2011 and cashed in the year	33,133.13
Budgetary recovery orders issued in 2011 on balance sheet accounts and cashed	2,276,408.74
Payment appropriations carried over to 2012	-3,255,975.07
Cancellation of unused carried over payment appropriations from previous year	1,174,282.73
Deferred charges and accrued income	-2,395,078.11
Other income fixed assets	-685.20
Budgetary result (+ for surplus)	2,276,408.74

2.8. Additional notes to the administrative budget implementation report

2.8.1. Legislative framework

The establishment and implementation of the Agency's administrative budget complies with the principles of unity and budget accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency as provided for in the Agency Financial Regulation.

The assurance statement related to the accounts 2011 has been transmitted to the Accountant of the Commission in a separate note. It includes no reservation to any of the listed points.

According to the Delegation Act of the Agency, the Commission's 16 internal control standards apply for budgetary and financial management.

Since the Agency's autonomy, the Director is the authorising officer for the administrative budget. The budget is financed by a subsidy awarded by the EU budget. The Director submits the provisional accounts to the Steering Committee which forwards these to the Commission's accounting officer and to the European Court of Auditors by 1 March 2012. The final accounts are sent to the Commission's accounting officer and the European Court of Auditors by 1 July 2012. The European Parliament, acting on a recommendation from the Council and after having examined the report by the European Court of Auditors, shall grant a discharge to the executive agency for the implementation of its budget.

2.8.2. The Agency's administrative budget structure

The Agency makes use of non-differentiated appropriations for its administrative expenditures.

The Agency's expenditure covers staff and administrative expenses.

Title I budget lines are related to staff expenditure:

- Chapter 11 and 12: salaries and allowances of the staff members working for the agency and all other entitlements such as removal expenditures, installation costs, change of personnel etc. The recruitment costs incurred by the Agency from the launch of a selection procedure to the effective recruitment of the selected candidates are also included.
- Chapter 13 to 17: costs for business travels of staff, training, medical expenses, staff perquisites and internal meetings expenses are incorporated under those chapters.

Title II budget lines relate to infrastructure and operating expenditure:

- Chapter 20: Offices. The rent is fixed through a usufruct contract signed by the Agency following a tender procedure launched to the benefit to the European Commission and its consolidated entities. Charges for the maintenance, cleaning, security, heating, etc of the building, and costs of the fitting out of premises are also included under this chapter.
- Chapter 21: Computer equipment purchases and maintenance. This includes the purchase of equipment, licences, support for maintenance, specific IT developments and IT Services, including REA's contribution to the development and maintenance of FP7 tools and applications common to various services which are part of the European Commission's "Research family".
- Chapter 22: Goods, furniture and incidental expenses. This chapter covers the costs of furniture for the Agency and its staff and expenditure related to documentation, library and archives.
- Chapter 23: Current administrative expenditure. This concerns mainly office supplies.
- Chapter 24: telecommunication and posting expenses.

Title III budget lines relate to technical and administrative support expenditure:

- Chapter 31: Meetings of experts, conferences and seminars;
- Chapter 32: Information, Publications and Communications;
- Chapter 33: Other Technical and administrative support expenses. This includes mainly the costs incurred by the Agency in managing the FP7 central evaluation facility and in outsourcing ex-post controls on grants managed by the REA in accordance with the delegation decision.

2.8.3. The agency's budgetary and financial accounting systems

The Agency's accounting officer was appointed by the Steering Committee in January 2009. The Agency's bank account was opened in June 2009 under the same conditions as those of the Commission. Since the REA's administrative autonomy on 15 June 2009, all payments have been made through the Commission's SWIFT system. The Agency has no petty cash.

The Agency uses the accounting system SAP which is managed and hosted by the Commission.

For its budgetary management (i.e. commitment and payment transactions) the Agency uses the ABAC system managed and hosted by the Commission. From this system, reports on financial management and budget execution are assembled.

In collaboration with DG DIGIT and DG BUDG, the Agency uses the ABAC Assets system to manage and account for its fixed assets.

BRYCE Valerie Jane

From: Maria-Isabel.PEDROSA-MARTIN@ec.europa.eu on behalf of Rita.Bultynck@ec.europa.eu
Sent: 28 February 2012 17:30
To: SCHULZ Martin, President
Cc: LAMASSOURE Alain; THEURER Michael
Subject: Report on budgetary and financial management for the Research Executive Agency (REA) for 2011
Attachments: Report budgetary- financial manag- 2011 Parliament .tif; REA PROV ACCOUNTS 2011 BUDG REPORT.pdf

Dear Mr President,

Please find enclosed the above-mentioned letter and its annex for your attention.

The original has been sent by mail.

Yours faithfully,

Graham STROUD

Director

(P.O) PEDROSA MARTIN María Isabel
Secretary Head of Unit



European Commission
Research Executive Agency
Unit A2 Finance
COV 2 15/126
B-1049 Brussels/Belgium
+32 2 29 59 281

Maria-Isabel.Pedrosa-Martin@ec.europa.eu