



Annual accounts of the Innovation and Networks Executive Agency

Financial year

2019

Financial statements
Reports on the implementation of the budget



European
Commission

Innovation
and Networks
Executive Agency

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Certification

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the Innovation and Networks Executive Agency (INEA) in accordance with Title XIII of the Financial Regulation applicable to the general budget of the European Union and in accordance with Title VI of the Standard Financial Regulation for the Executive Agencies.

I hereby certify that the annual accounts of INEA for the year 2019 have been prepared in accordance with Title VI of the Standard Financial Regulation for the Executive Agencies and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and union bodies.

I have obtained from the Authorising Officer, who certified its reliability, all the information necessary for the production of the accounts that show the INEA's assets and liabilities and the budgetary implementation. Based on this information, and on such checks, as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash flow of INEA.



Brussels, 8 June 2020

Milena Chakarova

Accounting Officer of INEA

Introduction

LEGAL BASIS

The 2019 financial statements of the Innovation and Networks Executive Agency (INEA) and its reports on budget implementation for 2019 were prepared in conformity with:

- Commission Regulation 1653/2004, of 21 September 2004, on a standard financial regulation for the executive agencies pursuant to Council Regulation 58/2003 laying down the Statute for executive agencies to be entrusted with certain tasks in the management of Community programmes amended by Commission Regulation 1821/2005 and by Commission Regulation 651/2008;
- The Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012;
- The Accounting Rules adopted by the Accounting Officer of the Commission. These rules were initially adopted on 28 December 2004 and modified and developed subsequently;
- The European Commission's consolidation manuals for the 2019 closure exercise.

BACKGROUND INFORMATION

Executive Agencies are established by the Commission in accordance with Council Regulation (EC) No 58/2003¹, with the purpose of delegating certain tasks relating to the management of EU programmes, including budget implementation. This enables the Commission to focus on its core activities and to dispose of sufficient technical expertise for the management of such programmes with the goal to achieve a more efficient implementation.

Based in Brussels, INEA was established in December 2013 by the Commission Decision C(2013)9235 of 23 December 2013, and is the successor of the Trans-European Transport Network Executive Agency. The Commission has delegated to INEA the task of executing the operational budget and performing all relevant activities linked to the implementation of its delegated programmes under the 2014-2020 Multi-Annual Financial Framework (MFF):

- Parts of the Connecting Europe Facility (CEF);
- Parts of the Part III Societal Challenges Specific Programme under the H2020 research and innovation funding programme.

The CEF programme combines transport, energy and telecom and aims to:

- To bridge the missing links in European infrastructure providing for seamless cross-border connections, enhancing inter-modality and interoperability of the transport infrastructure whilst enabling decarbonisation of the system and optimising safety

¹ Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes (OJ L 11 of 16.01.2003).

- To upgrade Europe's energy transmission infrastructure, ensuring security of supply and supporting large-scale deployment of energy from renewable sources
- To stimulate the deployment and modernisation of broadband networks and promoting the interconnection and interoperability of national, regional and local networks

The CEF's ultimate goal is to contribute to a more competitive, greener and efficient European economy in line with the Europe 2020 Strategy, whilst completing the internal market.

The Horizon 2020 Programme's objective is to create an enabling environment that promotes excellent science, industrial leadership and tackles societal challenges. As part of the Societal Challenges Specific Programme, the Agency has been entrusted with part of the programme 'Smart, Green and Integrated Transport' that aims to achieve a competitive, safe and seamless European transport system that is also resource efficient and climate and environmentally friendly. A second Challenge transferred to the Agency is 'Secure, Clean and Efficient Energy' designed to support the transition to a reliable, sustainable and competitive energy system.

The indicative budget², managed by INEA in 2014-2020 MFF in € billion is:

• CEF Transport	23.2
• CEF Energy	4.6
• CEF Digital	0.5
• H2020 Transport	2.3
• H2020 Energy	3.0

The Agency's mission is to support the Commission, beneficiaries and stakeholders by providing expertise and high quality of programme management to infrastructure, research and innovation projects in the fields of transport, energy and telecommunications, and to promote synergies between these activities, to benefit economic growth and EU citizens.

The Commission, and in particular INEA's four parent Directorates General (DG), DG Mobility and Transport (DG MOVE), DG Research and Innovation (DG RTD), DG Communications Network, Content and Technology (DG CNECT) and DG Energy (DG ENER), define the policy, strategy, objectives and priorities of the funding programmes. Together with a Steering Committee, they are also responsible for supervising and monitoring the Agency's activities in accordance with the rules in force³. The Steering Committee is comprised of five members (one from each parent DGs as well as DG HR), and four observers. The delegation of powers and definition of INEA's tasks, as well as the regulations and procedures with which it has to comply, are set out in its Delegation Act⁴.

At the end of 2019, INEA's multi-national team consisted of 299 staff, representing 27 EU nationalities. They include specialists in finance, project management, transport, energy, ICT, engineering, human resources, legal affairs, etc.

INEA's status as an executive agency means it has two fundamental features. *Autonomy* because it has its own legal personality and can adopt legal acts, as well as its own administrative budget for operating costs.

² The amounts include contributions from third countries, including EFTA contributions

³ 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; Commission Regulation (EC) No 1653/2004 of 21 September 2004, on the Financial Regulation for the Executive Agencies pursuant to Council Regulation (EC) No 58/2003, as amended by (EC) No 651/2008 of 9 July 2008.

⁴ Decision C(2013) 9235 of 23 December 2013 delegating powers to the Innovation and Networks Executive Agency with a view to the performance of tasks linked to the implementation of Union programmes in the field of transport, energy and telecommunications infrastructure and in the field of transport and energy research and innovation comprising, in particular, implementation of appropriations entered in the general budget of the Union

Dependence because it can only perform tasks delegated by the Commission, and all financial operations must comply with the Financial Regulation (FR) and Rules of Application.

The Agency's Director has a delegation from the Commission to act as Authorising Officer to the operational budget. INEA's administrative budget is governed by a specific regulation for executive agencies, which closely follows the FR while allowing specific requirements. The Director acts as Authorising Officer for the administrative budget, and the accounting for administrative expenses is the responsibility of the Agency's Accounting Officer.

The Agency's annual accounts are audited by the European Court of Auditors (ECA). The ECA's task is to conduct an external, independent audit of INEA's annual accounts. It produces a report on the activities financed from the general budget, detailing any observations on the annual accounts and underlying transactions. The ECA issues an opinion based on the audit and presented in the form of a statement of assurance on the reliability of the accounts and the legality and regularity of the underlying transactions.

The final step of the budget lifecycle is the discharge of the budget for the given financial year. The European Parliament is the discharge authority within the EU. Following the audit and finalisation of the annual accounts, it falls to the Council to recommend and then to the European Parliament to give a discharge to the Agency as part of the Commission's budget.

Financial statements

BALANCE SHEET

EUR

	Note	31/12/2019	31/12/2018
NON-CURRENT ASSETS		566,807	724,826
Intangible assets	2.1	38,393	59,340
Tangible assets	2.2	217,646	168,950
Plant and equipment		1,862	4,175
Computer hardware		155,861	69,407
Furniture and vehicles		11,091	14,793
Other fixtures and fittings		48,832	80,575
Assets under financial lease		0	0
Long-term receivables and recoverables	2.3	310,768	496,536
Long-term receivables and recoverables		310,768	496,536
CURRENT ASSETS		1,483,809	1,930,579
Receivables and recoverables	2.4	180,125	130,985
Current receivables		7,500	0
Current receivables with consolidated entities		0	0
Sundry receivables		15,911	26,884
Deferred charges		156,714	104,101
Cash and cash equivalents	2.5	1,303,684	1,799,594
TOTAL ASSETS		2,050,616	2,655,405
NON-CURRENT LIABILITIES		0	0
Liabilities arising from financial lease	2.6	0	0
CURRENT LIABILITIES		(1,336,833)	(1,373,587)
Payables	2.7	(367,723)	(368,647)
Long-term liabilities falling due within the year		0	0
Current payables		(28,155)	0
Sundry payables		(25,055)	(20,240)
Accounts payable to consolidated EU entities		(314,513)	(348,407)
Accrued charges and deferred income		(969,110)	(1,004,940)
Accrued charges with non-consolidated entities	2.8	(715,933)	(769,195)
Accrued charges with consolidated entities	2.9	(253,177)	(235,745)
TOTAL LIABILITIES		(1,336,833)	(1,373,587)
NET ASSETS		713,783	1,281,818
Accumulated surplus/deficit		1,281,818	1,299,909
Economic result of the year		(568,035)	(18,091)

STATEMENT OF FINANCIAL PERFORMANCE

		EUR	
	Note	2019	2018
OPERATING REVENUE		28,618,487	26,323,769
Non-exchange revenue	3.1	28,569,487	26,321,593
European Union contributions		28,569,487	26,321,593
Exchange revenue	3.2	49,000	2,176
Income from non-consolidated entities		17,644	1,993
Income from consolidated entities		31,047	0
Gains from exchange rate differences		309	183
OPERATING EXPENSES	3.3	(29,186,522)	(26,341,818)
Staff expenses		(22,445,677)	(19,838,904)
Fixed assets related expenses		(125,836)	(102,066)
Building expenses with non-consolidated entities		(2,648,920)	(2,461,020)
Building expenses with consolidated entities		(661,104)	(682,782)
Other administrative expenses with non-consolidated entities		(1,747,844)	(1,652,182)
Other administrative expenses with consolidated entities		(1,555,543)	(1,603,627)
Losses from exchange rate differences		(1,598)	(1,237)
SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES		(568,035)	(18,049)
FINANCIAL REVENUE		0	1
Interest income on cash		0	1
FINANCIAL EXPENSES		0	(43)
Bank charges		0	0
Other financial expenses		0	(43)
SURPLUS/(DEFICIT) FROM NON-OPERATING ACTIVITIES		0	(42)
ECONOMIC RESULT OF THE YEAR		(568,035)	(18,091)

CASH FLOW STATEMENT

		EUR	
	Note	2019	2018
Economic result of the year		(568,035)	(18,091)
Operating activities	4.1		
Amortisation		21,941	21,330
Depreciation		103,741	79,954
(Increase)/Decrease in receivables and recoverables		136,627	179,791
(Increase)/Decrease in receivables from consolidated EU entities		0	0
Increase/(Decrease) in financial liabilities		0	(3,144)
Increase/(Decrease) in other liabilities		(35,830)	(43,124)
Increase/(Decrease) in payables		32,971	(30,773)
Increase/(Decrease) in liabilities to consolidated EU entities		(33,894)	87,547
(Gains)/losses on sale of property, plant and equipment		154	783
Net cash-flow from operating activities		225,710	292,364
Investing activities	4.2		
Purchase of intangible assets and property, plant and equipment		(153,585)	(160,603)
Net cash flow from investing activities		(153,585)	(160,603)
Net increase/(decrease) in cash and cash equivalents		(495,910)	113,669
Cash and cash equivalents at the beginning of the year		1,799,594	1,685,926
Cash and cash equivalents at year-end		1,303,684	1,799,594

STATEMENT OF CHANGES IN NET ASSETS

	EUR		
	Accumulated Surplus/Deficit	Economic result of the year	Net Assets (Total)
Balance at 31 December 2018	1,299,909	(18,091)	1,281,818
Changes in accounting policies			
Balance at 1 January 2019	1,299,909	(18,091)	1,281,818
Allocation of the economic result of previous year	(18,091)	18,091	0
Economic result of the year		(568,035)	(568,035)
Balance at 31 December 2019	1,281,818	(568,035)	713,783

Notes to the financial statements

A complete set of financial statements is used to give readers an overview of the financial results and the financial situation of the entity. The financial statements of INEA are comprised of four reports, which are as follows:

- *Balance sheet.* Presents the assets, liabilities, and equity of the Agency as of the reporting date. It also provides information about the liquidity and the capitalisation of the organisation.
- *Statement of financial performance.* Presents the revenue, expenses, and profits/loss generated during the reporting period. The report gives information about the operating results of the Agency.
- *Cash flow statement.* Presents the cash inflows and outflows that occurred during the reporting period. It can provide a useful comparison to the statement of financial performance, especially when the amount of profit or loss reported does not reflect the cash flows generated during the year.
- *Statement of changes in net assets.* Presents changes in equity during the reporting period.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. LEGAL BASIS AND ACCOUNTING RULES

The accounts are kept in accordance with Commission Regulation (EC) N° 1653/2004 of 21 September 2004⁵ on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) N° 58/2003. Art 2 of the standard financial regulation defines in which cases executive agencies shall also apply the Financial Regulation applicable to the general budget of the European Communities (*Regulation (EU, Euratom) N° 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union*).

The financial statements are prepared on the basis of the EU Accounting Rules, as adopted by the Commission's Accounting Officer, which adapts the International Public Sector Accounting Standards (and in some cases the International Financial Reporting Standards) to the specific environment of the EU. The reports on implementation of the budget are primarily based on movements of cash.

The accounting system of the Agency is comprised of general accounts and budget accounts. These accounts are kept in euro and based on a calendar year. The budget accounts give a detailed picture of the implementation of the budget, and are based on the modified cash accounting principle.⁶ The general accounts allow for the preparation of the financial statements as they show all expenditure and income for the financial year and are designed to establish the financial position in the form of a balance sheet at 31 December.

1.2. ACCOUNTING PRINCIPLES

The objectives of the 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 Agency, 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.

⁵ Amended by Commission Regulation (EC) No 651/2008 of 9th July 2008

⁶ This differs from cash-based accounting because of elements such as carryovers.

Article 53 of the standard Financial Regulation for executive agencies (Commission Regulation (EC) N° 1653/2004 amended by Commission Regulation (EC) N° 651/2008) sets out the accounting principles to be applied in drawing up the financial statements:

Going concern principle

When preparing financial statements, an assessment of an entity's ability to continue as a going concern should be made. Financial statements should be prepared on a going concern basis unless there is an intention to liquidate the entity or to cease operating, or if there is no realistic alternative but to do so. These financial statements have been prepared in accordance with the going concern principle, which means that the Agency is deemed to have been established for an indefinite duration.

Principle of prudence

The principle of prudence means that assets and income should not be overstated and liabilities and charges should not be understated. However, the principle of prudence does not allow the creation of hidden reserves or undue provisions.

Principle of consistent accounting methods

The principle of consistent accounting methods means that the structure of the components of the financial statements and the accounting methods and valuation rules may not be changed from one year to the next.

The Agency's Accounting Officer may not depart from the principle of consistent accounting methods other than in exceptional circumstances, in particular:

- In the event of a significant change in the nature of the entity's operations
- Where the change made is for the sake of a more appropriate presentation of the accounting operations

Principle of comparability of information

The principle of comparability of information means that for each item the financial statements should also show the amount of the corresponding item the previous year. Where the presentation or the classification of one of the components of the financial statements is changed, the corresponding amounts for the previous year should be made comparable and reclassified. Where it is impossible to reclassify items, this should be explained in the annex to the financial statements.

Principle of materiality

The materiality principle means that all operations, which are of significance for the information sought, should be taken into account in the financial statements. Materiality should be assessed in particular by reference to the nature of the transaction or the amount.

Transactions may be aggregated where:

- The transactions are identical in nature, even if the amounts are large
- The amounts are negligible
- Aggregation makes for clarity in the financial statements

Principle of no netting

The no-netting principle means that receivables and debts may not be offset against each other, nor may charges and income, save where charges and income derive from the same transaction, from similar transactions or from hedging operations and provided that they are not individually material.

Principle of reality over appearance

The principle of reality over appearance means that accounting events recorded in the financial statements should be presented by reference to their economic nature.

Accrual-based accounting principle

In order to meet their objectives, financial statements are prepared on the accrual basis of accounting. Under this basis, the effects of transactions and other events are recognised when they occur (and not as cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

Where, in a specific case, the Accounting Officer considers that an exception should be made to the content of one of the accounting principles defined above; this exception must be duly substantiated and reported in the annex to the financial statements.

1.3. BASIS OF PREPARATION

Functional and reporting currency

The financial statements are presented in Euro (€), which is the functional and reporting currency of the EU and of the Agency.

Transactions and balances

Foreign currency transactions are recorded using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary items in foreign currency into euro at year-end are recognised in the statement of financial performance.

Chart of Accounts

The chart of accounts used by the Agency follows the structure of the chart of accounts of the European Commission.

Use of estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts presented and disclosed in the financial statements of the Agency. Significant estimates and assumptions in these financial statements require judgment and are used for, but not limited to, accrued income and charges, provisions, contingent assets and liabilities. Actual results, reported in future periods, might be different from these estimates. Changes in estimates are reflected in the period in which they become known.

1.4. BALANCE SHEET

Assets are resources controlled by the Agency as a result of past events and from which future economic benefits or service potential are expected to flow.

1.4.1. Fixed assets

Intangible fixed assets are valued at their acquisition price, with the exception of assets acquired free of charge that are valued at their market value. Tangible and intangible fixed assets are valued at their historic cost converted into Euro at the rate applying when they were purchased. The book value of a fixed asset is equal to its acquisition price or production cost, adjusted with revaluations, depreciation and other amounts written off.

Subsequent costs are recognised as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Agency and the cost of the item can be reliably measured. All other repairs and maintenance are charged to the economic outturn account during the financial period in which they are incurred. Assets that have an indefinite useful life are not subject to amortisation and are tested annually for

impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for 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.

Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives.

Gains or losses on disposals are determined by comparing proceeds less selling expenses with the carrying amount of the disposed asset and are included in the statement of financial performance.

1.4.2. Depreciation rates

Type of asset	Straight line depreciation rate
Intangible assets	25%
Plant, machinery and equipment	12.5-25%
Furniture	10-25%
Fixtures and fittings	12.5-25%
Computer hardware	25%

1.4.3. Financial assets

The Agency has as financial assets its receivables and current bank accounts. Receivables arise when the Agency provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities more than 12 months of the balance sheet date. See note 7 below for more information.

1.4.4. Receivables

Receivables are carried at original amount less write-down for impairment. A write-down for impairment of receivables is established when there is objective evidence that the Agency will not be able to collect all amounts due according to the original terms of receivables. The amount of the write-down is the difference between the asset's carrying amount and the recoverable amount. The amount of the write-down is recognised in the statement of financial performance.

See note 1.4.9 below concerning the treatment of accrued income at year-end.

1.4.5. Cash and cash equivalents

Cash and cash equivalents are financial instruments and classified as available for sale financial assets. They include cash at hand and deposits held at call with banks.

1.4.6. Provisions

Provisions are recognised when the Agency has a present legal or constructive obligation towards third parties as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. The amount of the provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

1.4.7. Financial liabilities

The Agency has as financial liabilities its payables. They are classified as current liabilities, except for maturities more than 12 months after the balance sheet date. See point 1.4.8 below.

1.4.8. Payables

Significant amounts of payables are related to the purchase of goods or services. Those are recognised at invoice reception for the original amount and corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by the Agency.

1.4.9. Accrued and deferred income and charges

According to the EU Accounting rules, transactions and events are recognised in the financial statements in the period to which they relate. At the end of the accounting period, accrued expenses are recognised based on an estimated amount of the transfer obligation of the period. The calculation of accrued expenses is done in accordance with detailed operational and practical guidelines issued by the Commission and by the Agency, which aim at ensuring that the financial statements reflect a true and fair view.

Revenue is also accounted for in the period to which it relates. At year-end, if an invoice is not yet issued but the service has been rendered, the supplies have been delivered by the Agency or a contractual agreement exists (i.e. by reference to a treaty), an accrued income will be recognised in the financial statements.

In addition, at year-end, if an invoice is issued but the services have not yet been rendered or the goods supplied have not yet been delivered, the revenue or charges will be deferred and recognised in the subsequent accounting period.

1.5. STATEMENT OF FINANCIAL PERFORMANCE

1.5.1. Revenue

Non-exchange revenue makes up the vast majority of the Agency revenue and includes mainly the EU subsidy.

Exchange revenue is the revenue from the sale of goods and services. It is recognised when the significant risk and rewards of ownership of the goods are transferred to the purchaser. Revenue associated with a transaction involving the provision of services is recognised by reference to the stage of completion of the transaction at the reporting date.

Interest income might include bank interest received or interest calculated on a delayed payment by a debtor.

1.5.2. Expenses

According to the principle of accrual-based accounting, the financial statements take account of expenses relating to the reporting period, without taking into consideration the payment date - meaning when the goods or services are used or consumed.

Exchange expenses arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by the Agency. They are valued at original invoice cost.

Non-exchange expenses relate to transfers to beneficiaries and can be of three types: entitlements, transfers under agreement and discretionary grants, contributions and donations.

Transfers are recognised as expenses in the period during which the events giving rise to the transfer occurred, as long as the nature of the transfer is allowed by regulation (Financial Regulation, Staff Regulations, or other regulation) or a contract has been signed authorising the transfer, any eligibility criteria have been met by the beneficiary, and a reasonable estimate of the amount can be made.

When a request for payment or cost claim is received and meets the recognition criteria, it is recognised as an expense for the eligible amount. At year-end, incurred eligible expenses due to the beneficiaries but not yet reported are estimated and recorded as accrued expenses.

1.6. CONTINGENT ASSETS AND LIABILITIES

1.6.1. Contingent assets

A contingent asset is a possible asset that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Agency. It is not recognised because the amount of the obligation cannot be measured with sufficient reliability. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

1.6.2. Contingent liabilities

A contingent liability is a possible obligation that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Agency. Alternatively, this present obligation arising from past events but not recognised because either it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation or, in the rare circumstances, where the amount of the obligation cannot be measured with sufficient reliability.

1.6.3. Consolidation

According to Article 57 of Commission Regulation 1653/2004, the INEA's accounts are consolidated with the Commission's annual accounts.

2. NOTES TO THE BALANCE SHEET

NON-CURRENT ASSETS

The Agency uses ABAC Assets as inventory application, which is an integrated part of the ABAC platform. The non-current intangible and tangible (property, plant and equipment) assets are also called fixed assets.

2.1. INTANGIBLE ASSETS

Intangible fixed assets are identifiable non-monetary assets without physical substance. To be entered in the financial inventory on the assets side of the balance sheet, they must be controlled by the Agency and generate future economic benefits for the Agency. Additionally, they should have a purchase price above €700.

For internally developed intangible assets, the Agency applied the threshold of €500,000. For more information about IT developments see point 3.3.4.

In 2019, INEA acquired and classified as an intangible asset a WAPT single user perpetual licence for the cost of €994.44. There were no disposals or impairments of intangible assets. The assets were depreciated monthly with an annual depreciation rate of 25%.

The variation of the intangible fixed assets in 2019 is composed of:

2019	Computer Software	Other Intangible Assets	Total EUR
Gross carrying amounts 01/01/2019	114,200.36	79,850.07	194,050.43
Additions/disposals	994.44	0	994.44
Gross carrying amounts 31/12/2019	115,194.80	79,850.07	195,044.87

Accumulated amortisation and impairment 01/01/2019	(112,469.36)	(22,241.07)	(134,710.43)
Amortisation	(1,979.44)	(19,962.00)	(21,941.44)
Accumulated amortisation and impairment 31/12/2019	(114,448.80)	(42,203.07)	(156,651.87)
Net carrying amounts 31/12/2019	746.00	37,647.00	38,393.00

2.2. TANGIBLE ASSETS

Tangible fixed assets are identifiable non-monetary assets with physical substance. To be entered in the financial inventory on the assets side of the balance sheet, they must be controlled by the Agency and generate future economic benefits or increase the service potential of the Agency. Additionally, they should have a purchase price above €700. Items with lower value, such as desktop computers, digital cameras and monitors are treated as expenses of the year, but they are registered in the physical inventory. Repairs and maintenance are charged to the economic period in which they have occurred.

The tangible assets on 31 December 2019 amount to €217,646.00. The acquisitions of tangible assets in 2019 comprised mainly of IT equipment: servers and laptops.

The tangible IT assets are depreciated monthly with the annual rates set in the assets catalogue of DG DIGIT and listed in point 1.4.2.

During the year, the Agency retired assets that were either damaged or obsolete.

The variation of the tangible fixed assets in 2019 is composed of:

2019	Plant and equipment	Computer hardware	Furniture and vehicles	Other fixtures and fittings	Total EUR
Gross carrying amounts 01/01/2019	23,914.93	364,865.82	75,720.79	145,138.68	609,640.22
Additions		150,870.79	1,719.90		152,590.69
Disposals		(7,083.87)	(1,651.30)		(8,735.17)
Gross carrying amounts 31/12/2019	23,914.93	508,652.74	75,789.39	145,138.68	753,495.74
Accumulated depreciation and impairment 01/01/2019	(19,739.93)	(295,458.82)	(60,927.79)	(64,563.68)	(440,690.22)
Depreciation	(2,313.00)	(64,416.79)	(5,267.90)	(31,743.00)	(103,740.69)
Disposals		7,083.87	1,497.30		8,581.17
Accumulated depreciation and impairment 31/12/2019	(22,052.93)	(352,791.74)	(64,698.39)	(96,306.68)	(535,849.74)
Net carrying amounts 31/12/2019	1,862.00	155,861.00	11,091.00	48,832.00	217,646.00

2.3. LONG-TERM RECEIVABLES AND RECOVERABLES

In 2016, the Agency signed an amendment to its rental contract for the office premises until 31 December 2020. INEA paid a rental guarantee to the building owner for €125,000.00. The figures under this heading represent the amount of the guarantee obligation according to the office rental contract and the works done by the owner of the Agency's office premises in order to bring the rented space to the standard set up by the European Commission. The works are amortised using the straight-line amortisation method over the period 2016-2020.

The Agency carried out works in 2016 – 2018 for €647,606.78, which are being amortised over the duration of the rental contract. The accumulated amortisation on 31 December 2019 is €461,838.98. The net amount of the works as of 31 December 2019 is €185,767.80 and those will be amortised in 2020 - the final year of the contract.

Item	Amount
2016 Renovation works carried out in the newly-rented office premises and deferred to 2017-2020	310,081.43
2017 Renovation works carried out in the newly-rented office premises and deferred to 2018-2020	334,402.76
2018 Renovation works carried out in the newly-rented office premises and deferred to 2019-2020	3,122.59
Amortisation of the works until 31 December 2019	(461,838.98)
Net amount of the works as of 31 December 2019	185,767.80
Guarantee, part of the rental contract of the W910 office premises	125,000.00
Total	310,767.80

CURRENT ASSETS

2.4. RECEIVABLES AND RECOVERABLES

Item	2019	2018
Customer receivables	7,500.00	0
Sundry receivables	15,911.34	26,883.77
Deferred charges (<i>see below</i>)	156,713.47	104,100.78
Total	180,124.81	130,984.55

The customer receivables represent a debit note for €7,500 that is still open at year-end.

The sundry receivables for €15,911.34 consist of monthly salary regularisations linked to payroll, and to be received either from staff or from the Commission and other EU institutions. The amounts will be regularised in the course of 2020.

The deferred charges are comprised of expenses for the years 2020-2024, recorded in the accounts in 2019 or previous years and deferred to the appropriate financial periods. Their split is as follows:

Item	2019	2018
Subscriptions for media services and to professional organisations	3,333.37	3,650.98

School busses and staff transport contribution	15,081.99	11,558.20
Licences and maintenance of IT and office equipment	116,445.33	70,662.79
Trainees	17,952.60	14,121.96
Staff, building, IT and fire insurance	3,900.18	4,106.85
Total	156,713.47	104,100.78

2.5. CASH AND CASH EQUIVALENTS

The amount of €1,303,684.28 corresponds to the cash balance held on 31 December 2019 in its bank account at ING Belgium. The Agency does not hold petty cash.

NON-CURRENT LIABILITIES

2.6. LIABILITIES ARISING FROM FINANCIAL LEASE

There are no financial lease liabilities on 31 December 2019.

CURRENT LIABILITIES

2.7. PAYABLES

Item	2019	2018
Current payables	28,155.52	0
Sundry payables	25,054.76	20,239.66
Accounts payable to consolidated entities	314,512.65	348,406.72
Total	367,722.93	368,646.38

The current payables consist of invoices for €28,155.52, which have not been paid at year-end.

Sundry payables for the amount of €25,054.76 are the amounts deducted from staff salaries for the attendance of childcare facilities and payable to the service providers.

Accounts payable to consolidated entities for €314,512.65 represent the balance of the budgetary outturn account at the end of 2019. This amount should be reimbursed to the European Commission.

For more details, please refer to the reports on budget implementation.

2.8. ACCRUED CHARGES WITH NON-CONSOLIDATED ENTITIES

Accruals for goods and services

This amount represents goods and services received in 2019 but not yet recorded as supplier payables on 31 December 2019. The expenses are of two types:

- Invoices to be received, which correspond exactly to the amounts accrued.
- Provisions set aside to pay for services or goods received in 2019. As the exact amount was not known when finalising the accounts, estimation was made based on the contractual or other information.

Accruals	Amount	Estimation method
Charges for office premises	130,000.00	Contract with the supplier, budget follow-up tool
Office supplies, IT maintenance and subscriptions	2,607.61	Contracts with the suppliers, budget follow-up tool
Communication expenses	545.88	Contract with the supplier, budget follow-up tool
IT services	106,795.95	Contracts with the suppliers, budget follow-up tool
Missions	27,539.22	Mission statements, invoices from the supplier, budget follow-up tool
Trainings	3,926.00	Budget follow-up tool
Events-related expenses	1,377.45	Budget follow-up tool
Audits by external companies	8,105.00	Contract with the supplier, budget follow-up tool
Interim staff	14,074.33	Invoices from January 2019, budget follow-up tool
Staff activities	677.45	Budget follow-up tool
Other services	454.35	Contracts with the suppliers, budget follow-up tool
Total accruals with non-consolidated entities:	€296,103.24	

Accruals for staff expenses

Accruals	Amount	Estimation method
Untaken leave	418,123.39	1,920 days of untaken annual leave of the staff for 2019, which will be used in 2020
2019 salary expenses	1,706.54	1 newcomer in December 2019
Total staff accruals	€419,829.93	

2.9. ACCRUED CHARGES WITH CONSOLIDATED ENTITIES

This amount represents goods and services received in 2019 but not yet booked as suppliers payables on 31 December 2019. The accruals are based on the Service Level Agreements signed with Commission Directorates or other EU bodies.

Accruals	Amount	Estimation method
DG HR	111,969.77	Budget follow-up tool
PMO (Pay Master Office)	10,574.00	Budget follow-up tool
DG OIB	106,576.64	Budget follow-up tool
DIGIT	14,513.86	Budget follow-up tool
DG OP	400.00	Budget follow-up tool
DG SCIC	7,000.00	Budget follow-up tool
Translation Centre	2,143.00	Budget follow-up tool
Total accrued expenses	€253,177.27	

NET ASSETS

The net assets amount to €713,782.52 and comprise the total of the economic result of previous years for the amount of €1,281,817.87 and the economic result of the current year – a loss for the amount of €568,035.35.

The economic result of the year is different from the budgetary result due to the differences between the general and budgetary accounts. Additional information concerning the reconciliation between both accounts is provided in the reports on the budget implementation.

3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

3.1. NON-EXCHANGE REVENUE

The non-exchange revenue for the amount of €28,569,487.35 represents the European Union contribution (subsidy) received from the Commission. For the exact calculation of the budgetary outturn, please refer to point Budget result on page 30.

3.2. EXCHANGE REVENUE

Item	2019	2018
Income from non-consolidated entities:		
Recovery of legal expenses on successful court cases	12,000.00	0
Recovery of expenses from previous years	5,643.83	1,992.70
Income from consolidated entities:		
Recovery of expenses from previous years	31,047.00	0
Gains from exchange rate differences	309.03	182.35
Total	48,999.86	2,175.05

The gains from exchange rate differences arose from payments to staff salaries in GBP and RON.

3.3. OPERATING EXPENSES

3.3.1. Staff expenditure

Staff expenditure comprises total gross salaries and allowances, social and pension contributions, and other welfare expenses (including the contribution to the school transport and the reimbursement of the staff public transportation costs). The item also includes the accrual for untaken holidays and accrued charges for December salaries against advances to staff. The total expenditure for 2019 is €22,445,676.82.

All salary calculations giving the total staff expenses included in the Statement of financial performance of the Agency are externalised to the Office for administration and payment of individual entitlements (also known as the Paymaster's Office - PMO) which is a central office of the European Commission.

The PMO's mission is to manage the financial rights of permanent, temporary and contractual staff working at the Commission, to calculate and to pay their salaries and other financial entitlements. The PMO provides these services to other EU institutions and agencies as well. The PMO is also responsible for managing the health insurance fund of the Institutions, together with processing and paying the claims of reimbursement from staff

members. The PMO also manages the pension fund and pays the pensions of retired staff members. PMO is audited by the European Court of Auditors.

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

3.3.2. Fixed assets related expenses

The item is for €125,836.13 and comprises the depreciation, the amortisation and the loss from disposal of the long-term assets in possession of the Agency.

3.3.3. Building expenses

The two items for building expenses with consolidated and non-consolidated entities are for the total of €3,310,024.38. They comprise the expenses for the rent, maintenance, taxes, utilities, security and various other services for the upkeep of the building during the year.

Item	2019	2018
Rent of the office premises (with a non-consolidated entity)	1,873,342.46	1,833,612.74
Building expenses with non-consolidated entities	775,577.88	627,407.49
Building expenses with consolidated entities	661,104.04	682,781.84
Total	3,310,024.38	3,143,802.07

3.3.4. Other administrative expenses

Item	2019	2018
Office supplies and maintenance	346,416.89	218,500.70
Communication and publication expenses	120,696.16	109,559.45
Recruitment costs	17,846.04	23,473.91
Training costs	112,277.67	79,431.43
Missions of staff	286,525.17	361,537.82
Experts and related expenditure	4,735.32	3,840.02
Legal and insurance expenses	11,689.36	10,794.77
IT external developers (<i>see paragraph below</i>)	339,635.07	402,141.18
Other external service providers (<i>see table below</i>)	508,022.28	442,902.54
Total	1,747,843.96	1,652,181.82

IT developments

INEA applies a threshold of €500,000 for IT developments by the Agency to consider them as intangible assets. IT developments with value above the threshold are recorded in the inventory as an intangible asset. Developments for lower value are booked as expenses for the period.

In 2019, INEA did not develop any new IT product.

In the period 2014-2017, the Agency developed the application TENtec - the project management software of the TEN-T and CEF programmes. The software is owned by DG MOVE and all development expenses were charged to the financial result for the period. In 2017, the software went into its operational phase with an ongoing

maintenance, keeping it up-to-date and adding new features. No new modules have been planned for development.

Two Agency staff members and ten external consultants worked on the application during 2019.

Other external service providers

Item	2019	2018
Audits by external contractors	174,591.00	135,371.28
Interim staff	221,747.61	238,026.41
Staff-related services	41,724.00	0
Organisation of INEA events	63,918.84	59,686.65
Translation costs	2,143.00	0
Internal removal services	3,684.57	9,818.20
Other services	213,26	0
Total	508,022.28	442,902.54

3.3.5. Other administrative expenses with consolidated entities

The total of €1,555,543.47 comprises of:

Item	2019	2018
Staff-related services provided by PMO and DG HR	332,813.41	330,593.53
Staff trainings	125,123.50	109,910.88
Trainees	60,798.72	53,496.50
Furniture and other non-building services	62,513.23	81,557.66
Translations	14,119.50	23,527.00
Medical services for staff	59,722.00	117,253.97
IT related services	487,142.81	465,942.81
Childcare facilities	402,913.00	392,628.00
Communications expenses	10,397.30	28,716.52
Total	1,555,543.47	1,603,626.87

3.3.6. Losses from exchange rate differences

The losses from exchange rate differences for € 1,597.79 arose from payments to staff salaries in GBP and RON.

4. NOTES TO THE CASH FLOW STATEMENT

Cash flow information is used to provide a basis for assessing the ability of the Agency to generate cash and cash equivalents, and its needs to utilise those cash flows.

The cash flow statement is prepared using the indirect method. This means that the economic result of the financial year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of revenue or expense associated with investing cash flows.

Cash flows arising from transactions in a foreign currency are recorded in the EU's reporting currency (Euro), by applying to the foreign currency amount the exchange rate between the Euro and the foreign currency at the date of the cash flow.

The cash flow statement presented reports cash flows during the period classified by operating and investing activities - the Agency does not have financing activities.

4.1. OPERATING ACTIVITIES

Operating activities are the activities arising from the usual business of the Agency. These are the majority of the activities performed and their associated cash flows.

4.2. INVESTING ACTIVITIES

Investing activities are the acquisitions of intangible assets and property, plant and equipment and of other investments, which are not included in cash equivalents. The objective is to show the real investments made by the Agency.

5. CONTINGENT ASSETS / LIABILITIES

There are no contingent assets or liabilities to disclose for the year ended 31 December 2019.

6. COMMITMENTS FOR FUTURE FUNDING

Commitments for future funding	31/12/2019	31/12/2018
RAL - Commitments against appropriations not yet consumed	247,887.03	742,693.85
Operating lease	1,885,952.34	3,746,684.92
Contractual commitments (for which budget commitments have not yet been made)	24,184.40	28,010.54
TOTAL	2,158,023.77	4,517,389.31

Commitments for future funding are off balance sheet obligations arising from obligations contracted by the Agency in 2019 or earlier and concerning goods and services to be rendered after the closure date.

The RAL, commitments against appropriations not yet consumed, is estimated as the difference between the commitments carried over to 2020 (€982,036.53) and:

- 1) the accrued charges (staff expenses excluded), booked in 2019 (€549,280.51),
- 2) the deferred charges at year-end (€156,713.47) and
- 3) the invoices open at year-end (€28,155.52).

The operating lease represents the rent due for the office premises until the end of the contract on 31 December 2020.

Contractual commitments (for which budget commitments have not yet been made) represent the amount resulting from long-term contracts for IT maintenance and insurance.

7. FINANCIAL INSTRUMENTS

Financial instruments comprise cash, current and long-term receivables and recoverable, current and long-term payables, and amounts due to and from consolidated entities. Financial instruments give rise to liquidity, credit, interest rate and foreign currency risks. Information about them, and how they are managed, is set out below.

The carrying amounts of financial instruments are as follows:

Item	2019	2018
Financial assets		
Long-term recoverables	310,767.80	496,535.60
Other receivables	180,124.81	130,984.55
Cash and deposits	1,303,684.28	1,799,594.12
Total financial assets	1,794,576.89	2,427,114.27
Financial liabilities		
Long-term liabilities	0	0
Current and sundry payables	(53,210.28)	(20,239.66)
Current payables with consolidated entities	(314,512.65)	(348,406.72)
Total financial liabilities	(367,722.93)	(368,646.38)
Total net financial instruments	1,426,853.96	2,058,467.89

Liquidity risk

Liquidity risk is the risk that arises from the difficulty of selling an asset, such as the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss or meet an obligation. Liquidity risk arises from the ongoing financial obligations, including settlement of payables.

The Agency manages liquidity risk by continually monitoring forecast and actual cash flows with the help of the budgetary execution tables. Details of contractual maturities for assets and liabilities form an important source of information for the management of liquidity risk.

As at 31 Dec 2019	On demand	< 3 months	3 – 12 months	1 – 2 years	> 2 years	Total
Assets	EUR	EUR	EUR	EUR	EUR	EUR
Long-term recoverables			185,768	125,000		310,768
Other receivables			141,466	25,554	13,105	180,125
Cash and deposits	1,303,684					1,303,684
Liabilities						
Current and sundry payables		(53,210)				(53,210)
Current payables cons. entities			(314,513)			(314,513)
Cumulative liquidity gap	1,303,684	(53,210)	12,721	150,554	13,105	1,426,854

Bank accounts opened in the name of the Agency may not be overdrawn.

Treasury and payment operations are highly automated and rely on modern information systems. Specific procedures are applied to guarantee system security and to ensure segregation of duties in line with the Financial Regulation, the internal control standards, and audit principles.

EU budget principles ensure that overall cash resources for a given year are always sufficient for the execution of all payments.

Credit risk

Credit risk is the risk of loss due to a debtor's/borrower's to meet its contractual obligation in due time. The default events include a delay in repayments, restructuring of borrower repayments and bankruptcy. Mitigation measures put in place on receivables are regular monitoring, reminders, etc.

Treasury resources are kept with commercial banks. The EU contribution was requested twice a year based on cash forecasts.

Specific guidelines are applied for the selection of commercial banks in order to further minimise counterparty risk to which the Agency is exposed:

- All commercial banks are selected by call for tenders. The minimum short-term credit rating required for admission to the tendering procedures is Moody's P-1 or equivalent (S&P A-1 or Fitch F1). A lower level may be accepted in specific and duly justified circumstances.
- The credit ratings of the commercial banks in which the Agency has accounts are reviewed on regular basis.

None of the INEA's financial assets is past due or impaired. The maximum exposure to credit risk is:

31 December	2019			2018		
	Receivables non-cons. entities	Receivables cons. entities	Bank accounts	Receivables non-cons. entities	Receivables cons. entities	Bank accounts
Counterparties with external credit rating:						
Prime and high grade						
Upper medium grade	310,768		1,303,684	496,536		1,799,594
Lower medium grade						
Non-investment grade						
Counterparties without external credit rating:						
Debtors who never defaulted	180,125			130,985		
Debtors who defaulted in the past						
	490,893		1,303,684	627,521		1,799,594

The Agency has a current account in ING Belgium. Its long-term credit rating was as follows:

Year	Moody's	Standard&Poors	Fitch	Overall
2019	Aa3	A+	A+	High/upper medium grade
2018	A1	A+	A+	Upper medium grade

Interest rate risk

Interest rate risk is the possibility of a reduction in the value of a security, especially a bond, resulting from an increase in interest rates. In general, higher interest rates will lead to lower prices of fixed rate bonds, and vice versa.

Interest rate risk at the Agency arises from cash as the balance on the bank account earns interest. It is recognised that interest rates fluctuate and the Agency accepts the risk and does not consider it material.

The Agency's treasury does not borrow any money; consequently, it is not exposed to interest rate risk.

Foreign currency risk

Currency risk is the risk that the EU's operations or its investment values will be affected by changes in exchange rates. This risk arises from the change in price of one currency against another.

All financial assets and liabilities are in Euro, so in these cases the Agency has no foreign currency risk.

Fair value

The estimated fair values of all financial instruments of the Agency are equal to their book values at 31 December 2019 and 31 December 2018. All financial assets and liabilities are receivable or repayable according to the contractual obligations within four years.

8. CHANGES IN ACCOUNTING POLICIES

There were no changes in accounting policies for the financial year 2019.

9. RELATED PARTY DISCLOSURES

The related parties of the Agency are the key management personnel. Transactions between the Agency and the key management personnel take place as part of the normal operations and as this is the case, no specific disclosure requirements are necessary for these transactions in accordance with the EU Accounting rules.

The remuneration equivalent to the grades of the key management personnel in the Agency's establishment plan can be found in Official Journal L 345/10 of 23 December 2008.

10. EVENTS AFTER THE BALANCE SHEET DATE

During the first half of 2020, the coronavirus outbreak has had huge impacts on the EU economy. As a non-adjusting event, the outbreak of the coronavirus does not require any adjustments to the figures reported in these annual accounts. For subsequent reporting periods, COVID-19 may affect the recognition and measurement of some assets and liabilities on the balance sheet and of some revenue and expenses recognised in the statement of financial performance. Based on the information available at the date of signature of these annual accounts, the financial effects of the coronavirus outbreak cannot be reliably estimated. However, the Agency does not expect material financial effects.

Reports on the implementation of the budget

Budgetary structure and principles

The budgetary accounts are kept in accordance with the Financial Regulation. The budget is the instrument that, for each financial year, forecasts and authorises the revenue and expenditure considered necessary for the implementation of the Agency's activities.

Every year, the Agency estimates its annual revenue and expenditure and draws up a draft budget, which it proposes, to the Commission. The Commission then sends it to the budgetary authority. Based on this draft budget, the Council draws its position, which is then the subject of negotiations. The President of the Parliament declares that the joint draft has been finally adopted, thus making the budget enforceable. The task of executing the budget is the responsibility of the Agency.

The budget structure for the Agency consists of administrative appropriations and has only non-differentiated appropriations, meaning that the commitment and the payment appropriations are of the same amount. Non-differentiated appropriations are used to finance operations of an annual nature (i.e. complying with the principle of annuality).

Origin and composition of appropriations

The main source of appropriations is the Agency's budget for the current year. However, there are other types of appropriations resulting from the provisions of the Financial Regulation. They come from previous financial years or outside sources:

- Initial budget = appropriations voted in Year N-1.
- Final budget appropriations = initial budget appropriations + amending budget appropriations + transfers within chapters + additional appropriations.
- Additional (payment) appropriations = carried over from previous year.

Budgetary principles

The budget of the Agency has been established in compliance with the budgetary principles as set out in the Financial Regulation of the Agency:

- **Unity and budget accuracy:** all expenditure and revenue must be incorporated in a single budget document, must be booked on a budget line and the expenditure must not exceed the authorised appropriation
- **Annuality:** the appropriation entered are authorised for a single year and must therefore be used during that year
- **Equilibrium:** the revenue and expenditure shown in the budget must be in balance (estimated revenue must equal payment appropriation)
- **Unit of account:** the budget is drawn up and implemented in euro (EUR) and the accounts are presented in euro
- **Universality:** this principle comprises two rules: the rule of non-assignment, meaning that budget revenue must not be earmarked for specific items of expenditure (total revenue must cover total expenditure); and the gross budget rule, meaning that revenue and expenditure are entered in full in the budget without any adjustment against each other

- **Specification:** each appropriation is assigned to a specific purpose and a specific objective
- **Sound financial management:** budget appropriation are used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness
- **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 website of INEA

Calculation of the budget result

The revenue entered in the accounts is the amount actually received during the course of the year. For the purposes of calculating the budget result for the year, expenditure comprises payments made against the year's appropriations plus any of the appropriations for that year that are carried over to the following year. Payments made against the year's appropriations means payments that are made by the accounting officer by 31 December of the financial year.

The following are added to or deducted from the resulting figure:

- The net balance of cancellations of payment appropriations carried over from previous years and any payments which, because of fluctuations in the Euro rate, exceed non-differentiated appropriations carried over from the previous year; and
- The balance of exchange-rate gains and losses recorded during the year.

Payment appropriations carried over include automatic carryovers only. The cancellation of unused payment appropriations carried over from the previous year shows the cancellations on appropriations also carried over automatically.

Main facts on the implementation of the budget

	Amount	% implementation
Revenue	28,884,000.00	100% collected
Commitments	28,837,776.65	99.84% committed
Payments on 2019 commitments	27,841,183.62	96.39% paid
Payments on 2018 commitments	1,250,059.09	85.39% paid

The 2019 operating budget of the Agency (hereafter referred to as administrative budget) was adopted by the INEA Steering Committee on 13 December 2018 and it amounted to € 28,821,500. During the year, one amending budget was adopted by the Steering Committee. It increased the initial amount to a final budget of € 28,884,000.

Budget result

BUDGET OUTTURN ACCOUNT	2019	2018
REVENUE		
Commission subsidy (for the operating budget -Titles 1,2 and 3 - of the Agency)	28,884,000.00	26,670,000.00
Other revenue	41,190.80	1,402.21
TOTAL REVENUE (a)	28,925,190.80	26,671,402.21
EXPENDITURE		
<i>Title I: Staff</i>		
Payments in 2018	23,600,953.57	20,880,385.93
Appropriations carried over to 2019	237,643.85	274,015.73
<i>Title II: Administrative Expenses</i>		
Payments in 2018	3,523,014.37	3,489,880.08
Appropriations carried over to 2019	385,808.35	740,473.92
<i>Title III: Operating Expenditure</i>		
Payments in 2018	717,215.68	709,212.95
Appropriations carried over to 2019	358,584.33	449,400.20
TOTAL EXPENDITURE (b)	28,823,220.15	26,543,368.81
OUTTURN FOR THE FINANCIAL YEAR (a-b)	101,970.65	128,033.40
Cancellation of unused payment appropriations carried over from previous year	213,830.76	221,427.58
Exchange differences for the year (gain +/-loss -)	(1,288.76)	(1,054.26)
Result used for determining amounts in general accounting	314,512.65	348,406.72
Commission subsidy – the Agency registers accrued revenue and the Commission accrued expense	28,569,487.35	26,321,593.28
Pre-financing remaining open to be reimbursed by the Agency to the Commission in year 2019	314,512.65	348,406.72

Reconciliation of economic result with budget result

The financial result for the year presented on page 8 is calculated on the basis of accrual accounting principles. The budget outturn, however, is based on modified cash accounting rules, in accordance with the Financial Regulation. As both are the result of the same underlying transactions, it is a useful control to ensure that they are reconcilable. The table below shows this reconciliation, highlighting the key reconciling amounts, split between revenue and expenditure items.

EUR	
ECONOMIC RESULT	(568,035)
Adjustment for accrual items (items not in the budgetary result but included in the economic result)	
Adjustments for accrual cut off (reversal 31 December 2018)	(1,012,090)
Adjustments for accrual cut off (cut off 31 December 2019)	972,210
Unpaid invoices at year end booked as charges	13,666
Depreciation of intangible and tangible fixed assets	125,682
Recovery orders open at year end and booked as revenue	(7,500)
Pre-financing given in previous year and cleared in the year	278,398
Payments made from carry-over of payment appropriations	1,250,059
Others	154
Adjustment for budgetary items (item included in the budgetary result but not in the economic result)	
Asset acquisitions (less unpaid amounts)	(153,585)
Charges paid in 2019 and deferred to the following years	(130,753)
New pre-financing received in the year 2019 and remaining open at 31 December 2019	314,513
Payment appropriations carried over to 2020	(982,037)
Cancellation of unused carried over payment appropriations from previous year	213,831
Other	
Total	314,513
BUDGETARY RESULT	314,513
Unexplained discrepancy	0

The actual budgetary revenue for a financial year corresponds to the revenue collected from entitlements established in the course of the year and amounts collected from entitlements established in previous years. Therefore, the entitlements established in the current year but not yet collected are to be deducted from the economic result for reconciliation purposes as they do not form part of budgetary revenue. On the contrary, the entitlements established in previous years and collected in current year must be added to the economic result for reconciliation purposes.

The net accrued expenses mainly consist of accruals made for year-end cut-off purposes, i.e. eligible expenses for goods delivered and services received but not yet invoiced to the Agency. While accrued expenses are not considered as budgetary expenditure, payments made in the current year relating to invoices registered in prior years are part of current year's budgetary expenditure.

The net effect of pre-financing is the combination of (1) the new amounts paid in the current year and recognised as budgetary expenditure of the year and (2) the clearing of the pre-financing paid in current year or previous years through the acceptance of invoices. The latter represent an expense in accrual terms but not in the budgetary accounts since the payment of the initial pre-financing had already been considered as a budgetary expenditure at the time of its payment.

Besides the payments made against the year's appropriations, the appropriations for that year that are carried to the following year also need to be taken into account in calculating the budget result for the year. The same applies for the budgetary payments made in the current year from carry-overs and the cancellation of unused payment appropriations.

Other reconciling amounts are comprised of different elements such as asset depreciation, asset acquisitions, capital lease payments and financial transactions for which the budgetary and accrual accounting treatments differ.

The following tables give a detailed picture of the budget implementation during 2019. Detailed information and qualitative description of the financial situation and the events which had a significant influence on the activities during the year can be found in the Report on budgetary and financial management, annexed to the accounts (to be issued by 31 Mar 2020).

Budget revenue

EUR '000

Item		Income appropriations		Entitlements established			Revenue				
		Initial budget	Final budget	Current year	Carried	Total	Current year	Carried	Total	%	Outstand.
		1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	10
Title 2: INCOME BUDGET 2019											
Chapter 2 0: EU Budget Contribution to the Executive Agency											
2000	EU Budget Contribution to the Executive Agency	28 822	28 884	28 884	0	28 884	28 884	0	28 884	100%	0
Total chapter 2 0		28 822	28 884	28 884	0	28 884	28 884	0	28 884	100%	0
Total Title 2		28 822	28 884	28 884	0	28 884	28 884	0	28 884	100%	0

Title 9: INCOME BUDGET 2019											
Chapter 9 0: Miscellaneous revenue											
9 0 0 0	Miscellaneous revenue	0	0	49	0	49	41	0	41	0%	8
Total chapter 9 0		0	0	49	0	49	41	0	41	0%	8
Total Title 9		0	0	49	0	49	41	0	41	0%	8

TOTAL	28 822	28 884	28 933	0	28 933	28 925	0	28 925	100%	8
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Budget expenditure

Breakdown & changes in commitment appropriations

Item			Budget appropriations				Additional appropriations			Total approp. available
			Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Carry-overs	Assigned revenue	Total	
			1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
1 1	1 1 1 1	Temporary agents	8 633	0	60	8 693	0	0	0	8 693
	1 1 2 1	Contract agents	12 839	0	733	13 572	0	0	0	13 572
	1 1 3 1	Interim and trainees	300	63	(90)	273	0	0	0	273
	Total chapter 1 1		21 772	63	703	22 537	0	0	0	22 537
1 2	1 2 1 1	Medical services	126	0	(8)	118	0	0	0	118
	1 2 2 1	Training	230	0	0	230	0	0	0	230
	1 2 3 1	Administration of staff	366	0	(7)	359	0	0	0	359
	1 2 4 1	Recruitment	30	0	0	30	0	0	0	30
	1 2 5 1	Representation & internal meetings	10	0	0	10	0	0	0	10
	1 2 6 1	Other social expenditure	690	0	(106)	584	0	0	0	584
	Total chapter 1 2		1 452	0	(121)	1 331	0	0	0	1 331
	Total title 1		23 224	63	582	23 868	0	0	0	23 868
2 1	2 1 1 1	Rental of building	1 880	0	(7)	1 873	0	0	0	1 873
	2 1 2 1	Charges of the building	1 259	0	(29)	1 230	0	0	0	1 230
	Total chapter 2 1		3 139	0	(36)	3 103	0	0	0	3 103
2 2	2 2 1 1	Hardware and software	362	0	(176)	186	0	0	0	186
	2 2 2 1	ICT Services	541	0	(24)	517	0	0	0	517
	Total chapter 2 2		903	0	(200)	703	0	0	0	703
2 3	2 3 1 1	Furniture & technical installations & handling	56	0	(15)	41	0	0	0	41
	2 3 2 1	Office supplies & archive & subscription & correspondence	97	0	(15)	82	0	0	0	82
	2 3 3 1	Other expenditure related to work environment	20	0	(9)	11	0	0	0	11
	Total chapter 2 3		173	0	(39)	134	0	0	0	134
	Total title 2		4 215	0	(275)	3 940	0	0	0	3 940
3 1	3 1 1 1	Missions and related expenditure	370	0	(45)	325	0	0	0	325
	3 1 2 1	Audit	200	0	(48)	152	0	0	0	152
	3 1 3 1	Operational related IT expenditure	463	0	(100)	363	0	0	0	363
	3 1 4 1	Communication & events & other Programme support	350	0	(115)	235	0	0	0	235
	Total chapter 3 1		1 383	0	(307)	1 076	0	0	0	1 076
	Total title 3		1 383	0	(307)	1 076	0	0	0	1 076
GRAND TOTAL			28 822	63	0	28 884	0	0	0	28 884

Breakdown & changes in payment appropriations

EUR '000

LCR 668

Item			Budget appropriations				Additional appropriations			Total appror. available
			Initial budget adopted	Amending budgets	Transfers	Final adopted budget	Carry- overs	Assigned revenue	Total	
1 1	1 1 1 1	Temporary agents	8 633	0	60	8 693	0	0	0	8 693
	1 1 2 1	Contract agents	12 839	0	733	13 572	0	0	0	13 572
	1 1 3 1	Interim and trainees	300	63	(90)	273	105	0	105	378
	Total chapter 1 1		21 772	63	703	22 537	105	0	105	22 642
1 2	1 2 1 1	Medical services	126	0	(8)	118	35	0	35	153
	1 2 2 1	Training	230	0	0	230	33	0	33	263
	1 2 3 1	Administration of staff	366	0	(7)	359	44	0	44	403
	1 2 4 1	Recruitment	30	0	0	30	8	0	8	38
	1 2 5 1	Representation & internal meetings	10	0	0	10	4	0	4	14
	1 2 6 1	Other social expenditure	690	0	(106)	584	45	0	45	629
	Total chapter 1 2		1 452	0	(121)	1 331	169	0	169	1 500
Total title 1			23.224	63	582	23.868	274	0	274	24.142
2 1	2 1 1 1	Rental of building	1 880	0	(7)	1 873	0	0	0	1 873
	2 1 2 1	Charges of the building	1 259	0	(29)	1 230	290	0	290	1 520
	Total chapter 2 1		3 139	0	(36)	3 103	290	0	290	3 393
2 2	2 2 1 1	Hardware and software	362	0	(176)	186	347	0	347	533
	2 2 2 1	ICT Services	541	0	(24)	517	0	0	0	517
	Total chapter 2 2		903	0	(200)	703	347	0	347	1 050
2 3	2 3 1 1	Furniture & technical installations & handling	56	0	(15)	41	84	0	84	126
	2 3 2 1	Office supplies & archive & subscription & correspondence	97	0	(15)	82	19	0	19	101
	2 3 3 1	Other expenditure related to work environment	20	0	(9)	11	0	0	0	11
	Total chapter 2 3		173	0	(39)	134	104	0	104	238
Total title 2			4.215	0	(275)	3.940	740	0	740	4.680
3 1	3 1 1 1	Missions and related expenditure	370	0	(45)	325	57	0	57	382
	3 1 2 1	Audit	200	0	(48)	152	132	0	132	284
	3 1 3 1	Operational related IT expenditure	463	0	(100)	363	181	0	181	544
	3 1 4 1	Communication & events & other Programme support	350	0	(115)	235	79	0	79	315
	Total chapter 3 1		1 383	0	(307)	1 076	449	0	449	1 525
Total title 3			1.383	0	(307)	1.076	449	0	449	1.525
GRAND TOTAL			28 822	63	0	28 884	1 464	0	1 464	30 348

Implementation of commitment appropriations

EUR '000

Item			Total appropriations available	Commitments made					Appropriations carried over to 2019			Appropriations lapsing			
				from final adopt. budget	from carry-overs	from assigned revenue	Total	%	Assigned revenue	By decision	Appropriations carried over 2017	from final adopt. budget	from carry-overs	from assigned revenue	Total
				1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12
1	1 1 1	Temporary agents	8 693	8 693	0	0	8 693	100 %	0	0	0	0	0	0	0
	1 1 2	Contract agents	13 572	13 572	0	0	13 572	100 %	0	0	0	0	0	0	0
	1 1 3	Interim and trainees	273	272	0	0	272	100 %	0	0	0	0	0	0	0
	Total chapter 1 1		22 537	22 537	0	0	22 537	100 %	0	0	0	0	0	0	0
2	1 2 1	Medical services	118	118	0	0	118	100 %	0	0	0	0	0	0	0
	1 2 2	Training	230	230	0	0	230	100 %	0	0	0	0	0	0	0
	1 2 3	Administration of staff	359	355	0	0	355	99 %	0	0	0	4	0	0	4
	1 2 4	Recruitment	30	30	0	0	30	100 %	0	0	0	0	0	0	0
	1 2 5	Representation & internal meetings	10	4	0	0	4	35 %	0	0	0	6	0	0	6
	1 2 6	Other social expenditure	584	580	0	0	580	99 %	0	0	0	4	0	0	4
	Total chapter 1 2		1 331	1 316	0	0	1 316	99 %	0	0	0	15	0	0	15
Total title 1		23 868	23 853	0	0	23 853	100 %	0	0	0	15	0	0	15	
2	2 1 1	Rental of building	1 873	1 873	0	0	1 873	100 %	0	0	0	0	0	0	0
	2 1 2	Charges of the building	1 230	1 230	0	0	1 230	100 %	0	0	0	1	0	0	1
	Total chapter 2 1		3 103	3 103	0	0	3 103	100 %	0	0	0	1	0	0	1
2	2 2 1	Hardware and software	186	171	0	0	171	92 %	0	0	0	14	0	0	14
	2 2 2	ICT Services	517	517	0	0	517	100 %	0	0	0	0	0	0	0
	Total chapter 2 2		703	688	0	0	688	98 %	0	0	0	14	0	0	14
2	2 3 1	Furniture & technical installations & handling	41	29	0	0	29	71 %	0	0	0	12	0	0	12
	2 3 2	Office supplies & archive & subscription & correspond	82	78	0	0	78	95 %	0	0	0	4	0	0	4
	2 3 3	Other expenditure related to work environment	11	11	0	0	11	100 %	0	0	0	0	0	0	0
	Total chapter 2 3		134	118	0	0	118	88 %	0	0	0	16	0	0	16
Total title 2		3 940	3 909	0	0	3 909	99 %	0	0	0	31	0	0	31	
3	3 1 1	Missions and related expenditure	325	325	0	0	325	100 %	0	0	0	0	0	0	0
	3 1 2	Audit	152	152	0	0	152	100 %	0	0	0	0	0	0	0
	3 1 3	Operational related IT expenditure	363	363	0	0	363	100 %	0	0	0	0	0	0	0
	3 1 4	Communication & Programme support	235	235	0	0	235	100 %	0	0	0	0	0	0	0

Total chapter 3 1	1 076	1 076	0	0	1 076	100 %	0	0	0	0	0	0	0
Total title 3	1 076	1 076	0	0	1 076	100 %	0	0	0	0	0	0	0

TOTAL	28 884	28 838	0	0	28 838	100%	0	0	0	46	0	0	46
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Implementation of payment appropriations

EUR '000

Item		Payments made						Appropriations carried over to 2019				Appropriations lapsing			
		Total approp. availab.	from final adopt. budget	from carry-overs	from assign. reve n.	Total	%	Auto-matic carry-overs	By decis.	Assigned rev.	Total	from final adopt. budg et	from carry-overs	from assign. reve n.	Total
		1	2	3	4	5=2+3+4	6 = 5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
1 1	Temporary agents	8 693	8 688	0	0	8 688	100 %	5	0	0	5	0	0	0	0
1 1	Contract agents	13 572	13 562	0	0	13 562	100 %	9	0	0	9	0	0	0	0
1 1	Interim and trainees	378	218	82	0	300	79 %	55	0	0	55	0	23	0	23
Total chapter 1 1		22 642	22 468	82	0	22 550	100 %	69	0	0	69	0	23	0	23
1 2	Medical services	153	68	9	0	77	50 %	50	0	0	50	0	26	0	26
1 2	Training	263	183	32	0	215	82 %	47	0	0	47	0	1	0	1
1 2	Administratio n of staff	403	316	29	0	345	86 %	39	0	0	39	4	15	0	19
1 2	Recruitment	38	25	7	0	31	83 %	5	0	0	5	0	1	0	1
1 2	Representatio n & internal meetings	14	4	3	0	7	50 %	0	0	0	0	6	0	0	7
1 2	Other social expenditure	629	538	16	0	554	88 %	41	0	0	41	4	29	0	34
Total chapter 1 2		1 500	1 133	96	0	1 229	82 %	183	0	0	183	15	73	0	88
Total title 1		24 142	23 601	178	0	23 779	98 %	252	0	0	252	15	96	0	111
2 1	Rental of building	1 873	1 873	0	0	1 873	100 %	0	0	0	0	0	0	0	0
2 1	Charges of the building	1 520	959	233	0	1 192	78 %	270	0	0	270	1	57	0	58
Total chapter 2 1		3 393	2 832	233	0	3 065	90 %	270	0	0	270	1	57	0	58
2 2	Hardware and software	533	136	337	0	473	89 %	35	0	0	35	14	10	0	24
2 2	ICT Services	517	477	0	0	477	92 %	40	0	0	40	0	0	0	0
Total chapter 2 2		1 050	613	337	0	951	91 %	75	0	0	75	14	10	0	24
2 3	Furniture & technical installations & handling	126	5	78	0	83	66 %	24	0	0	24	12	6	0	18
2 3	Office supplies & archive & subscription & corresp.	101	61	17	0	79	78 %	16	0	0	16	4	2	0	6

23 31	Other expenditure related to work environment	11	11	0	0	11	100 %	0	0	0	0	0	0	0	0
Total chapter 23		238	77	95	0	173	73 %	40	0	0	40	16	9	0	25
Total title 2		4 680	3 523	665	0	4 188	89 %	386	0	0	386	31	75	0	107
31 11	Missions and related expenditure	382	271	42	0	312	82 %	54	0	0	54	0	15	0	15
31 21	Audit	284	94	129	0	223	78 %	58	0	0	58	0	4	0	4
31 31	Operational related IT expenditure	544	195	171	0	366	67 %	169	0	0	169	0	10	0	10
31 41	Communication & events & other Programme support	315	158	66	0	223	71 %	77	0	0	77	0	14	0	14
Total chapter 31		1 525	717	407	0	1 124	74 %	359	0	0	359	0	42	0	43
Total title 3		1 525	717	407	0	1 124	74 %	359	0	0	359	0	42	0	43
GRAND TOTAL		30 348	27 841	1 250	0	29 091	96 %	997	0	0	997	46	214	0	260

Commitments outstanding

EUR '000

Item		Commitments outstanding at the end of previous year				Commitments of the year				Total commitment outstanding at year-end
		Comm. carried forward from prev. year	Decommit. Revaluation Cancellation	Payments	Total	Commitment made during the year	Payment	Cancellation of commitment which cannot be carried forward	Commitment outstanding at year-end	
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
1111	Temporary agents	0	0	0	0	8 693	8 688	0	5	5
1121	Contract agents	0	0	0	0	13 572	13 562	0	9	9
1131	Interim and trainees	105	(23)	82	0	272	218	0	55	55
Total chapter 11		105	(23)	82	0	22 537	22 468	0	69	69
1211	Medical services	35	(26)	9	0	118	68	0	50	50
1221	Training	33	(1)	32	0	230	183	0	47	47
1231	Administration of staff	44	(15)	29	0	355	316	0	39	39
1241	Recruitment	8	(1)	7	0	30	25	0	5	5
1251	Representation & internal meetings	4	0	3	0	4	4	0	0	0
1261	Other social expenditure	45	(29)	16	0	580	538	0	41	41
Total chapter 12		169	(73)	96	0	1 316	1 133	0	183	183
Total Title 1		274	(96)	178	0	23 853	23 601	0	252	252
2111	Rental of building	0	0	0	0	1 873	1 873	0	0	0
2121	Charges of the building	290	(57)	233	0	1 230	959	0	270	270
Total chapter 21		290	(57)	233	0	3 103	2 832	0	270	270
2211	Hardware and software	347	(10)	337	0	171	136	0	35	35
2221	ICT Services	0	0	0	0	517	477	0	40	40
Total chapter 22		347	(10)	337	0	688	613	0	75	75
2311	Furniture & technical installations & handling	84	(6)	78	0	29	5	0	24	24
2321	Office supplies & archive & subscription & corresp.	19	(2)	17	0	78	61	0	16	16

2 3 3 1	Other expenditure related to work environment	0	0	0	0	11	11	0	0	0
Total chapter 2 3		104	(9)	95	0	118	77	0	40	40
Total Title 2		740	(75)	665	0	3 909	3 523	0	386	386
3 1 1 1	Missions and related expenditure	57	(15)	42	0	325	271	0	54	54
3 1 2 1	Audit	132	(4)	129	0	152	94	0	58	58
3 1 3 1	Operational related IT expenditure	181	(10)	171	0	363	195	0	169	169
3 1 4 1	Communication & events & other Programme support	79	(14)	66	0	235	158	0	77	77
Total chapter 3 1		449	(42)	407	0	1 076	717	0	359	359
Total Title 3		449	(42)	407	0	1 076	717	0	359	359
GRAND TOTAL		1 464	(214)	1 250	0	28 838	27 841	0	997	997

List of outstanding commitments carried over from 2019 to 2020

FDI	Commitment User Reference	Original fund Source	Open Amount: RAL (type C8 in 2020)
31-12-2020	MISSIONS 2019	C1	54 071.17
31-12-2020	COSTS FOR DRINKS AND FOODS AND MEETINGS CONFERENCES 2019	C1	1 602.81
31-12-2020	INFO DAYS 2019	C1	818.37
31-12-2020	BUILDING CHARGES, TAXES AND INSURANCES 2019	C1	140 817.43
31-12-2020	SLA OIB 2019	C1	112 364.92
31-12-2020	OFFICE SUPPLIES 2019	C1	2 362.74
31-12-2020	MEDICAL SERVICES	C1	50 096.00
31-12-2020	RECRUITMENT	C1	5 315.40
31-12-2020	CPE 2019	C1	35 064.00
31-12-2020	PUBLICATIONS 2019	C1	13 600.00
31-12-2020	COMMUNICATION 2019	C1	8 319.85
31-12-2020	TRANSLATION 2019	C1	5 880.50
31-12-2020	SLA HR DS SECURITY 2019	C1	52 888.99
31-12-2020	SLA DIGIT 2019	C1	39 857.19
31-12-2020	LEASING AND MAINTENANCE OF COPIERS 2019	C1	3 285.40
31-12-2020	INTERIM STAFF 2019	C1	54 828.20
31-12-2020	TRAINING 2019	C1	47 009.75
31-12-2020	SLA HR ADMINISTRATION OF STAFF 2019	C1	12 395.00
31-12-2020	SLA PMO 2019	C1	26 749.57
31-12-2020	PUBLIC TRANSPORT 2019	C1	1 994.67
31-12-2020	SOCIAL EXPENSES 2019	C1	450.00
31-12-2020	SPECIFIC CONTRACT N°3065-FOR A DATABASE DEVELOPER UNDER FWC DI/7701-TECHNOLOGY EXPERT	C1	53 416.86
31-12-2020	SPECIFIC CONTRACT N°2704 FOR TWO APPLICATION ARCHITECTS LEVEL 4 UNDER FWC DI/07704	C1	115 360.14
31-12-2020	SPECIFIC CONTRACT N°3545 FOR A UX/UI SPECIALIST (LEVEL3) UNDER FWC DI/07700	C1	47 217.13
31-12-2020	SC N° TEA.904 MARCO POLO GRANT AUDIT 2019	C1	16 210.00

31-12-2020	MOZER BELUX MOVES 2019	C1	3 169.52
31-12-2020	SPECIFIC CONVENTION SCIC/INEA/CS/2019/01 WEB STREAMING MAINTENANCE SERVICES FROM SCIC	C1	7 000.00
31-12-2020	SC N° TEA.909 CEF GRANTS AUDITS 2019	C1	42 087.50
31-12-2020	INTERSTUHL STAFF OFFICE CHAIRS 2019	C1	2 919.28
31-12-2020	BECHTLE FWC DI/07650, OF N°1988- PURCHASE OF DOCKING STATIONS, POWER ADAPTERS AND OTHER ACCESSORIES	C1	4 451.97
31-12-2020	BECHTLE FWC DI/07630, OF N°1989- PURCHASE OF LAPTOPS AND POWER ADAPTERS	C1	11 765.56
31-12-2020	CANCOM FWC DI/07651, OF N°0320- PURCHASE OF IPHONES & CASES	C1	2 382.16
31-12-2020	CANCOM FWC DI/07610, OF N°0943- PURCHASE OF LTO-7 BACKUP TAPES	C1	2 752.37
31-12-2020	ORDER FORM N°1007919 UNDER FWC DI/7720 RENEWAL EMC NETWORKER ELA (2020)	C1	3 532.08
		C8 in 2020	982,036.53

Payment appropriations carried over from 2018 to 2019

FDI	Commitment User Reference	Open Amount: RAL (type C1 in 2018)	Payments (type C8 in 2019)
31/12/2019	INTERIM STAFF 2018	68 518.90	53 617.93
31/12/2019	TRAINEES 2018	36 756.08	28 724.16
31/12/2019	SLA HR MEDICAL SERVICE 2018	35 118.00	9 276.00
31/12/2019	SOCIAL EXPENSES 2018	150.00	150.00
31/12/2019	LEASING AND MAINTENANCE OF COPIERS 2018	4 667.34	1 731.55
31/12/2019	TRAINING 2018	32 894.79	31 624.79
31/12/2019	SLA PMO 2018	6 398.48	6 398.48
31/12/2019	SLA HR STAFF ADMINISTRATION 2018	37 624.00	22 599.00
31/12/2019	RECRUITMENT 2018	7 690.88	6 586.54
31/12/2019	REPRESENTATION OF STAFF AND INTERNAL MEETINGS 2018	3 796.60	3 362.50
31/12/2019	CENTRE DE LA PETITE ENFANCE AND SCHOOL BUSES 2018	41 168.00	15 270.00
31/12/2019	MISSIONS 2018	56 926.25	41 526.06
31/12/2019	SLA OIB 2018	165 411.94	135 258.34
31/12/2019	SLA HR/DS SECURITY 2018	61 907.86	42 492.58
31/12/2019	BUILDING CHARGES, TAXES AND INSURANCES 2018	134 916.96	116 039.42
31/12/2019	PUBLICATIONS 2018	9 263.51	9 141.83
31/12/2019	OTHER COMMUNICATION EXPENSES 2018	25 774.76	17 065.92
31/12/2019	OFFICE SUPPLIES 2018	6 728.14	6 085.35
31/12/2019	TRANSLATIONS 2018	3 532.15	2 603.50
31/12/2019	MEETINGS, CONFERENCES, SEMINARS AND WORKSHOPS 2018	3 325.70	1 863.07
31/12/2019	EURORA CONSORTIUM, FWC DI/7330, SC 13338 BUSINESS INTELLIGENCE ANALYST L3, 220 DAYS	51 669.16	48 784.08

31/12/2019	PANOPLYS CONSORTIUM, FWC DI/7331, SC 13347 TWO APPLICATION ARCHITECTS/DESIGNERS L2,	129 435.28	122 407.12
31/12/2019	SAP BELGIUM , OF 002 FWC 7450, MAINTENANCE OF SAP LICENSES 2018	3 771.60	3 771.60
31/12/2019	SPECIFIC CONTRACT TEA.823 CEF AND TEN-T GRANTS AUDITS 2018	116 310.50	113 073.00
31/12/2019	SPECIFIC CONTRACT TEA.824 MARCO POLO GRANT AUDIT 2018	15 930.00	15 659.20
31/12/2019	MOZER BELUX MOVES 2018	2 210.00	2 068.00
31/12/2019	SPECIFIC CONTRACT N°52 - TIMES AND MEANS-QLIK CONSULTANCY	9 720.00	5 832.00
31/12/2019	OFFICE FURNITURE 2018	26 234.06	26 234.06
31/12/2019	SPECIFIC CONTRACT N°000445 FOR A UX/UI SPECIALIST (LEVEL3) UNDER FWC DI/07700	37 232.89	34 944.85
31/12/2019	BECHTLE BRUSSELS, OF 0532 FWC 7630, PURCHASE OF 63 LAPTOPS AND RELATED ACCESSORIES	40 725.30	40 725.30
31/12/2019	BECHTLE BRUSSELS, OF 0531 FWC 7650, PURCHASE OF 63 DOCKING STATIONS	48 350.68	48 350.68
31/12/2019	BECHTLE ORDER FORM N°1002017 FWC DI/07720 PURCHASE OF 50 QLIK SENSE PERPETUAL LICENCES AND THEIR MAINTENANCE RENEWAL 10 QLIK SENSE LICENSES	22 933.97	22 933.97
31/12/2019	CANCOM ORDER FORM N°0428-INEA UNDER FWC DI/0760 - PURCHASE OF 7 SERVERS	37 678.40	37 678.40
31/12/2019	ORDER FORM N°307 UNDER FWC DI/07722 PURCHASE OF WAPT SINGLE USER LICENCE	994.44	994.44
31/12/2019	ORDER FORM N°0552 UNDER FWC DI/7610 PURCHASE OF STANDARD SERVER + ADDITIONAL MEMORY	24 717.20	24 717.20
31/12/2019	ORDER FORM N°60 UNDER FWC DI/7360 EMC NETWORKER ELA FEE 2019	4 462.20	4 462.20
31/12/2019	PURCHASE OF 2 EQUALLY SIZED STORAGE SYSTEMS DELL EMC UNITY 350F OF 77530058 AND OF 77530059 UNDER FWC 7753	148 943.83	146 005.97
01/01/19	PAYMENT APPROPRIATIONS CARRIED OVER TO 2019	1,463,889.85	1,250,059.09
31/12/19	UNUSED PAYMENT APPROPRIATIONS TO BE REIMBURSED TO THE COMMISSION		213,830.76

Human resources overview on 31 December 2019

At the end of the reporting period, INEA had 299 staff out of the 307 foreseen for 2019.

In 2019, the vacancy rate was 2.64%, significantly lower than in 2018 and better than the target of 3%. The staff turnover rate was 6.5%, below the target rate of 10%. The internal mobility of staff remained stable at 6%.

During various periods of the year, the Agency also had 10 trainees (divided in two sessions), 7 interim agents (equivalent to 3.56 FTE) and up to 10 external consultants (average of 8 consultants per month).

Number of staff 2019	planned	actual	%
Seconded officials	23	21	91%
Temporary agents	48	49	102%
Contract agents	236 ⁷	229	97%
Total	307	299	97%

Activity	planned	actual	%
Director and directly attached staff	8	7	88%
Department C - CEF project management	127	124	98%
Department H - H2020 projects management	51	53	104%
Department R - Programme support and resources	121	115	95%
Total	307	299	97%

⁷ Including 5 EFTA posts, which are not in the establishment plan

Establishment plan of 2019

ESTABLISHMENT PLAN OF 2019 ⁸

Category and Grade	Number of posts	Actually filled on 31/12/2019
AD15		1
AD14	7	4
AD13	9	6
AD12	5	3
AD11	5	4
AD10	5	5
AD9	7	9
AD8	10	8
AD7	10	6
AD6	2	6
AD5	1	8
TOTAL of AD	61	60
AST7	1	
AST6	2	1
AST5	3	1
AST4	3	5
AST3	1	3
TOTAL of AST	10	10
TOTAL of staff into the establishment plan	71	70

⁸ The establishment plan accepts the following *ad personam* appointment: 1 AD 14 official may become AD 15.

PERSONS NOT INCLUDED INTO THE ESTABLISHMENT PLAN

CONTRACT AGENTS

Category and Grade	Number of persons	Actually filled on 31/12/2019
GF IV	127	115
GF III	72	74
GF II	32	35
GF I		
TOTAL of contract agents	231	224

PERSONS FINANCED BY EFTA CONTRIBUTIONS

CONTRACT AGENTS

Category and Grade	Number of persons	Actually filled on 31/12/2019
GF IV	1	1
GF III	4	4
TOTAL of contract agents	5	5

Contracts in force in 2019

In 2019, the Agency managed more than a hundred contracts that provided the goods and services necessary to carry out its tasks. A list of all 2019 contracts with a value of more than €15,000 can be found on the Agency website: <https://ec.europa.eu/inea/en/mission-objectives/key-documents#Other>.

The Agency also concluded Service Level Agreements (SLA) and Memoranda of Understanding (MoU) with various European Commission Directorates, offices and agencies for the delivery of specific goods and services, as shown in the table below.

SLA Subject	Commission Directorate/service	Amount
Training, medical service, security, IDOC	DG HR	on request /committed €751,000/
Definition of the administrative and financial terms governing the implementation and usage of the ABAC ⁹ system	DG BUDG	€95,000
Translation services	Translation Centre for the bodies of EU	on request /committed €22,143/
Computer network, mailbox, licence SMT, hosting of the ABAC system, tokens	DG DIGIT	€422,000
Trainings of staff	European Administrative School	on request / committed €21,000/
Services related to the building maintenance, logistics, archiving, childcare facilities	Office for Infrastructure and Logistics – Brussels	on request / committed €341,000/
Publications	Publications Office	on request / committed €400/
Remunerations, insurance, social contributions	Pay Master Office	€205,000
Delivery and installation of video conference equipment	DG SCIC	€7,000
Placement of trainees	DG EAC	on request / committed €35,905/

⁹ Accrual Based Accounting, the financial system of the European Commission