



# Annual Accounts for the European Environment Agency

## Financial year 2011

*Copenhagen, 31 May 2012*

# FINANCIAL YEAR 2011

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## 1 Certification

The annual accounts of the European Environment Agency have been prepared in accordance with Title VII of the Financial Regulation of the Agency, 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.

Copenhagen, 31 May 2012



Anne-Li Hartmann-FitzGerald  
Accounting Officer

## 2 Presentation of the annual accounts

The annual accounts of the European Environment Agency include the financial statements, the report on implementation of the budget, and the report on budget and financial management during the year.

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

The objectives of financial statements are to provide information about the financial position, performance and cash flows of an entity that is useful to a wide range of users. For a public sector entity such as the European Environment 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.

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

The accounting system of the European Environment Agency comprises budget accounts and general accounts. These accounts are kept in euro on the basis of the calendar year. The budget accounts give a detailed picture of the implementation of the budget. They are based on the

modified cash accounting principle.<sup>1</sup> The general accounts allow for the preparation of the financial statements as they show all revenues and expenses for the financial year and are designed to establish the financial position in the form of a balance sheet at 31 December.

The annual accounts are drawn up in accordance with Article 76 of the Financial Regulation of the European Environment Agency adopted by the Management Board on 19 December 2008.

According to Article 82 of the Financial Regulation, the Agency's accounting officer shall send to the Commission's accounting officer by no later than 1 March of the following year its provisional accounts, together with the report on budgetary and financial management during the year. The Executive Director shall send the final accounts, together with the opinion of the management board, to the Commission's accounting officer, the Court of Auditors, the European Parliament and the Council, by 1 July of the following year at the latest.

The final annual accounts will be published in the Official Journal of the European Communities together with the statement of assurance given by the Court of Auditors by 15 November of the following year in accordance with Article 83 of the Financial Regulation.

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

### 3 Financial Statements of the European Environment Agency

#### 3.1 Balance sheet – Assets

EUR

	Note	31.12.2011	31.12.2010
<b>NON CURRENT ASSETS</b>			
<b>Intangible fixed assets</b>	1	158,427.32	247,567.93
<b>Tangible fixed assets</b>	1		
Building fitting-out		79,579.33	121,501.13
Equipment		135,719.01	177,353.19
Computer hardware		902,848.12	758,396.19
Furniture		286,268.86	262,274.83
<b>Long-term receivables</b>	2	768,144.53	656,759.45
<b>TOTAL NON CURRENT ASSETS</b>		<b>2,330,987.17</b>	<b>2,223,852.72</b>

<b>CURRENT ASSETS</b>			
<b>Short-term pre-financing</b>			
Short-term pre-financing	3	308,654.80	33,549.00
<b>Short-term receivables</b>			
Current receivables	4	396,971.08	764,438.15
Sundry receivables		44,146.47	67,488.90
Deferrals and accruals	5	2,970,035.92	1,143,145.09
Short-term receivables with consolidated EC entities	6	149,999.95	149,999.95
<b>Cash and cash equivalents</b>	7	8,874,492.73	7,860,388.43
<b>TOTAL CURRENT ASSETS</b>		<b>12,744,300.95</b>	<b>10,019,009.52</b>
<b>TOTAL</b>		<b>15,075,288.12</b>	<b>12,242,862.24</b>

#### 3.2 Balance sheet – Liabilities

	Note	31.12.2011	31.12.2010
<b>CAPITAL</b>			
<b>Accumulated surplus/deficit</b>		3,792,984.09	5,630,499.50
<b>Economic result of the year - profit/+loss</b>		333,775.23	-1,837,515.41
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>4,126,759.32</b>	<b>3,792,984.09</b>

<b>CURRENT LIABILITIES</b>			
Current payables		0.00	1,156.91
Sundry payables		64.54	974.41
Short term provision	8	175,738.00	0.00
Deferrals and accruals	9	4,270,869.17	3,433,814.83
Pre-financing received from consolidated EC entities	10	6,441,228.26	4,953,048.89
Pre-financing received from non-consolidated entities		120.00	0.00
Other accounts payable against consolidated EC entities		60,508.83	60,883.11
<b>TOTAL CURRENT LIABILITIES</b>		<b>10,948,528.80</b>	<b>8,449,878.15</b>
<b>TOTAL</b>		<b>15,075,288.12</b>	<b>12,242,862.24</b>

### 3.3 Economic outturn account

EUR

	Note	31.12.2011	31.12.2010
Revenues from administrative operations		26,757.03	96,083.20
Operating revenue	11	44,142,501.77	41,249,441.44
<b>TOTAL OPERATING REVENUE</b>		<b>44,169,258.80</b>	<b>41,345,524.64</b>
Administrative expenses			
Staff expenses		-21,434,650.20	-20,976,800.90
Fixed asset related expenses		-638,760.26	-681,023.16
Other administrative expenses		-6,428,806.73	-5,885,180.15
Operating expenses			
Other operating expenses	12	-15,341,965.87	-15,642,394.00
<b>TOTAL ADMINISTRATIVE AND OPERATIONAL EXPENSES</b>		<b>-43,844,183.06</b>	<b>-43,185,398.21</b>
<b>SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES</b>		<b>325,075.74</b>	<b>-1,839,873.57</b>
Financial revenues		11,151.07	5,049.95
Financial expenses		-2,451.58	-2,691.79
<b>SURPLUS/(DEFICIT) FROM NON OPERATING ACTIVITIES</b>		<b>8,699.49</b>	<b>2,358.16</b>
<b>SURPLUS/(DEFICIT) FROM EXTRAORDINARY ITEMS</b>		<b>0.00</b>	<b>0.00</b>
<b>ECONOMIC RESULT OF THE YEAR</b>		<b>333,775.23</b>	<b>-1,837,515.41</b>

### 3.4 Statement of change in capital

EUR

Capital	Reserves		Accumulated Surplus / Deficit	Economic result of the year	Capital (total)
	Fair value reserve	Other reserves			
<b>Balance as of 31 December 2010</b>	0.00	0.00	5,630,499.50	-1,837,515.41	3,792,984.09
Other	0.00	0.00	0.00	0.00	0.00
Fair value movements					
Allocation of the Economic Result of Previous Year			-1,837,515.41	1,837,515.41	
Economic result of the year	0.00	0.00		333,775.23	333,775.23
<b>Balance as of 31 December 2011</b>			<b>3,792,984.09</b>	<b>333,775.23</b>	<b>4,126,759.32</b>

### 3.5 Cash flow statement

EUR

	31.12.2011	31.12.2010
<b>Cash Flows from ordinary activities</b>		
<b>Surplus/(deficit) from ordinary activities</b>	<b>333,775.23</b>	<b>-1,837,515.41</b>
<i>Adjustments</i>		
Amortization (intangible fixed assets) (+)	133,141.84	131,424.80
Depreciation (tangible fixed assets) (+)	504,845.41	539,005.49
Increase (+) /decrease (-) in Provisions for risks and liabilities	175,738.00	-99,334.12
Increase (-) /decrease (+) in Short term Pre-financing	-275,105.80	4,525.00
Increase (-) /decrease (+) in Long term Receivables	-111,385.08	39,379.56
Increase (-) /decrease (+) in Short term Receivables	353,759.66	774,947.48
Increase (-) /decrease (+) in Receivables related to consolidated EC entities	-3,369.09	4,635,524.76
Increase (+) /decrease (-) in Accounts payable	843,324.98	-1,819,011.89
Increase + /decrease - in Liabilities related to consolidated EC entities	-306,884.23	-1,408,126.84
Gains (-) /losses (+) on sale of Property, plant and equipment	773.03	10,592.87
<b>Net cash Flow from operating activities</b>	<b>1,648,613.95</b>	<b>971,411.70</b>
<b>Cash Flows from investing activities</b>		
Purchase of tangible and intangible fixed assets (-)	-634,509.65	-683,510.26
<b>Net cash flow from investing activities</b>	<b>-634,509.65</b>	<b>-683,510.26</b>
<b>Net increase (+) /decrease (-) in cash and cash equivalents</b>	<b>1,014,104.30</b>	<b>287,901.44</b>

### 3.6 Notes to the Financial statements

#### 3.6.1 Notes to the Balance sheet

##### 1. Fixed assets

Items acquired whose purchase price or production cost is EUR 420 or more, with a period of use greater than one year, and which are not consumables are recorded in the fixed assets accounts valued at their acquisition price. These thresholds also apply to software that are acquired from a third party or covered by a license.

Intangible fixed assets consist of computer software.

As from 2010, the development cost for internally developed intangible assets are to be capitalized and presented as fixed assets if the cost is EUR 500,000 or more. Appendix 7 shows an overview of internal IT-projects in 2011 and their estimated costs divided in research phase, development phase and maintenance phase. Since no project is foreseen to exceed the threshold the total cost has been expensed in 2011.

Tangible fixed assets are divided in four categories:

- Equipment
- Computer hardware
- Furniture
- Building fitting-out

The fixed assets as of 31 December 2011 are set out in the following table:

	<i>EUR</i>					
	Computer Software	Equipment	Computer Hardware	Furniture	Building Fitting-out	TOTAL
Gross carrying amounts 1.1.2011	1,216,423.32	1,793,452.12	2,482,987.82	901,481.58	209,608.99	6,603,953.83
Additions	44,001.23	20,319.41	500,542.22	69,646.79		634,509.65
Disposals		-163,128.63	-150,304.18	-16,814.43		-330,247.24
<b>Gross carrying amounts 31.12.2011</b>	<b>1,260,424.55</b>	<b>1,650,642.90</b>	<b>2,833,225.86</b>	<b>954,313.94</b>	<b>209,608.99</b>	<b>6,908,216.24</b>
						0.00
Accumulated depreciation and impairment 1.1.2011	-968,855.39	-1,616,098.93	-1,724,591.63	-639,206.75	-88,107.86	-5,036,860.56
Depreciation	-133,141.84	-61,953.59	-355,317.26	-45,652.76	-41,921.80	-637,987.25
Disposals		163,128.63	149,531.15	16,814.43		329,474.21
<b>Accumulated depreciation and impairment 31.12.2011</b>	<b>-1,101,997.23</b>	<b>-1,514,923.89</b>	<b>-1,930,377.74</b>	<b>-668,045.08</b>	<b>-130,029.66</b>	<b>-5,345,373.60</b>
<b>Net carrying amounts 31.12.2011</b>	<b>158,427.32</b>	<b>135,719.01</b>	<b>902,848.12</b>	<b>286,268.86</b>	<b>79,579.33</b>	<b>1,562,842.64</b>

## 2. Long term receivables

The amount booked as long term receivables, EUR 768,144.53 refers to the deposit paid for the premises rented at Kongens Nytorv in Copenhagen.

## 3. Short term pre-financing

At the end of the year 2011 a total amount of EUR 308,654.80 was outstanding in respect of pre-financing given to sub-contractors.

## 4. Current receivables

Current receivables, EUR 396,971.08 refer to receivables which are outstanding at the end of the year and expected to be recovered within one year. Of the total amount, 97 % refers to recoverable VAT.

## 5. Deferrals and accruals (asset)

Of the outgoing balance, EUR 2,970,035.92, the main part, EUR 2,918,977.20 refers to accrued revenues in respect of grant agreements for which received pre-financing is outstanding at the end of the year.

	<i>EUR</i>			
Grant Agreement	2011		2010	
	Outstanding pre-financing	Accrued revenue	Outstanding pre-financing	Accrued revenue
IPA1/ DG ENLARGEMENT	1,140,000.00	1,127,400.76	769,500.00	267,676.43
IPA2/ DG ENLARGEMENT	505,385.00	13,800.00	0.00	0.00
GIO/ DG ENTERPRISE	684,000.00	427,861.03	0.00	0.00
GISC/ DG ENTERPRISE	1,599,999.47	883,685.89	1,599,999.47	501,362.88
ENPI/ DG AIDCO	2,000,000.00	466,229.52	2,000,000.00	363,465.99
<b>Grand total</b>	<b>5,929,384.47</b>	<b>2,918,977.20</b>	<b>4,369,499.47</b>	<b>1,132,505.30</b>

## 6. Short term receivables with consolidated EC entities

The outgoing balance of EUR 149,999.95 refers to an outstanding recovery order regarding the pre-financing for the GISC grant administrated by DG Enterprise.

## 7. Cash and cash equivalent

At the end of the year 2011, the Agency held bank accounts in Danish kroner and Euro, in Denmark and Belgium.

*EUR*

Bank	2011	2010
Fortis Bank (EUR)	3,515,040.44	712,496.82
Fortis Bank (DKK)	180,070.71	223,567.91
Nordea (EUR)	376.85	4,898.24
Fortis Bank-GIO (EUR)	278,040.28	-
Nordea (DKK)	4,895,665.55	6,909,571.27
Imprest account (DKK)	5,298.90	9,854.19
<b>Sum</b>	<b>8,874,492.73</b>	<b>7,860,388.43</b>

The imprest account is set up in order to enable cash payments of daily subsistence and travel costs for meeting participants from non-EEA member countries for meetings taking place at the Agency's premises, and for internet purchases. In 2011, this account was also used exceptionally to pay for two advances of daily allowance.

## 8. Short term provision

The amount EUR 175,738.00 is a provision for outstanding salary adjustment.<sup>2</sup>

## 9. Deferrals and accruals (liability)

The total amount of 4,270,869.17 EUR consists of two parts; EUR 3,818,176.21 which is an estimate by the authorising officers of the cost incurred for services and goods received in the year 2011 but not paid for by the end of the year, and EUR 452,692.96 which is a provision for the cost of annual leave incurred but not taken during the year.

## 10. Pre-financing received from consolidated EC entities

The outstanding amount refers to pre-financing received in relation to grant agreements, EUR 5,929,384.47, for a specification see note 5 above, and EUR 511,843.79 which is the positive budget outturn for 2011 to be reimbursed to the European Commission, see point 4.1 Budget outturn account, below.

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<sup>2</sup> In December 2011, the Council took a decision not to adopt the Commission proposal to adjust the remuneration and pensions of EU staff. Moreover, the Council decided to bring an action before the Court of Justice against the Commission for not applying the Exception Clause. The Commission decided in January 2012 to bring an action against the Council in the Court of Justice for not adopting the annual adjustment to remuneration and pensions of EU staff. It is considered probable that the refused salary adjustment will, in the end, have to be paid to the staff, hence the provision in the accounts.

### 3.6.2 Notes to the Economic outturn account

#### 11. Operating revenues

The operating revenues of the year 2011 amounts to EUR 44,142,501.77 and can be specified as follows:

<i>EUR</i>		
Revenue source	2011	2010
European Commission subsidy	35,445,155.69	34,674,450.58
Contribution from the EFTA countries	835,507.00	888,502.00
Contributions from the PECO countries		
Turkey	3,127,000.00	3,127,000.00
Switzerland	1,300,197.28	1,305,851.85
Grants from concolidated EC entities		
EuropeAid5/ DG ENLARG	0.00	-42.19
GIO/ DG ENTR	427,861.03	0.00
IPA1/ DG ENLARG	859,724.33	267,676.43
IPA2/ DG ENLARG	13,800.00	124,654.82
ENPI/ DG AIDCO	1,160,046.53	363,465.99
GISC/ DG ENTR	905,055.59	501,362.88
Grants from non-concolidated entities	49,880.00	-5,336.02
Exchange rate gains	18,274.32	1,855.10
<b>Sum</b>	<b>44,142,501.77</b>	<b>41,249,441.44</b>

## 12. Operating expenses

The operating expenses of the year 2011 amounts to EUR 15,341,965,87 and can be specified as follows:

	<i>EUR</i>	
Specification of operating expenses	2011	2010
Meetings	1 120 519.29	922 401.79
Publication and graphic services	468 906.89	435 216.06
IT infrastructure/quality assurance	622 623.44	505 160.97
ITS/Communications	373 959.00	370 596.61
Corporate affairs/Communications	613 627.83	790 030.12
Translations/ Translation Centre Lux	379 854.38	479 757.86
IT for shared Environmental Info System	1 083 327.23	907 509.40
ETC ACC - Air and Climate Change	1 922 888.16	2 110 831.00
ETC ICM Inland, Coastal and Marine	1 470 000.00	1 490 839.55
ETC NPB - Nature Protection and Biodiver	1 051 186.36	1 151 946.40
ETC SIA Spatial Information Analysis	1 104 806.99	1 374 112.36
ETC - Waste and material flows	1 083 073.00	1 240 000.01
ETC CVA Climate, vulnerability and adapt	534 732.32	0.00
Environmental themes	0.00	141 833.45
Cross-cutting themes	0.00	338 615.31
Integrated Environmental Assessments	0.00	763 894.46
Information services and communications	0.00	306 421.01
Air quality and noise	25 000.00	0.00
Air pollutant emissions (incl industrial	20 000.00	0.00
Biodiversity	221 083.50	124 951.00
Greenhouse gases	20 000.00	0.00
Freshwater	64 787.34	39 597.69
Marine	32 493.89	7 493.89
Adaptation and vulnerability	0.00	39 975.00
Ecosystems	150 964.47	79 190.52
SCP and waste-Sustainable Consumption an	38 000.00	0.00
Land use	154 026.00	100 010.00
Agriculture and forestry	59 815.00	12 000.00
Energy	115 771.62	185 296.88
Transport	70 000.00	73 401.44
Integrated environmental assessments	89 176.00	146 856.00
Regional and global assessments	189 880.00	48 400.00
Decision support	49 000.00	39 950.00
Economics	5 000.00	24 976.99
Strategic futures	83 950.00	19 972.50
Shared Environmental Info System	1 982 967.83	1 029 583.08
Governance and country network support	129 047.01	173 350.00
Providing an information system	0.00	157 688.75
Land use and landscapes	0.00	- 693.32
Exchange rate loss	11 498.32	11 227.22
<b>Sum</b>	<b>15,341,965.87</b>	<b>15,642,394.00</b>

### 3.6.3 Accounting principles, rules and methods

Article 78 of the Financial Regulation sets out the accounting principles to be applied in drawing up the financial statements:

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

#### Transactions and balances

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

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

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

#### Fixed assets

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

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

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

Type of asset	Straight line depreciation rate
Intangible assets	25%
Fitting out of leasehold premises	20 %
Plant, machinery and equipment	12,5% to 25%
Furniture	10%, 12,5%
Computer hardware	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, on a regular basis. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains

and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the economic outturn account.

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

With reference to EC Accounting rule no. 6, the Agency is required, as from the financial year 2010, to capitalise internally generated intangible assets (software) and to disclose the total development costs that is not capitalised. The threshold for capitalizing a internally generated asset is EUR 500.000.

### **Pre-financing amounts**

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. It may be split into a number of payments over a period defined in the particular pre-financing agreement. The float or advance is repaid or used for the purpose for which it was provided during the period defined in the agreement. If the beneficiary does not incur eligible expenditures, the beneficiary has the obligation to return the pre-financing advance to the Agency. The amount of the pre-financing is reduced (wholly or partially) by the acceptance of eligible costs and amounts returned.

At year-end outstanding pre-financing amounts are valued at the original amount(s) paid less: amounts returned, eligible amounts cleared, estimated eligible amounts not yet cleared at year-end, and value reductions.

Interest on pre-financing is recognised as it is earned in accordance with the provisions of the relevant agreement.

### **Receivables**

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

### **Cash and cash equivalents**

Cash and cash equivalents include bank accounts and cash in hand.

### **Use of estimates**

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

### 3.7 Contingent liabilities and off the balance sheet items

Per 31 December 2011, the Agency had agreements with contractors and suppliers amounting to 27 MEUR. These agreements relate mainly to operational projects, in 2011 it is primarily the GIO-project, and are covered by budgetary commitments in 2011.

The Agency also has rent contracts that provide that the contracts may not be terminated before a certain period; 12 months in the case of Kongens Nytorv 6, and earliest July 2015 in the case of Kongens Nytorv 8. The contingent liability in respect of the rent contracts as per 31 December 2011, amounts to approximately 3,7 MEUR.

### 3.8 Disclosures

#### Revenue divided in exchange and non-exchange transactions

The disclosure is presented in accordance with EC Accounting rule no. 4 and 17 which require that revenues are divided in exchange and non-exchange transactions.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange. An example of an exchange transaction is the purchase or sale of goods or services, disposal of assets and bank interest.

In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange. Examples of non-exchange transactions include the subsidy from the European Commission, grants and donations.

	<i>EUR</i>	
	2011	2010
<b>Non-exchange transactions</b>		
Subsidy	35,445,155.69	34,674,450.58
PECO contributions	4,427,197.28	4,432,851.85
EFTA contributions	835,507.00	888,502.00
EC Grants	3,366,487.48	1,257,117.93
Non-EC Grants	49,880.00	0.00
Exchange rate gains	18,274.32	1,855.10
<b>Exchange transactions</b>		
Bank interest	11,151.07	5,049.95

#### Related party disclosure

The disclosure is presented in accordance with EC Accounting rule no. 15. This rule requires certain disclosures to be made about the remuneration of key management personnel during the reporting period, loans made to them and the consideration provided to them for services they provide to the entity other than as a member of the governing body or an employee. The disclosures required by this rule will ensure that appropriate minimum levels of transparency are applied to the remuneration of key management personnel.

	2011	2010
<b>Number of Authorising Officers at the year end</b>	1	1
Analysis by grade		
AD15	1	1

The Authorising Officer is remunerated in accordance with the Staff Regulations of the European Communities.

### **Non-capitalised research and development costs**

The disclosure is presented in accordance with EC Accounting rule no. 6 which require that the amount of research and development costs for internally or externally generated intangible assets (software), which has not been capitalised, is presented. As specification of the relevant projects is attached as Appendix 7.

	<i>kEUR</i>	
The following amounts were recognised as expenses in the economic outturn account :	<b>2011</b>	<b>2010</b>
<b>Research costs</b>	1.60	0.20
<b>Development costs</b>	118.58	14.40
	<b>120.18</b>	<b>14.60</b>

## 4 Report on implementation of the budget

### 4.1 Budget outturn account

		<i>EUR</i>	
	Note	2011	2010
<b>REVENUE</b>			
Commission subsidy		35,956,999.48	35,258,000.00
Other contributions and funding via the Commission		8,402,604.86	10,165,635.76
Other donors		50,000.00	
Other revenue		37,885.11	126,415.74
<b>TOTAL REVENUE (a)</b>	<b>13</b>	<b>44,447,489.45</b>	<b>45,550,051.50</b>
<b>EXPENDITURE</b>			
<b>Title I: Staff</b>			
Payments		-22,930,469.90	-22,859,414.71
Appropriations carried over		-4,151,868.16	-3,739,710.72
<b>Title II: Administrative Expenses</b>			
Payments		-4,088,206.33	-3,276,921.68
Appropriations carried over		-834,104.19	-650,862.12
<b>Title III: Operating Expenditure</b>			
Payments		-12,876,419.66	-12,762,197.49
Appropriations carried over		-26,336,824.25	-8,418,978.21
<b>TOTAL EXPENDITURE (b)</b>	<b>14</b>	<b>-71,217,892.49</b>	<b>-51,708,084.93</b>
<b>OUTTURN FOR THE FINANCIAL YEAR (a-b)</b>		<b>-26,770,403.04</b>	<b>-6,158,033.43</b>
Cancellation of unused payment appropriations carried over from prev. year		405,217.47	585,282.87
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue		9,060,856.53	1,090,484.80
Adjustment for grant budget outturn		17,809,396.83	5,075,187.30
Exchange differences for the year		6,776.00	-9,372.12
<b>BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR</b>		<b>511,843.79</b>	<b>583,549.42</b>
Balance year N-1		583,549.42	851,672.48
Positive balance from year N-1 reimbursed in year N to the Commission		-583,549.42	-851,672.48
<b>Result used for determining amounts in general accounting</b>	<b>15</b>	<b>511,843.79</b>	<b>583,549.42</b>

## 4.1.1 Notes to the Budget outturn account

### 13. Budgetary revenues

The budgetary revenues for the financial year 2011 amounts to EUR 44,447,489.45. Below is a specification of the amount and comparative figures for the year 2010.

<i>EUR</i>		
Source	2011	2010
European Commission subsidy	35,956,999.48	35,258,000.00
EFTA contribution	835,507.00	888,502.00
New member countries	4,427,197.28	4,432,853.00
Earmarked revenues (grants)	3,189,900.58	4,844,280.76
Bank interest	10,743.58	16,549.00
Other	27,141.53	109,866.74
<b>Sum</b>	<b>44,447,489.45</b>	<b>45,550,051.50</b>

### 14. Budgetary expenditure

The total payments can be specified as follows:

	C1	C4	C5	R0	Sum
Title 1	21,828,404.84	1,752.45	7,600.29	1,092,712.32	<b>22,930,469.90</b>
Title 2	3,889,858.27	712.65	60,040.92	137,594.49	<b>4,088,206.33</b>
Title 3	11,353,906.44	907.50	36,107.91	1,485,497.81	<b>12,876,419.66</b>
<b>Sum</b>	<b>37,072,169.55</b>	<b>3,372.60</b>	<b>103,749.12</b>	<b>2,715,804.62</b>	<b>39,895,095.89</b>

The total of carried over amounts can be specified as follows:

	C1	C4	C5	R0	Sum
Title 1	561,545.70	11,557.77	2,786.99	3,575,977.70	<b>4,151,868.16</b>
Title 2	377,375.72	11,607.00	1,291.60	443,829.87	<b>834,104.19</b>
Title 3	3,119,506.05	604.16	11,749.82	23,204,964.22	<b>26,336,824.25</b>
<b>Sum</b>	<b>4,058,427.47</b>	<b>23,768.93</b>	<b>15,828.41</b>	<b>27,224,771.79</b>	<b>31,322,796.60</b>

The carry over of C1 payment credits from 2011 to 2012, EUR 4,058,427.47, is higher than the previous year (3,748,694.52 EUR). Of the amount carried over regarding title 3, EUR 3,119,506.05, 71 % refers to the final payment of the contribution 2011 to the European Topic Centres which, according to the agreements, is to be paid after the 4<sup>th</sup> quarterly progress report has been presented in 2012.

The fund source R0 includes the grants which are usually multi-annual. In the EEA budget system, the total value of the grant contribution is made available for commitment during the year the grant is approved by the Management Board. Hence, the amount carried over in respect of R0 includes also non-committed amounts to be used in future years.

Cancellation of unused payment appropriations carried over from previous year (C8 funds) amounted to EUR 405,217.47, lower than previous year (EUR 585,282.87).

## 15. Budgetary result

A positive budgetary result is to be reimbursed to the Commission. The positive result for 2011, EUR 511,843.79, is composed of the following elements:

<b>Budgetary result specification</b>	<b>2011</b>	<b>2010</b>
<b>C1- CURRENT YEAR APPROPRIATIONS</b>		
Amount not recuperated	-0.66	0.00
Non-committed	91,325.71	1,552.56
Committed, non carried over	8,525.27	6,086.11
<b>C8 - APPROPRIATIONS CARRIED OVER FROM PREVIOUS YEAR</b>		
Cancellation of unused appropriations	405,217.47	585,282.87
Exchange rate difference ( gain +/-loss-)	6,776.00	-9,372.12
<b>Sum:</b>	<b>511,843.79</b>	<b>583,549.42</b>

Detailed specifications of the execution of the various fund sources are attached to this report as follows:

- Appendix 1: Budget execution C1 - Current year appropriations
- Appendix 2: Budget execution C4 - Internal assigned revenue current year
- Appendix 3: Budget execution C5 - Internal assigned revenue carried over
- Appendix 4: Budget execution C8 - C1 commitments carried over
- Appendix 5: Budget execution R0 - Other external assigned revenue
- Appendix 6: Reconciliation of the accrual based result with the budget result

### 4.1.2 Budgetary principals

The establishment and implementation of the budget of the European Environment Agency are governed by the following basic principles:

- (a) unity and budget accuracy:  
all expenditure and revenue must be incorporated in a single budget document, must be booked on a budget line and expenditure must not exceed authorised appropriations;
- (b) universality:  
this principle comprises two rules:
  - the rule of non-assignment, meaning that budget revenue must not be earmarked for specific items of expenditure (total revenue must cover total expenditure);
  - the gross budget rule, meaning that revenue and expenditure are entered in full in the budget without any adjustment against each other;
- (c) annuality:  
the appropriations entered are authorised for a single year and must therefore be used during that year;
- (d) equilibrium:  
the revenue and expenditure shown in the budget must be in balance (estimated revenue must equal payment appropriations);
- (e) specification:

each appropriation is assigned to a specific purpose and a specific objective;

(f) unit of account:

the budget is drawn up and implemented in euro and the accounts are presented in euro;

(g) sound financial management:

budget appropriations are used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness;

(h) transparency:

the budget is established and implemented and the accounts presented in compliance with the principle of transparency - the budget and amending budgets are published in the Official Journal of the European Communities.

**Appendix 1 Budget Execution C1**

Budget Line	Budget Line Description	Commitment Appropriation (1)	Executed Commitment Amount (2)	Not Used to be Cancelled (1)-(2)=(3)	Payment Appropriation (4)	Executed Payment Amount (5)	Available for Carry Over (2)-(5)=(6)	Carried Over (7)	Payment Appropriations Cancelled (6)-(7)=(8)	Total Cancelled (3)+(8)
1100	Basic salaries	9,624,802.00	9,624,802.00	0.00	9,624,802.00	9,534,159.63	90,642.37	90,642.37	0.00	0.00
1101	Family allowance	1,115,500.00	1,115,500.00	0.00	1,115,500.00	1,104,364.96	11,135.04	11,135.04	0.00	0.00
1102	Expatriation allowances	1,239,000.00	1,239,000.00	0.00	1,239,000.00	1,226,478.94	12,521.06	12,521.06	0.00	0.00
1103	Secretarial allowances	20,100.00	20,100.00	0.00	20,100.00	19,078.66	1,021.34	1,021.34	0.00	0.00
1104	Travel allowances	1,000.00	1,000.00	0.00	1,000.00	892.32	107.68	107.68	0.00	0.00
1111	Contract agents -remuneration	2,759,718.00	2,759,718.00	0.00	2,759,718.00	2,735,342.03	24,375.97	24,375.97	0.00	0.00
1112	National Experts on secondment	1,680,000.00	1,680,000.00	0.00	1,680,000.00	1,529,425.90	150,574.10	150,574.10	0.00	0.00
1113	Interim staff - remuneration	218,500.00	209,323.00	9,177.00	218,500.00	190,323.00	19,000.00	19,000.00	0.00	9,177.00
1114	Visiting experts, Guest Scientists & Trainees	5,465.00	5,464.82	0.18	5,465.00	5,464.82	0.00	0.00	0.00	0.18
1120	Employer's Social Security contributions	393,000.00	393,000.00	0.00	393,000.00	388,910.14	4,089.86	4,089.86	0.00	0.00
1121	Unemployment contribution	122,500.00	122,500.00	0.00	122,500.00	121,170.27	1,329.73	1,329.73	0.00	0.00
1140	Birth allowances and death grants	1,227.00	1,226.18	0.82	1,227.00	1,226.18	0.00	0.00	0.00	0.82
1141	Travel expenses for annual leave	331,423.00	331,422.66	0.34	331,423.00	331,422.66	0.00	0.00	0.00	0.34
1150	Overtime	10,000.00	10,000.00	0.00	10,000.00	1,770.25	8,229.75	8,229.75	0.00	0.00
1160	Salary weightings	2,904,000.00	2,904,000.00	0.00	2,904,000.00	2,873,484.86	30,515.14	30,515.14	0.00	0.00
1170	Freelance interpreters and conference officers	39,000.00	39,000.00	0.00	39,000.00	32,731.79	6,268.21	6,268.21	0.00	0.00
1200	Miscellaneous expenditure on staff recruitment	250,000.00	240,337.93	9,662.07	250,000.00	201,536.02	38,801.91	38,801.91	0.00	9,662.07
1300	Mission expenses	996,000.00	996,000.00	0.00	996,000.00	934,484.55	61,515.45	61,515.45	0.00	0.00
1400	Restaurant and canteen	224,250.00	223,860.40	389.60	224,250.00	223,860.40	0.00	0.00	0.00	389.60
1410	Medical service	96,400.00	96,400.00	0.00	96,400.00	86,506.97	9,893.03	9,893.03	0.00	0.00
1420	Development of competencies, organisational development	337,333.00	337,332.37	0.63	337,333.00	245,980.08	91,352.29	89,795.06	1,557.23	1,557.86
1421	Staff Team Building Events	38,822.00	38,814.44	7.56	38,822.00	36,895.24	1,919.20	1,730.00	189.20	196.76
1610	Social contacts between members of staff	2,900.00	2,897.00	3.00	2,900.00	2,895.17	1.83	0.00	1.83	4.83
	<b>Total Title 1</b>	<b>22,410,940.00</b>	<b>22,391,698.80</b>	<b>19,241.20</b>	<b>22,410,940.00</b>	<b>21,828,404.84</b>	<b>563,293.96</b>	<b>561,545.70</b>	<b>1,748.26</b>	<b>20,989.46</b>

2100	Rent	2,114,000.00	2,114,000.00	0.00	2,114,000.00	2,107,950.60	6,049.40	0.00	6,049.40	6,049.40
2101	Deposits	78,500.00	78,377.74	122.26	78,500.00	78,377.74	0.00	0.00	0.00	122.26
2120	Water, gas, electricity and heating	510,000.00	502,999.88	7,000.12	510,000.00	483,381.55	19,618.33	19,618.33	0.00	7,000.12
2130	Cleaning and maintenance	210,000.00	210,000.00	0.00	210,000.00	189,999.16	20,000.84	20,000.84	0.00	0.00
2140	Fitting-out of premises	164,000.00	162,506.83	1,493.17	164,000.00	72,774.83	89,732.00	89,732.00	0.00	1,493.17
2150	Security & surveillance of the building	248,000.00	247,995.71	4.29	248,000.00	199,263.68	48,732.03	48,732.03	0.00	4.29
2190	Other expenditure	6,000.00	5,999.97	0.03	6,000.00	5,999.97	0.00	0.00	0.00	0.03
2200	Office machinery	52,000.00	52,000.00	0.00	52,000.00	28,459.88	23,540.12	23,540.12	0.00	0.00
2210	Purchase of furniture	115,000.00	112,243.25	2,756.75	115,000.00	69,935.86	42,307.39	42,307.39	0.00	2,756.75
2220	Technical equipment and installations	29,500.00	29,269.92	230.08	29,500.00	20,899.92	8,370.00	8,370.00	0.00	230.08
2240	Equipment, costs for equipment and data-processing operations	73,700.00	73,666.52	33.48	73,700.00	30,900.88	42,765.64	42,765.64	0.00	33.48
2250	Documentation and library expenditure	50,000.00	50,000.00	0.00	50,000.00	49,384.00	616.00	616.00	0.00	0.00
2300	Stationery and office supplies	40,000.00	39,999.93	0.07	40,000.00	32,461.54	7,538.39	7,538.39	0.00	0.07
2310	Postage on correspondence and delivery charges	50,000.00	30,001.00	19,999.00	50,000.00	26,155.28	3,845.72	3,845.72	0.00	19,999.00
2311	Telephone fax telegraph radio	95,750.00	95,737.58	12.42	95,750.00	78,942.13	16,795.45	16,795.45	0.00	12.42
2320	Bank charges	2,525.00	2,467.00	58.00	2,525.00	2,466.45	0.55	0.00	0.55	58.55
2321	Exchange rate losses	875.00	0.00	875.00	875.00	0.00	0.00	0.00	0.00	875.00
2330	Legal expenses	5,000.00	5,000.00	0.00	5,000.00	4,920.00	80.00	0.00	80.00	80.00
2340	Administrative services provided by the European Commission	168,000.00	168,000.00	0.00	168,000.00	128,383.58	39,616.42	39,616.42	0.00	0.00
2341	Publications of administrative nature	13,000.00	12,493.52	506.48	13,000.00	3,465.68	9,027.84	9,027.84	0.00	506.48
2390	Miscellaneous insurance	20,000.00	20,000.00	0.00	20,000.00	20,000.00	0.00	0.00	0.00	0.00
2391	Other administrative expenditure	51,800.00	50,421.93	1,378.07	51,800.00	46,366.28	4,055.65	3,950.09	105.56	1,483.63
2400	Entertainment and representation expenses	7,500.00	7,500.00	0.00	7,500.00	7,500.00	0.00	0.00	0.00	0.00
2401	Representation related to marketing	4,500.00	3,512.63	987.37	4,500.00	3,512.63	0.00	0.00	0.00	987.37
2501	Management Board and Bureau	123,432.00	122,500.00	932.00	123,432.00	121,580.54	919.46	919.46	0.00	932.00
2502	Scientific Committee	68,500.00	66,823.28	1,676.72	68,500.00	66,823.28	0.00	0.00	0.00	1,676.72
2601	EMAS certification/Greening the Agency initiatives	10,000.00	9,952.81	47.19	10,000.00	9,952.81	0.00	0.00	0.00	47.19
	<b>Total Title 2</b>	<b>4,311,582.00</b>	<b>4,273,469.50</b>	<b>38,112.50</b>	<b>4,311,582.00</b>	<b>3,889,858.27</b>	<b>383,611.23</b>	<b>377,375.72</b>	<b>6,235.51</b>	<b>44,348.01</b>

3312	Meetings	923,000.00	923,000.00	0.00	923,000.00	658,816.46	264,183.54	263,642.04	541.50	541.50
3320	Publication and graphic services	380,000.00	379,995.61	4.39	380,000.00	372,765.61	7,230.00	7,230.00	0.00	4.39
3321	IT infrastructure/quality assurance	1,129,172.00	1,129,172.00	0.00	1,129,172.00	1,062,334.71	66,837.29	66,837.29	0.00	0.00
3322	Web publishing	350,000.00	349,725.00	275.00	350,000.00	349,725.00	0.00	0.00	0.00	275.00
3323	Corporate affairs/Communications	630,000.00	609,161.63	20,838.37	630,000.00	549,440.92	59,720.71	59,720.71	0.00	20,838.37
3324	Translation	356,000.00	356,000.00	0.00	356,000.00	355,703.87	296.13	296.13	0.00	0.00
3325	IT for shared Environmental Information System	1,065,000.00	1,064,533.00	467.00	1,065,000.00	831,276.83	233,256.17	233,256.17	0.00	467.00
3331	ETC ACC - Air and Climate Change	1,946,843.00	1,946,840.00	3.00	1,946,843.00	1,384,258.00	562,582.00	562,582.00	0.00	3.00
3332	ETC WTR - Water	1,470,000.00	1,470,000.00	0.00	1,470,000.00	1,001,000.00	469,000.00	469,000.00	0.00	0.00
3333	ETC BD -Biodiversity	1,125,000.00	1,125,000.00	0.00	1,125,000.00	787,500.00	337,500.00	337,500.00	0.00	0.00
3334	ETC LUSI - Land use and Spatial Information	1,239,126.00	1,239,126.00	0.00	1,239,126.00	910,000.00	329,126.00	329,126.00	0.00	0.00
3335	ETC SCP - Sustainable Consumption and Production	1,101,157.00	1,100,000.00	1,157.00	1,101,157.00	756,000.00	344,000.00	344,000.00	0.00	1,157.00
3336	ETC CVA - Climate Change Vulnerability and Adaptation	535,000.00	534,732.32	267.68	535,000.00	374,313.00	160,419.32	160,419.32	0.00	267.68
3512	Biodiversity	117,541.00	116,034.50	1,506.50	117,541.00	116,034.50	0.00	0.00	0.00	1,506.50
3514	Freshwater	40,000.00	39,787.34	212.66	40,000.00	39,787.34	0.00	0.00	0.00	212.66
3515	Marine	0.00	0,00	0.00	0.00	0,00	0.00	0.00	0.00	0.00
3522	Ecosystems	137,300.00	135,478.47	1,821.53	137,300.00	135,478.47	0.00	0.00	0.00	1,821.53
3526	Land use	125,000.00	124,057.00	943.00	125,000.00	124,057.00	0.00	0.00	0.00	943.00
3527	Agriculture and forestry	60,000.00	59,815.00	185.00	60,000.00	59,815.00	0.00	0.00	0.00	185.00
3528	Energy	113,157.00	112,456.00	701.00	113,157.00	112,456.00	0.00	0.00	0.00	701.00
3529	Transport	70,000.00	70,000.00	0.00	70,000.00	70,000.00	0.00	0.00	0.00	0.00
3530	Integrated environmental assessment	60,000.00	59,890.00	110.00	60,000.00	59,890.00	0.00	0.00	0.00	110.00
3531	Regional and global assessments	120,000.00	120,000.00	0.00	120,000.00	120,000.00	0.00	0.00	0.00	0.00
3532	Decision support	60,000.00	60,000.00	0.00	60,000.00	48,000.00	12,000.00	12,000.00	0.00	0.00
3533	Economics	5,000.00	5,000.00	0.00	5,000.00	5,000.00	0.00	0.00	0.00	0.00
3534	Strategic futures	115,000.00	115,000.00	0.00	115,000.00	80,500.00	34,500.00	34,500.00	0.00	0.00
3540	Shared Environmental Information System	1,234,630.00	1,229,150.12	5,479.88	1,234,630.00	989,753.73	239,396.39	239,396.39	0.00	5,479.88
	<b>Total Title 3</b>	<b>14,507,926.00</b>	<b>14,473,953.99</b>	<b>33,972.01</b>	<b>14,507,926.00</b>	<b>11,353,906.44</b>	<b>3,120,047.55</b>	<b>3,119,506.05</b>	<b>541.50</b>	<b>34,513.51</b>
	<b>GRAND TOTAL</b>	<b>41,230,448.00</b>	<b>41,139,122.29</b>	<b>91,325.71</b>	<b>41,230,448.00</b>	<b>37,072,169.55</b>	<b>4,066,952.74</b>	<b>4,058,427.47</b>	<b>8,525.27</b>	<b>99,850.98</b>

Appendix 2 Budget Execution C4

Budget Line	Budget Line Description	Commitment Appropriation (1)	Executed Commitment Amount (2)	Commitment Appropriation Not Used (1)-(2)=(3)	Payment Appropriation (4)	Executed Payment Amount (5)	Committed Amount available for Carry Over (2)-(5)=(6)	Committed Amount Carried Over (7)	Commitment Appropriations not used Carried Over (8)	Total Carried Over (7)+(8)	Total Cancelled
1100	Basic salaries	3,388.23	2,075.69	1,312.54	3,388.23	1,752.45	323.24	323.24	1,312.54	1,635.78	0.00
1111	Contract agents -remuneration	5,002.68	4,814.07	188.61	5,002.68	0,00	4,814.07	4,814.07	188.61	5,002.68	0.00
1200	Miscellaneous expenditure on staff recruitment	167.59	0,00	167.59	167.59	0,00	0,00	0.00	167.59	167.59	0.00
1300	Mission expenses	294.00	0,00	294.00	294.00	0,00	0,00	0.00	294.00	294.00	0.00
1420	Development of competencies, organisational development	4,457.72	0,00	4,457.72	4,457.72	0,00	0,00	0.00	4,457.72	4,457.72	0.00
	<b>Total Title 1</b>	<b>13,310.22</b>	<b>6,889.76</b>	<b>6,420.46</b>	<b>13,310.22</b>	<b>1,752.45</b>	<b>5,137.31</b>	<b>5,137.31</b>	<b>6,420.46</b>	<b>11,557.77</b>	<b>0.00</b>
2100	Rent	255.93	255.93	0.00	255.93	255.86	0.07	0.07	0.00	0.07	0.00
2110	Insurance	342.75	342.75	0.00	342.75	297.00	45.75	45.75	0.00	45.75	0.00
2200	Office machinery	198.89	198.89	0.00	198.89	159.79	39.10	39.10	0.00	39.10	0.00
2210	Purchase of furniture	8,067.01	0,00	8,067.01	8,067.01	0,00	0,00	0.00	8,067.01	8,067.01	0.00
2310	Postage on correspondence and delivery charges	1,012.51	1,012.51	0.00	1,012.51	0,00	1,012.51	1,012.51	0.00	1,012.51	0.00
2311	Telephone fax telegraph radio	2,265.40	0,00	2,265.40	2,265.40	0,00	0,00	0.00	2,265.40	2,265.40	0.00
2390	Miscellaneous insurance	177.16	0,00	177.16	177.16	0,00	0,00	0.00	177.16	177.16	0.00
	<b>Total Title 2</b>	<b>12,319.65</b>	<b>1,810.08</b>	<b>10,509.57</b>	<b>12,319.65</b>	<b>712.65</b>	<b>1,097.43</b>	<b>1,097.43</b>	<b>10,509.57</b>	<b>11,607.00</b>	<b>0.00</b>
3312	Meetings	250.00	250.00	0.00	250.00	0,00	250.00	250.00	0.00	250.00	0.00
3323	Corporate affairs/Communications	304.96	304.96	0.00	304.96	0,00	304.96	304.96	0.00	304.96	0.00
3325	IT for shared Environmental Information System	956.70	907.50	49.20	956.70	907.50	0.00	0.00	49.20	49.20	0.00
	<b>Total Title 3</b>	<b>1,511.66</b>	<b>1,462.46</b>	<b>49.20</b>	<b>1,511.66</b>	<b>907.50</b>	<b>554.96</b>	<b>554.96</b>	<b>49.20</b>	<b>604.16</b>	<b>0.00</b>
	<b>GRAND TOTAL</b>	<b>27,141.53</b>	<b>10,162.30</b>	<b>16,979.23</b>	<b>27,141.53</b>	<b>3,372.60</b>	<b>6,789.70</b>	<b>6,789.70</b>	<b>16,979.23</b>	<b>23,768.93</b>	<b>0.00</b>

Appendix 3 Budget Execution C5

Budget Line	Budget Line Description	Commitment Appropriation (1)	Executed Commitment Amount (2)	Commitment Appropriation Not Used (1)-(2)=(3)	Payment Appropriation (4)	Executed Payment Amount (5)	Committed Amount available for Carry Over (2)-(5)=(6)	Committed Amount Carried Over (7)	Commitment Appropriations not used Carried Over (8)	Total Carried Over (7)+(8)	Total Cancelled
1100	Basic salaries	844.76	844.76	0.00	844.76	844.76	0.00	0.00	0.00	0.00	0.00
1111	Contract agents -remuneration	1,297.51	1,297.51	0.00	1,297.51	469.77	827.74	827.74	0.00	827.74	0.00
1116	Technical support	208.33	0,00	208.33	208.33	0,00	0,00	0.00	208.33	208.33	0.00
1141	Travel expenses for annual leave	1,053.01	1,053.01	0.00	1,053.01	1,053.01	0.00	0.00	0.00	0.00	0.00
1200	Miscellaneous expenditure on staff recruitment	1,794.61	1,794.61	0.00	1,794.61	1,794.61	0.00	0.00	0.00	0.00	0.00
1300	Mission expenses	4,098.24	4,098.24	0.00	4,098.24	3,438.14	660.10	660.10	0.00	660.10	0.00
1420	Development of competencies, organisational development	1,090.82	400.00	690.82	1,090.82	0,00	400.00	400.00	690.82	1,090.82	0.00
	<b>Total Title 1</b>	<b>10,387.28</b>	<b>9,488.13</b>	<b>899.15</b>	<b>10,387.28</b>	<b>7,600.29</b>	<b>1,887.84</b>	<b>1,887.84</b>	<b>899.15</b>	<b>2,786.99</b>	<b>0.00</b>
2101	Deposits	47,108.11	47,108.11	0.00	47,108.11	47,108.11	0.00	0.00	0.00	0.00	0.00
2120	Water, gas, electricity and heating	315.51	315.51	0.00	315.51	315.48	0.03	0.03	0.00	0.03	0.00
2200	Office machinery	0.02	0.02	0.00	0.02	0,00	0.02	0.02	0.00	0.02	0.00
2310	Postage on correspondence and delivery charges	7,468.30	7,468.30	0.00	7,468.30	7,468.30	0.00	0.00	0.00	0.00	0.00
2311	Telephone fax telegraph radio	5,149.03	5,149.03	0.00	5,149.03	5,149.03	0.00	0.00	0.00	0.00	0.00
2340	Administrative services provided by the European Commission	1,291.55	0,00	1,291.55	1,291.55	0,00	0,00	0.00	1,291.55	1,291.55	0.00
	<b>Total Title 2</b>	<b>61,332.52</b>	<b>60,040.97</b>	<b>1,291.55</b>	<b>61,332.52</b>	<b>60,040.92</b>	<b>0.05</b>	<b>0.05</b>	<b>1,291.55</b>	<b>1,291.60</b>	<b>0.00</b>
3312	Meetings	6,414.10	6,414.10	0.00	6,414.10	0,00	6,414.10	6,414.10	0.00	6,414.10	0.00
3321	IT infrastructure/quality assurance	1,050.23	1,050.23	0.00	1,050.23	1,050.23	0.00	0.00	0.00	0.00	0.00
3322	Web publishing	104.41	0,00	104.41	104.41	0,00	0,00	0.00	104.41	104.41	0.00
3324	Translation	15,057.68	15,057.68	0.00	15,057.68	15,057.68	0.00	0.00	0.00	0.00	0.00
3531	Regional and global assessments	20,000.00	20,000.00	0.00	20,000.00	20,000.00	0.00	0.00	0.00	0.00	0.00
3601	Providing an information system	4,231.31	0,00	4,231.31	4,231.31	0,00	0,00	0.00	4,231.31	4,231.31	0.00
3606	EEA in the wider world	1,000.00	0,00	1,000.00	1,000.00	0,00	0,00	0.00	1,000.00	1,000.00	0.00
	<b>Total Title 3</b>	<b>47,857.73</b>	<b>42,522.01</b>	<b>5,335.72</b>	<b>47,857.73</b>	<b>36,107.91</b>	<b>6,414.10</b>	<b>6,414.10</b>	<b>5,335.72</b>	<b>11,749.82</b>	<b>0.00</b>
	<b>GRAND TOTAL</b>	<b>119,577.53</b>	<b>112,051.11</b>	<b>7,526.42</b>	<b>119,577.53</b>	<b>103,749.12</b>	<b>8,301.99</b>	<b>8,301.99</b>	<b>7,526.42</b>	<b>15,828.41</b>	<b>0.00</b>

Budget Line	Budget Line Description	Commitment Appropriation	Executed Commitment Amount	Decommitted Cancelled	Payment Appropriation Transaction Amount	Executed Payment Amount	Cancelled	Total Cancelled
		(1)	(2)	(1)-(2)=(3)	(4)	(5)	(2)-(5)=(6)	(3)+(6)
1112	National Experts on secondment	44,625.42	44,625.42	0.00	44,625.42	44,625.42	0.00	0.00
1113	Interim staff - remuneration	7,734.96	7,734.96	0.00	7,734.96	7,591.23	143.73	143.73
1114	Visiting experts, Guest Scientists & Trainees	3,858.34	3,858.34	0.00	3,858.34	0,00	3,858.34	3,858.34
1150	Overtime	7,296.34	7,296.34	0.00	7,296.34	0,00	7,296.34	7,296.34
1170	Freelance interpreters and conference officers	7,051.13	7,051.13	0.00	7,051.13	6,944.00	107.13	107.13
1200	Miscellaneous expenditure on staff recruitment	19,866.55	19,866.55	0.00	19,866.55	9,719.82	10,146.73	10,146.73
1300	Mission expenses	86,412.20	86,412.20	0.00	86,412.20	22,351.34	64,060.86	64,060.86
1410	Medical service	26,510.60	26,510.60	0.00	26,510.60	0,00	26,510.60	26,510.60
1420	Development of competencies, organisational development	71,374.34	71,374.34	0.00	71,374.34	49,946.21	21,428.13	21,428.13
	<b>Total Title 1</b>	<b>274,729.88</b>	<b>274,729.88</b>	<b>0.00</b>	<b>274,729.88</b>	<b>141,178.02</b>	<b>133,551.86</b>	<b>133,551.86</b>
2120	Water, gas, electricity and heating	13,027.87	13,027.87	0.00	13,027.87	13,027.87	0.00	0.00
2130	Cleaning and maintenance	18,407.43	16,762.32	1,645.11	18,407.43	16,762.32	0.00	1,645.11
2140	Fitting-out of premises	45,333.78	45,316.90	16.88	45,333.78	45,316.90	0.00	16.88
2150	Security & surveillance of the building	40,182.87	40,182.87	0.00	40,182.87	40,182.87	0.00	0.00
2210	Purchase of furniture	59,700.00	59,252.12	447.88	59,700.00	59,252.12	0.00	447.88
2250	Documentation and library expenditure	397.32	52.81	344.51	397.32	52.81	0.00	344.51
2300	Stationery and office supplies	6,575.55	6,575.55	0.00	6,575.55	6,575.55	0.00	0.00
2310	Postage on correspondence and delivery charges	10,628.99	10,628.99	0.00	10,628.99	10,628.99	0.00	0.00
2311	Telephone fax telegraph radio	23,608.57	23,608.57	0.00	23,608.57	23,608.57	0.00	0.00
2320	Bank charges	359.78	359.78	0.00	359.78	354.10	5.68	5.68
2330	Legal expenses	10,000.00	10,000.00	0.00	10,000.00	7,000.00	3,000.00	3,000.00
2340	Administrative services provided by the European Commission	4,311.70	4,311.70	0.00	4,311.70	3,808.70	503.00	503.00
2341	Publications of administrative nature	4,873.51	1,132.00	3,741.51	4,873.51	1,132.00	0.00	3,741.51
2390	Miscellaneous insurance	3,820.23	3,820.23	0.00	3,820.23	1,705.12	2,115.11	2,115.11
2391	Other administrative expenditure	22,020.81	19,881.42	2,139.39	22,020.81	19,881.42	0.00	2,139.39

2501	Management Board and Bureau	6,136.53	6,136.53	0.00	6,136.53	6,136.53	0.00	0.00
2502	Scientific Committee	3,653.30	3,653.30	0.00	3,653.30	0,00	3,653.30	3,653.30
2601	EMAS certification/Greening the Agency initiatives	15,930.00	15,930.00	0.00	15,930.00	15,930.00	0.00	0.00
	<b>Total Title 2</b>	<b>288,968.24</b>	<b>280,632.96</b>	<b>8,335.28</b>	<b>288,968.24</b>	<b>271,355.87</b>	<b>9,277.09</b>	<b>17,612.37</b>
3312	Meetings	118,781.13	118,781.13	0.00	118,781.13	100,925.26	17,855.87	17,855.87
3320	Publication and graphic services	120,087.78	120,087.78	0.00	120,087.78	120,087.78	0.00	0.00
3321	IT infrastructure/quality assurance	234,828.58	229,408.58	5,420.00	234,828.58	229,408.58	0.00	5,420.00
3322	Web publishing	44,637.89	43,234.00	1,403.89	44,637.89	43,234.00	0.00	1,403.89
3323	Corporate affairs/Communications	42,532.23	33,232.23	9,300.00	42,532.23	33,232.23	0.00	9,300.00
3324	Translation	63,244.70	58,244.70	5,000.00	63,244.70	58,244.70	0.00	5,000.00
3325	IT for shared Environmental Information System	200,121.66	200,093.40	28.26	200,121.66	200,093.40	0.00	28.26
3331	ETC ACC - Air and Climate Change	480,000.00	473,783.16	6,216.84	480,000.00	473,783.16	0.00	6,216.84
3332	ETC WTR - Water	479,000.00	479,000.00	0.00	479,000.00	479,000.00	0.00	0.00
3333	ETC BD -Biodiversity	298,880.00	255,066.36	43,813.64	298,880.00	255,066.36	0.00	43,813.64
3334	ETC LUSI - Land use and Spatial Information	434,391.00	300,071.99	134,319.01	434,391.00	300,071.99	0.00	134,319.01
3335	ETC SCP - Sustainable Consumption and Production	400,000.00	383,073.00	16,927.00	400,000.00	383,073.00	0.00	16,927.00
3512	Biodiversity	37,500.00	37,500.00	0.00	37,500.00	37,500.00	0.00	0.00
3515	Marine	14,987.78	14,987.78	0.00	14,987.78	14,987.78	0.00	0.00
3522	Ecosystems	21,609.48	21,486.00	123.48	21,609.48	21,486.00	0.00	123.48
3527	Agriculture and forestry	12,000.00	12,000.00	0.00	12,000.00	12,000.00	0.00	0.00
3528	Energy	30,315.62	30,315.62	0.00	30,315.62	30,315.62	0.00	0.00
3530	Integrated environmental assessment	12,476.00	12,476.00	0.00	12,476.00	12,476.00	0.00	0.00
3540	Shared Environmental Information System	139,602.55	125,957.30	13,645.25	139,602.55	125,957.30	0.00	13,645.25
	<b>Total Title 3</b>	<b>3,184,996.40</b>	<b>2,948,799.03</b>	<b>236,197.37</b>	<b>3,184,996.40</b>	<b>2,930,943.16</b>	<b>17,855.87</b>	<b>254,053.24</b>
	<b>GRAND TOTAL</b>	<b>3,748,694.52</b>	<b>3,504,161.87</b>	<b>244,532.65</b>	<b>3,748,694.52</b>	<b>3,343,477.05</b>	<b>160,684.82</b>	<b>405,217.47</b>

**Appendix 5 Budget Execution R0**

Budget Line	Budget Line Description	Commitment Appropriation (1)	Executed Commitment Amount (2)	Commitment Appropriation Not Used (1)-(2)=(3)	Payment Appropriation (4)	Executed Payment Amount (5)	Committed Amount available for Carry Over (2)-(5)=(6)	Committed Amount Carry Over (7)	Commitment Appropriation Not Used Carried Over (8)	Total Carried Over (7)+(8)=(9)	Total Cancel led
1111	Contract agents -remuneration	3,767,530.56	830,897.56	2,936,633.00	3,767,530.56	812,425.16	18,472.40	18,472.40	2,936,633.00	2,955,105.40	0.00
1112	National Experts on secondment	200,000.00	0,00	200,000.00	200,000.00	0,00	0,00	0,01	200,000.00	200,000.00	0.00
1113	Interim staff - remuneration	53,642.59	53,642.59	0.00	53,642.59	18,183.00	35,459.59	35,459.59	0.00	35,459.59	0.00
1141	Travel expenses for annual leave	43,800.00	43,721.37	78.63	43,800.00	34,434.43	9,286.94	9,286.94	78.63	9,365.57	0.00
1170	Freelance interpreters and conference officers	27,080.00	20,103.53	6,976.47	27,080.00	20,103.53	0.00	0.00	6,976.47	6,976.47	0.00
1200	Miscellaneous expenditure on staff recruitment	96,052.83	78,017.22	18,035.61	96,052.83	51,787.67	26,229.55	25,527.01	18,035.61	43,562.62	702.54
1300	Mission expenses	452,086.58	319,711.58	132,375.00	452,086.58	154,457.93	165,253.65	165,253.65	132,375.00	297,628.65	0.00
1420	Development of competencies, organisational development	29,200.00	5,200.00	24,000.00	29,200.00	1,320.60	3,879.40	3,879.40	24,000.00	27,879.40	0.00
	<b>Total Title 1</b>	<b>4,669,392.56</b>	<b>1,351,293.85</b>	<b>3,318,098.71</b>	<b>4,669,392.56</b>	<b>1,092,712.32</b>	<b>258,581.53</b>	<b>257,878.99</b>	<b>3,318,098.71</b>	<b>3,575,977.70</b>	<b>702.54</b>
2100	Rent	220,908.00	52,759.95	168,148.05	220,908.00	52,759.95	0.00	0.00	168,148.05	168,148.05	0.00
2120	Water, gas, electricity and heating	41,000.00	12,500.00	28,500.00	41,000.00	6,687.63	5,812.37	5,812.37	28,500.00	34,312.37	0.00
2130	Cleaning and maintenance	19,000.00	8,385.00	10,615.00	19,000.00	5,171.57	3,213.43	3,213.43	10,615.00	13,828.43	0.00
2140	Fitting-out of premises	22,517.36	11,271.18	11,246.18	22,517.36	5,567.93	5,703.25	5,703.25	11,246.18	16,949.43	0.00
2150	Security & surveillance of the building	30,000.00	4,884.00	25,116.00	30,000.00	4,884.00	0.00	0.00	25,116.00	25,116.00	0.00
2240	Equipment, costs for equipment and data-processing operations	12,000.00	0,00	12,000.00	12,000.00	0,00	0,00	0,00	12,000.00	12,000.00	0.00
2241	Software development	30,000.00	0,00	30,000.00	30,000.00	0,00	0,00	0,00	30,000.00	30,000.00	0.00
2310	Postage on correspondence and delivery charges	43,999.00	23,999.00	20,000.00	43,999.00	16,781.93	7,217.07	7,217.07	20,000.00	27,217.07	0.00
2311	Telephone fax telegraph radio	112,000.00	45,069.16	66,930.84	112,000.00	33,329.46	11,739.70	11,739.70	66,930.84	78,670.54	0.00
2330	Legal expenses	20,000.00	0,00	20,000.00	20,000.00	0,00	0,00	0,01	20,000.00	20,000.00	0.00
2391	Other administrative expenditure	30,000.00	15,623.75	14,376.25	30,000.00	12,412.02	3,211.73	3,211.73	14,376.25	17,587.98	0.00
	<b>Total Title 2</b>	<b>581,424.36</b>	<b>174,492.04</b>	<b>406,932.32</b>	<b>581,424.36</b>	<b>137,594.49</b>	<b>36,897.55</b>	<b>36,897.55</b>	<b>406,932.32</b>	<b>443,829.87</b>	<b>0.00</b>
3312	Meetings	559,224.08	489,174.08	70,050.00	559,224.08	234,533.00	254,641.08	254,641.08	70,050.00	324,691.08	0.00
3324	Translation	100,000.00	12,872.30	87,127.70	100,000.00	7,584.00	5,288.30	5,288.30	87,127.70	92,416.00	0.00
3510	Air quality and noise	125,000.00	25,000.00	100,000.00	125,000.00	0,00	25,000.00	25,000.00	100,000.00	125,000.00	0.00
3511	Air pollutant emissions (including industrial emissions)	120,000.00	20,000.00	100,000.00	120,000.00	0,00	20,000.00	20,000.00	100,000.00	120,000.00	0.00
3512	Biodiversity	49,000.00	49,000.00	0.00	49,000.00	44,732.00	4,268.00	4,268.00	0.00	4,268.00	0.00
3513	Greenhouse gases	20,000.00	20,000.00	0.00	20,000.00	0,00	20,000.00	20,000.00	0.00	20,000.00	0.00

3514	Freshwater	125,000.00	25,000.00	100,000.00	125,000.00	25,000.00	0.00	0.00	100,000.00	100,000.00	0.00
3515	Marine	125,000.00	25,000.00	100,000.00	125,000.00	2,000.00	23,000.00	23,000.00	100,000.00	123,000.00	0.00
3522	Ecosystems	100,000.00	0,00	100,000.00	100,000.00	0,00	0,00	0,01	100,000.00	100,000.00	0.00
3525	Sustainable Consumption and Production (SCP) and waste	138,000.00	38,000.00	100,000.00	138,000.00	18,740.00	19,260.00	19,260.00	100,000.00	119,260.00	0.00
3526	Land use	50,000.00	29,969.00	20,031.00	50,000.00	29,969.00	0.00	0.00	20,031.00	20,031.00	0.00
3528	Energy	100,000.00	0,00	100,000.00	100,000.00	0,00	0,00	0,01	100,000.00	100,000.00	0.00
3530	Integrated environmental assessment	80,000.00	36,800.00	43,200.00	80,000.00	36,800.00	0.00	0.00	43,200.00	43,200.00	0.00
3531	Regional and global assessments	1,070,000.00	84,280.00	985,720.00	1,070,000.00	84,280.00	0.00	0.00	985,720.00	985,720.00	0.00
3540	Shared Environmental Information System	2,201,860.00	1,170,250.00	1,031,610.00	2,201,860.00	609,054.00	561,196.00	561,196.00	1,031,610.00	1,592,806.00	0.00
3541	Shaping strategic messages	18,581,613.00	691,730.00	17,889,883.00	18,581,613.00	276,691.80	415,038.20	415,038.20	17,889,883.00	18,304,921.20	0.00
3550	Governance and country network support	1,145,765.00	224,497.06	921,267.94	1,145,765.00	116,114.01	108,383.05	108,383.00	921,267.94	1,029,650.94	0.05
	<b>Total Title 3</b>	<b>24,690,462.08</b>	<b>2,941,572.44</b>	<b>21,748,889.64</b>	<b>24,690,462.08</b>	<b>1,485,497.81</b>	<b>1,456,074.63</b>	<b>1,456,074.58</b>	<b>21,748,889.64</b>	<b>23,204,964.22</b>	<b>0.05</b>
	<b>GRAND TOTAL</b>	<b>29,941,279.00</b>	<b>4,467,358.33</b>	<b>25,473,920.67</b>	<b>29,941,279.00</b>	<b>2,715,804.62</b>	<b>1,751,553.71</b>	<b>1,750,851.12</b>	<b>25,473,920.67</b>	<b>27,224,771.79</b>	<b>702.59</b>

Appendix 6 – Reconciliation of the accrual based result with the budget result

	sign +/-	amount
<b>Economic result (- for loss) of the consolidation reporting package including table M2</b>	<b>+/-</b>	<b>333,775.23</b>
<b>Adjustment for accrual items (items not in the budgetary result but included in the economic result)</b>		
<b>A</b> Adjustments for Accrual Cut-off (reversal 31.12.N-1)	-	-2,290,669.74
<b>B</b> Adjustments for Accrual Cut-off (cut- off 31.12.N )	+	1,301,484.57
<b>C</b> Amount from liaison account with Commission booked in the Economic Outturn Account	-	
<b>D</b> Unpaid invoices at year end but booked in charges	+	
<b>E</b> Depreciation of intangible and tangible fixed assets	+	637,987.24
<b>F</b> Provisions	+	175,738.00
<b>G</b> Value reductions	+	773.02
<b>H</b> Recovery Orders issued in 2011 class 7 and not yet cashed	-	-4,073.22
<b>la</b> Pre-financing given in previous year and cleared in the year	+	33,549.00
<b>lb</b> Pre-financing received in previous year and cleared in the year	-	
<b>J</b> Payments made from carry over of payment appropriations	+	3,343,477.05
<b>K</b> Other *)	+/-	
<b>L</b> Exchange rate differences	+/-	28,13
<b>Adjustment for budgetary items (item included in the budgetary result but not in the economic result)</b>		
<b>M</b> Asset acquisitions (less unpaid amounts)	-	-743,948.16
<b>N</b> New pre-financing paid in the year 2011 and remaining open as of 31.12.N	-	-308,654.80
<b>O</b> New pre-financing received in the year 2011 and remaining open as of 31.12.N	+	2,071,848.79
<b>P</b> Budgetary recovery orders issued before 2011 and cashed in the year	+	4,457.72
<b>Q</b> Budgetary recovery orders issued in 2011 on balance sheet accounts (not 7 or 6 accounts) and cashed	+	
<b>R</b> Capital payments on financial leasing (they are budgetary payments but not in the economic result)	-	
<b>S</b> Payment appropriations carried over to 2012	-	-31,322,796.60
<b>T</b> Cancellation of unused carried over payment appropriations from previous year	+	405,217.47
<b>U</b> Adjustment for grants		17,809,396.83
<b>U</b> Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	+	9,060,856.53
<b>V</b> Payments for pensions ( they are budgetary payments but booked against provisions)	-	
<b>W</b> Payments for stocks of leave and supplementary hours ( they are budgetary payments but booked against provisions)	-	
<b>X</b> Other **)	+/-	3,396.73
<b>total</b>		
<b>Budgetary result (+ for surplus)</b>		<b>511,843.79</b>
Delta not explained		<b>0.00</b>
		<b>511,843.79</b>

<b>Expenditure (kEUR)</b>				
<b>Project</b>	<b>Phase</b>	<b>2010</b>	<b>2011</b>	<b>Total</b>
EEA Forum	Reserach		1,6	1,6
	Development		7,0	7,0
			<b>8,6</b>	<b>8,6</b>
EEA Eionet Forum	Reserach			0
	Development		111,58	111,58
			<b>111,58</b>	<b>111,58</b>
Meeting Data Base	Reserach		0,0	0,0
	Development	6,0	0,0	6,0
		<b>6,0</b>	<b>0,0</b>	<b>6,0</b>
Platform for exchange of information on SCP	Reserach	0,2	0,0	0,2
	Development	8,4	0,0	8,4
		<b>8,6</b>	<b>0,0</b>	<b>8,6</b>