



Council of the  
European Union

Brussels, 4 September 2014  
(OR. en)

12760/14

SIRIS 51  
EURODAC 5  
VISA 217  
FRONT 182  
COMIX 428

**NOTE**

---

From: General Secretariat of the Council  
To: Delegations  
Subject: eu-LISA Final Annual Accounts 2013

---

1. Article 33(7) of the Council Regulation establishing a European Agency for the operational management of large-scale IT systems in the areas of freedom, security and justice provides that:

"By 1 July of the following year, the Executive Director shall send the final accounts, together with the opinion of the Management Board, to the budgetary authority, the Commission's Accounting Officer, the Court of Auditors as well as the countries associated with the implementation, application and development of the Schengen acquis and Eurodac-related measures."

2. The attached Final Annual Accounts for 2013 was forwarded by the eu-LISA to the Council on 28 July 2014.



# FY2013 FINAL ANNUAL ACCOUNTS

FINANCIAL STATEMENTS  
&  
BUDGET IMPLEMENTATION

# Table of Contents

CERTIFICATION OF THE ACCOUNTING OFFICER AND STATEMENT OF THE EXECUTIVE DIRECTOR .....	4
INTRODUCTION .....	5
2013 FINANCIAL STATEMENTS .....	6
1. Balance Sheet - Assets .....	6
2. Balance Sheet - Liabilities .....	7
3. Statement of financial performance .....	7
4. Cash-flow Table (Indirect Method) .....	8
5. Statement of changes in net assets .....	8
6. Notes to the Financial Statements .....	9
6.1 Accounting Policies .....	9
6.2 Legal Framework - Accrual accounting standards at eu-LISA .....	10
6.3 Notes to Balance Sheet .....	10
6.3.1 Non-current assets .....	10
6.3.2 Current Assets .....	15
6.3.3 Current liabilities .....	16
6.3.4 Net Assets - change in net assets .....	17
6.3.5 Post balance sheet events .....	17
6.3.6 Details on Contingencies and Other Significant Disclosures .....	17
6.3.7 Related party disclosures .....	17
6.4 Notes to the Statement of financial performances .....	18
6.4.1 Operating revenues .....	18
6.4.2 Administrative Expenses .....	18
6.4.3 Operational Expenses .....	20
6.4.4 Financial Expenses .....	20
2013 BUDGET IMPLEMENTATION .....	21
7. Budgetary Implementation .....	21
7.1 Initial budget and amending budgets .....	21
7.2 Budget implementation of 2013 appropriations .....	22
7.2.1 Implementation by DG HOME .....	22
7.2.2 Implementation by eu-LISA .....	23
7.2.3 Comments .....	25
7.2.4 Open commitments from the 2013 budget carried forward into 2014 .....	27
7.3 Budget Outturn Account 2013 .....	29
7.4 Reconciliation between budgetary and accrual based accounts (EUR) .....	30
7.5 Establishment plan 2013 .....	31
8. Validation of accounting systems by the Accounting Officer .....	32
ANNEX I - Integrated overview of eu-LISA budget implementation (DG HOME and eu-LISA) .....	33

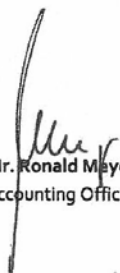
# CERTIFICATION OF THE ACCOUNTING OFFICER AND STATEMENT OF THE EXECUTIVE DIRECTOR

## CERTIFICATION OF THE ACCOUNTING OFFICER

The annual accounts of eu-LISA for the year 2013 have been prepared in accordance with the Title IX of the Financial Regulation applicable to the general budget of the European Union, the accounting rules adopted by the Commission's Accounting Officer and the accounting principles and methods adopted by myself.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of eu-LISA in accordance with article 33 (3) and (4) of the establishing Regulation (EU) No 1077/2011 of the European Parliament and the Council of 25 of October 2011 and Article 68 of the Financial Regulation.

I hereby certify that based on the information provided by the Authorizing Officer, I have reasonable assurance that the accounts present in all material respects, a true and fair view of the financial position of eu-LISA.



Mr. Ronald Meyer  
Accounting Officer

## STATEMENT OF THE EXECUTIVE DIRECTOR

I, the undersigned, Krum Garkov, Executive Director of the eu-LISA, in my capacity as Authorizing Officer declare that the information contained in this report gives a true and fair view.

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management.

Confirm that I am not aware of anything not reported here which could harm the interests of eu-LISA and European Institutions in general.

This reasonable assurance is based on my own judgment and on the information at my disposal, such as the results of the self-assessment, certificates issued by the national authorities and the work of the internal auditor.



Mr. Krum Garkov  
Executive Director

# INTRODUCTION

The European Agency of the operational management of large-scale IT systems in the area of freedom, security and justice was established by the Regulation (EU) No 1077/2011 of European Parliament and of the Council of 25 of October 2011. The seat of the Agency is Tallinn, Estonia; tasks relating to development and operational management are carried out in Strasbourg, France; a backup site is installed in Sankt Johann im Pongau, Austria.

The Agency is responsible for the operational management of the second-generation Schengen Information System (SIS II), the Visa Information System (VIS) and Eurodac.

The Agency may also be made responsible for the preparation, development and operational management of large-scale IT systems in the area of freedom, security and justice other than those referred above, subject to legislative provisions and taking into consideration developments in research and the results of pilot schemes.

Operational management consists of all the tasks necessary to keep large-scale IT systems functioning in accordance with the specific provisions applicable to each of them, including responsibility for the communication infrastructure used by them. Those large-scale IT systems shall not exchange data or enable sharing of information or knowledge, unless so provided in a specific legal basis. The 2013 financial statements of eu-LISA and its reports on budget implementation for 2013 were prepared in conformity with the provisions of Title VII "Presentation of the accounts & accounting" of the Financial Regulation of eu-LISA, adopted by its Management Board with decision no 2012-12 rev1 of 28/06/2012.

The accounts have also been drawn up in accordance with the accounting rules adopted by the Accounting Officer of the Commission. The accounting system of eu-LISA – being an institution according to article 151 of the Financial Regulation ("FR") – serves to organise the budgetary and financial information in such a way that figures can be entered, filed and registered. The accounting system consists of general accounts and budgetary accounts. The accounts are kept in euro and on the basis of the calendar year.

The accounting officer of the Commission shall, in accordance with Article 143 of the FR, after consulting the accounting officers of the other institutions and of the bodies referred to in Article 141 of the FR, adopt the accounting rules and the harmonised chart of accounts to be applied by all the institutions, the offices referred to in Title V of part two and all the bodies referred to in Article 141 of the FR.

Eu-LISA comprehensively applies the summary of Commission's accounting regulations, comprising 18 rules. A subsequent adaption may be foreseen according to arising specific requirements due to the nature of the Agency's business transactions. Accordingly, Accounting Rule No. 19 (Derivation Rules) has been amended on December 2013.

# 2013 FINANCIAL STATEMENTS

## 1. Balance Sheet - Assets

	31/12/2013	31/12/2012	Variation
<b>A. NON CURRENT ASSETS</b>			
Intangible assets	3,804,567.74	0.00	3,804,567.74
Property, plant and equipment	4,627,776.54	0.00	4,627,776.54
Land and buildings	2,244,333.00	0.00	2,244,333.00
Plant and equipment	1,130.00	0.00	1,130.00
Computer hardware	2,236,077.00	0.00	2,236,077.00
Furniture and vehicles	13,980.54	0.00	13,980.54
Other fixtures and fittings	132,256.00	0.00	132,256.00
<b>TOTAL NON CURRENT ASSETS</b>	<b>8,432,344.28</b>	<b>0.00</b>	<b>8,432,344.28</b>
<b>B. CURRENT ASSETS</b>			
Short-term receivables	712,480.79	0.00	712,480.79
Current receivables	710,069.32	0.00	710,069.32
Sundry receivables	186.42	0.00	186.42
Short-term receivables with consolidated EU entities	2,225.05	0.00	2,225.05
Cash and cash equivalents	3,187,666.93	0.00	3,187,666.93
<b>TOTAL CURRENT ASSETS</b>	<b>3,900,147.72</b>	<b>0.00</b>	<b>3,900,147.72</b>
<b>TOTAL ASSETS</b>	<b>12,332,492.00</b>	<b>0.00</b>	<b>12,332,492.00</b>

## 2. Balance Sheet – Liabilities

		31/12/2013	31/12/2012	Variation
<b>A. NET ASSETS</b>				
Economic outturn for the year		7,504,996.00	0.00	7,504,996.00
Accumulated result		7,504,996.00	0.00	7,504,996.00
<b>B. CURRENT LIABILITIES</b>				
Provision for risks and charges		112,236.79	0.00	112,236.79
Accounts payable		4,715,289.21	0.00	4,715,289.21
	Current payables	3,150.41	0.00	3,150.41
	Sundry payables	2,593.71	0.00	2,593.71
	Accrued charges	4,680,660.09	0.00	4,680,660.09
	Other accounts payable against consolidated EU entities	28,885.00	0.00	28,885.00
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,827,526.00</b>	<b>0.00</b>	<b>4,827,526.00</b>
<b>TOTAL LIABILITIES</b>		<b>12,332,492.00</b>	<b>0.00</b>	<b>12,332,492.00</b>

## 3. Statement of financial performance

	31/12/2013	31/12/2012	Variation
Fixed assets related revenues	8,834,403.61	0	8,834,403.61
<b>Revenues from administrative operations</b>	<b>8,834,403.61</b>	<b>0</b>	<b>8,834,403.61</b>
Exchange rate differences	27.76	0	27.76
Subsidy of the Commission	22,631,692.29	0	22,631,692.29
<b>Other operating revenues</b>	<b>22,631,720.05</b>	<b>0</b>	<b>22,631,720.05</b>
<b>Total operating revenue</b>	<b>31,466,123.66</b>	<b>0</b>	<b>31,466,123.66</b>
Staff expenses	-6,126,705.48	0	-6,126,705.48
Fixed asset related expenses	-2,328,361.23	0	-2,328,361.23
Other administrative expenses	-4,493,924.67	0	-4,493,924.67
<b>Administrative expenses</b>	<b>-12,948,991.38</b>	<b>0</b>	<b>-12,948,991.38</b>
<b>Operational expenses</b>	<b>-10,899,840.47</b>	<b>0</b>	<b>-10,899,840.47</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>-23,961,076.66</b>	<b>0</b>	<b>-23,961,076.66</b>
<b>SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES</b>	<b>7,505,047.00</b>	<b>0</b>	<b>7,505,047.00</b>
<b>SURPLUS/(DEFICIT) FROM NON OPERATING ACTIVITIES</b>	<b>-81</b>	<b>0</b>	<b>-81</b>
<b>SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES</b>	<b>7,504,966.00</b>	<b>0</b>	<b>7,504,966.00</b>
<b>SURPLUS/(DEFICIT) FROM EXTRAORDINARY ITEMS</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>ECONOMIC OUTTURN FOR THE YEAR</b>	<b>7,504,966.00</b>	<b>0</b>	<b>7,504,966.00</b>

## 4. Cash-flow Table (Indirect Method)

	2013	2012
<b>Cash Flows from ordinary activities</b>		
<b>Surplus from ordinary activities</b>	<b>7,504,966.00</b>	<b>0.00</b>
<b>Operating activities</b>		
Amortization (intangible fixed assets) +	4,873,778.91	
Depreciation (tangible fixed assets) +	19,297,658.60	
Increase/(decrease) in Provisions for risks and liabilities	112,236.79	
Decrease in Short term Receivables	-710,255.74	
Decrease in Receivables related to consolidated EU entities	-2,225.05	
Increase in Accounts payable	4,686,404.21	
Increase in Liabilities related to consolidated EU entities	28,885.00	
<b>Net cash Flow from operating activities</b>	<b>35,791,448.72</b>	<b>0.00</b>
<b>Cash Flows from investing activities</b>		
Increase of tangible and intangible fixed assets (-)	-32,603,781.79	
<b>Net cash flow from investing activities</b>	<b>-32,603,781.79</b>	<b>0.00</b>
Net increase/(decrease) in cash and cash equivalents	3,187,666.93	0.00
<b>Cash and cash equivalents at the beginning of the period</b>	<b>0.00</b>	
<b>Cash and cash equivalents at the end of the period</b>	<b>3,187,666.93</b>	<b>0.00</b>

## 5. Statement of changes in net assets

Net assets	Reserves		Accumulated Surplus / Deficit	Economic result of the year	Net assets (total)
	Fair value reserve	Other reserves			
					0.00
<b>Balance as of 31 December 2012</b>	0.00	0.00	0.00	0.00	0.00
Changes in accounting policies	0.00	0.00	0.00	0.00	0.00
<b>Balance as of 1 January 2013</b>	0.00	0.00	0.00	0.00	0.00
Economic result of the year				7,504,966.00	7,504,966.00
<b>Balance as of 31 December 2013</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7,504,966.00</b>	<b>7,504,966.00</b>



# 6. Notes to the Financial Statements

## 6.1 Accounting Policies

According to article 85 of the Financial Regulation of the European Agency for the Operational Management of Large-Scale It Systems in the area of Freedom, Security and Justice, approved by Management Board Decision No 2012-12 rev1 of 28/06/2012 (hereinafter "eu-LISA FR"), the accounting officer of the Agency shall apply the rules and the harmonised chart of accounts adopted by the accounting officer of the Commission based on internationally accepted accounting standards for the public sector in accordance with art. 133 of the general Financial Regulation (EU, Euratom) No 966/2012 (hereinafter "FR").

According to articles 76 - 80 of the eu-LISA FR, the financial statements present information, including information on accounting policies, in a manner that ensures it is relevant, reliable, comparable and understandable. The financial statements are drawn up in accordance with generally accepted accounting principles as outlined in the accounting rules referred to in Article 143 of FR. In accordance with article 143, the accounting officer of the Commission has adopted the accounting rules and the harmonised chart of accounts to be applied by all the institutions, the offices referred to in Title V of part two of the FR and all the bodies referred to in Article 141 of the FR.

Eu-LISA comprehensively applies the summary of Commission's accounting regulations (last updated by the decision of the accounting officer of the Commission of 20/03/2012). A subsequent adaption may be foreseen according to arising specific requirements due to the nature of the Agency's business transactions.

Annual accounts of the eu-LISA have been prepared according to the generally accepted accounting principles specified in the detailed rules for implementing the FR as set out in art. 78 of eu-LISA FR, namely:

- Going concern basis
- Prudence
- Consistent accounting methods
- Comparability of information
- Materiality
- No netting
- Reality over appearance
- Accrual-based accounting

## 6.2 Legal Framework - Accrual accounting standards at Eu-LISA

The accounting system of eu-LISA comprises of general accounts and budget accounts. These are kept in Euro, based on calendar year, in accordance with the provisions of art. 84 of the eu-LISA FR.

- The general accounts allow for the preparation of the Financial Statements as they show all revenues and expenses for the financial year irrespective of the time they are cashed. They are designed to establish the financial position of eu-LISA in the form of a balance sheet and Statement of financial performance at 31 December each year.
- The budget accounts give detailed picture of the implementation of the budget.

The agency applies the accrual-based accounting; therefore, the Financial Statements show all the charges and income for the financial year, regardless of the date of payment or collection.

For Management purposes, eu-LISA has implemented the following computer systems:

- ABAC Workflow for budgetary accounting accompanied by ABAC ASSETS to facilitate registering/tracking tangible and intangible asset items
- SAP FI for General Ledger accounting.

Both systems are managed and maintained by the European Commission, in accordance with a service level agreement with eu-LISA. Both systems had previously been validated by the Accounting Officer of the Commission and the validation was reinforced by eu-LISA's accounting officer at 7<sup>th</sup> of August 2013 after extensive testing from April 2013 on, in relation with the procedures set up by the services of the Commission relating to the transfer of responsibilities for financial management.

## 6.3 Notes to the Balance Sheet

### 6.3.1 Non-current assets

"Non-current" or "fixed" assets are stated at historical cost, less depreciation and impairment. 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 recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the eu-LISA and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred. Items recognized in the accounts with a value lower than 420,- € are considered as expenses and they are included directly in the Statement of financial performance.

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

Asset type	Depreciation rate
<u>Intangible assets</u>	
Software for personal computers and servers	25%
<u>Tangible assets</u>	
<u>Land</u>	0%
<u>Buildings</u>	4%
<u>Plant and equipment</u>	
Scientific and laboratory equipment	25%
Tools for industry and workshops	12.5%
Lifting and mechanical handling equipment for public works, prospecting and mining	12.5%
Control and transmission devices, motors, compression, vacuum and pumping equipment	12.5%
Equipment for the supply and treatment of electric power	12,5%, 25%
Specific electric equipment	25%
<u>Furniture and vehicles</u>	
Office, laboratory and workshop furniture	10%
Electrical office equipment, printing and mailing equipment	25%
Printshop and postroom equipment	12.5%
Equipment and decorations for garden, kitchen, canteen, restaurant, crèche and school	12.5%
Motorised outdoor equipment	25%
Specific furniture and equipment for schools, crèches and childcare centres	25%
Furniture for restaurant/cafeteria/bar area	10%, 12,5%
Cash registers and card acceptor devices	25%
Antiques, artistic works, collectors' items	0%
Transport equipment (vehicles and accessories)	25%
<u>Computer hardware</u>	
Computers, servers, accessories, data transfer equipment, printers, screens	25%
Copying equipment, digitising and scanning equipment	25%
<u>Other fixtures and fittings</u>	
Telecommunications equipment	25%
Audiovisual equipment	25%
Computer, scientific and general books, documentation	
Computer books, CDs, DVDs	33%
Scientific books, general books, CDs, DVDs	25%
Health, safety and protective equipment, medical equipment, fire-fighting equipment, equipment for surveillance and security services	12.5%
Medical and nursing equipment	25%
other	10%
<u>Tangible fixed assets under construction</u>	0%

Eu-LISA has adopted the same depreciation percentages as the ones implemented by the European Commission. As a result, eu-LISA's individual accounts for fixed assets and associated expenses (depreciation/amortization) need no adjustments for consolidation purposes as assets are valued based on the same underlying assumptions.

## Intangible fixed assets

An intangible asset is an identifiable non-monetary asset without physical substance.

LISA		Internally generated Computer Software	Other Computer Software	Total Computer Software	Other Intangible assets	Intangible assets under construction	Total
Gross carrying amounts 01.01.2013	+	0.00	0.00	0.00	0.00	0.00	0.00
Additions	+	0.00	8,678,346.65	8,678,346.65	0.00	0.00	8,678,346.65
Gross carrying amounts 31.12.2013		0.00	8,678,346.65	8,678,346.65	0.00	0.00	8,678,346.65
Amortization	-	0.00	-4,873,778.91	-4,873,778.91	0.00		-4,873,778.91
Accumulated amortization and impairment 31.12.2013		0.00	-4,873,778.91	-4,873,778.91	0.00	0.00	-4,873,778.91
Net carrying amounts 31.12.2013		0.00	3,804,567.74	3,804,567.74	0.00	0.00	3,804,567.74

## Tangible fixed assets

A tangible asset is an identifiable non-monetary asset with physical substance.

Items acquired whose purchase price is 420€ or above, with a period of use greater than one year, are recorded in the fixed assets accounts. Items with an acquisition price value below 420€ have been reflected in the accounts as running expenses.

The assets are valued at their acquisition price, less depreciation and impairment. The depreciation method chosen is the monthly straight-line method. EU Accounting rule 7 "Property, Plant & Equipment", adopted by eu-LISA, applies accordingly.

LISA	Land	Buildings	Plant and Equipment	Computer hardware	Furniture and vehicles	Other Fixtures and Fittings	Tangible assets under Fin lease	Tangible assets under construction	Total
Gross carrying amounts 01.01.2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Additions	+	1,490,000.00	1,290.94	21,469,235.81	14,950.64	174,957.75	0.00	0.00	23,925,435.14
Gross carrying amounts 31.12.2013	1,490,000.00	775,000.00	1,290.94	21,469,235.81	14,950.64	174,957.75	0.00	0.00	23,925,435.14
Depreciation	-	0.00	-160.94	-19,233,158.81	-970.10	-42,701.75	0.00	0.00	-19,297,658.60
Accumulated amortization and impairment 31.12.2013	0.00	-20,667.00	-160.94	-19,233,158.81	-970.10	-42,701.75	0.00	0.00	-19,297,658.60
Net carrying amounts 31.12.2013	1,490,000.00	754,333.00	1,130.00	2,236,077.00	13,980.54	132,256.00	0.00	0.00	4,627,776.54

**Material transfer of tangible & intangible fixed assets received from other consolidated entities & third party (donation)**

2013	Computer software	Land	Buildings	Plant and Equipment	Computer hardware	Furniture and vehicles	Other Fixtures and Fittings	Total
<b>Total Gross amount</b>	7,053,558.91	1,490,000.00	775,000.00	1,290.94	21,311,474.41	6,073.00	40,082.63	30,677,479.89
<b>Total amortization</b>								
	-3,692,794.67	0.00	0.00	0.00	-18,124,708.28	-355.00	-25,218.33	-21,843,076.28
<b>Net amount transferred</b>	3,360,764.24	1,490,000.00	775,000.00	1,290.94	3,186,766.13	5,718.00	14,864.30	<b>8,834,403.61</b>

EU-LISA gained financial autonomy on 22/5/2013. After this date, there were two events materially affecting the accounts of the Agency.

One is the donation of the operational site in Strasbourg by the French Authorities. The valuation of land & buildings was prepared by the donor as per the acquisition act between the agency and the French State and these values were used for the preparation of the accounts.

The other major event was the migration of assets from the Commission (DG HOME) which were previously procured and developed before the establishment of the agency. These assets were transferred through a non-exchange transaction and mainly consist of the second-generation Schengen Information System (SIS II), the Visa Information System (VIS) and EURODAC (system). The operational management of these systems is the Agency's core task. In the absence of reliable and complete information in respect of the total development cost of these systems, they are recorded in the agency's accounts at their net book values as migrated from the Commission's books and updated at year end. These values relate mainly to hardware and off-the-shelf software components. Their development has been disclosed in the table above "Material transfer of tangible & intangible fixed assets received from other consolidated entities & third party (donation)".

## 6.3.2 Current Assets

### Short-term pre-financing

Pre-financing is a payment intended to provide the beneficiary with a cash advance. It may be split into a number of payments over a period defined in the specific national 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, he has the obligation to return the pre-financing advance to eu-LISA.

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.

There were no open pre-financings in the work-flow process at the end of the year 2013.

NB: due to the financial autonomy given mid-term there was given pre-financing migrated from DG HOME in the amount of 105.014,8 EUR. This amount appears in the statement of financial performance of the Agency as part of the subsidy of the Commission.

### Short-term receivables

Short-term receivables	712,480.79
Current receivables (MS)	710,069.32
Sundry receivables	186.42
ST receivables with EU entities	2,225.05

Current receivables (MS) covers outstanding VAT receivables as detailed below. The Agency can claim back VAT paid under the terms of the Protocol on the privileges and immunities (PPI) and Art. 151(1)(aa) of the VAT Directive which states that the EU is exempted from VAT.

Country	Amount in EUR
France	433,527.05
Austria	246,575.49
Estonia	29,966.78
Total	710,069.32

## Cash and cash equivalents

Bank account	3,187,666.93
<b>Total</b>	<b>3,187,666.93</b>

Eu-LISA has one current euro bank account at ING Belgium. Specific contract was signed as implementing Framework contract of the Commission. The amount indicated above is confirmed by ING Belgium as being the balance amount in EUR as at 31/12/2013.

## 6.3.3 Current liabilities

### Accounts payable

Accounts payable	4,715,289.21
Current payables	3,150.41
Sundry payables	2,593.71
Accrued charges	4,680,660.09
Other accounts payable against consolidated EU entities	28,885.00

The accrued charges of 4.680.660,09 € are split per GL account as follows:

Gl account	Description	Amount
60810000	Operational activities	2,603,396.11
61001700	Operating Lease Expenses	33,906.25
61002000	Maintenance & Security - Buildings	390,569.80
61010000	Office Supplies & maintenance	106,860.92
61020000	Communications & publications	89,629.05
61040000	Insurance - others	688.69
61070000	Training Costs	79,396.93
61080000	Missions	22,566.15
61085000	Experts and related expenditure	285,197.87
61094030	IT COSTS OPERATIONAL external costs	484,958.40
61095000	OTHER EXTERNAL SERVICE PROVIDER (NON-IT SERVICES)	161,151.64
62000000	Staff Costs (excluding SNEs and others experts)	165,436.77
62040000	Staff perquisites and social activities	7,328.90
62050000	Allowances (excluding SNEs and other Experts)	246,842.55
62051000	Allowances for SNEs and other Experts	2,730.06
	<b>Total</b>	<b>4,680,660.09</b>



Accrued charges are recorded in order to respect the notion of accrual-based accounting; therefore, the Financial Statements show all the charges and revenues for the financial year, regardless of the date of payment or collection. Amounts are based on best possible estimates at time of the submission of the final accounts taking into account the value of goods and services received in 2013 by the Agency to which no corresponding invoices were registered by the balance sheet date.

#### 6.3.4 Net Assets – changes in net assets

The statement of net assets only contains the economic result of the year, as in 2013 there were neither changes in accounting policies nor any other events justifying such changes. Eu-LISA's accounts are prepared based on accrual accounting.

#### 6.3.5 Post balance sheet events

No significant post balance sheet event occurred between 31 December 2013 (balance sheet date) and the date of submission of the final accounts.

#### 6.3.6 Details on Contingencies and Other Significant Disclosures

Services in kind	Estimated amount for 2013 :	End date
Free use of office building in Tallinn offered by the host State	289,450.62	31/08/2017

Estimation is based on office area of 1.443,5 m<sup>2</sup>. Estonia as host state offered rent-free use of the headquarters offices until 31/08/2017 with possible extension in case the final premises are not yet made available to the Agency.

Description	31.12.2012
Security contract	159,185.76
GSM	62,104.16
Parking	33,000.00
Total	254,289.92

eu-Lisa has long term/multi-annual contractual commitments outstanding at year end 2013 in the amount of 254,289.92 €, as shown in the above table for future funding. The remaining budgetary commitments are renewed in ABAC on a yearly basis.

#### 6.3.7 Related party disclosures

The highest staff grade at present at the Agency is AD14. There is one employee belonging to this grade. There is no loan provided to this employee on preferential rate.

## 6.4 Notes to the Statement of financial performance

### 6.4.1 Operating revenues

#### Total operating revenues

The total amount of operating revenues is split as follows:

Description	Amounts in EUR
Other Income Fixed Assets	8,834,403.61
Subsidy of Commission (PF)	22,631,692.29
Realized exchange rate gains	27.76
<b>Total</b>	<b>31,466,123.66</b>

The fixed assets related revenue is entirely due to the fixed assets which were migrated to eu-LISA by DG Home and the French State (recorded as donation). Please see explanation "Material transfer of tangible & intangible fixed assets received from other consolidated entities & third party (donation) – Note 3" for further details.

The subsidy of the commission is split as follows:

Description	Amount in EUR
Given PF migrated	105,014.80
C8 COM migrated	3,526,677.49
PF accrual	19,000,000.00
<b>Total</b>	<b>22,631,692.29</b>

Accrued income in the amount of 19 million EUR equals the amount established in the budget outturn account as being eligible for clearing from Commission subsidy recorded as pre-financing during the year.

### 6.4.2 Administrative Expenses

#### Staff expenses

The amount of 6.126.705.48 € is split per GL account as follows:

Staff Costs	3,568,465.95
Social Security	334,567.92
Staff perquisites & social activities	25,711.27
Allowances (non-SNE)	2,173,884.26
Allowances – Seconded National Experts (SNE)	24,076.08

Staff expenses show expenses incurred by the Agency from the financial autonomy until the balance sheet date. Prior financial independence expenses are recorded by DG Home directly. Currently there are 120 employees working for eu-LISA. This number was gradually reached by year end 2013.

### Fixed assets related expenses

Description	Amounts in EUR
Amortization of intangible fixed assets	1,180,984.24
Depreciation of tangible fixed assets	1,147,068.99
Amounts written off	308.00
<b>Total</b>	<b>2,328,361.23</b>

Please also refer to detailed fixed assets movement tables explained as part of Balance sheet/Assets.

### Other administrative expenses

Description	Amounts in EUR
Maint./rent securit Build	1,156,480.46
Op lease exp	33,906.25
Office Supp & maint.	355,921.99
Communicat. & public	126,630.11
Insurance - others	688.69
Car & Transport Exp.	21,711.01
Recruitment costs	131,903.43
Training Costs	111,723.72
Missions	337,473.07
Experts & RelatedExp	451,013.06
IT COSTS OPERATIONAL	484,958.40
OTH.EXT.SERV PROV	1,027,103.29
Exp Consol entities	254,411.19
<b>Total</b>	<b>4,493,924.67</b>

### 6.4.3 Operational Expenses

Description	Amounts in EUR
Agenc.JU operat.act.	10,899,814.51
Loss trade debtors	25.96
Unreal. Exch. Losses	-123.09
Real. Exch Losses	131.11
Provision for liab	112,236.79
<b>Total</b>	<b>11,012,085.28</b>

### 6.4.4 Financial Expenses

81.- € of bank charges were incurred by the Agency during 2013.

# 2013 BUDGET IMPLEMENTATION

## 7. Budgetary Implementation

The budget is the instrument which, for each financial year, forecasts and implements the revenue and expenditure considered necessary for the Agency.

The budget is established and implemented in compliance with the principles of unity, budgetary accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency:

- unity and budget accuracy: all eu-LISA expenditure and revenue must be incorporated in a single budget document must be booked on a budget line and expenditure must not exceed authorized appropriations;
- annuality: the appropriations entered are authorized 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 appropriations);
- 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);
  - 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 appropriations 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 the eu-LISA.

### 7.1 Initial budget and amending budgets

The procedure for the adoption of the 2013 budget of the Agency was carried out under the supervision of the Commission and met the regulatory requirements necessary for the approval of the EU budget.

The Management Board adopted the draft budget of revenue and expenditure for 2013 as part of the draft Work Programme in March 2012. The final Work Programme was adopted during the 3rd meeting of the Management Board at the end of November 2012 together with the 2013 budget. Considering that the Agency's budget shall become final following the final adoption of the general budget of the European Union (Article 32 (10) of the establishing Regulation), and that the 2013 budget was finally adopted on 12 December 2012, the Management Board could only approve the Agency's budget with a suspension clause.

In its 7<sup>th</sup> meeting in November 2013, the Management Board approved the adoption of additional commitment appropriations (28,000,000 EUR) received from DG HOME to cover operational expenditure related to SIS II, and in particular specific contracts to be signed in the first two years of the MWO (Maintenance in Working Order) contract about to be signed.

In addition to that, several budgetary transfers were performed in accordance with Article 23 of the Agency Financial Regulation.

The table below provides an overview of the budgetary evolution during the financial year, reflecting the circumstance of the Agency reaching its financial independence during the financial year. It compares the budget initially voted and partially implemented by DG HOME to appropriations available to the Agency at the end of the year.

Budget title	Commitment appropriations			Payment appropriations	
	Initial budget 2013*	Additional appropriations	Budget as of 31/12/13**	Initial budget 2013*	Budget as of 31/12/13**
Staff Expenditure	14,962,000		7,281,140.00	14,787,000	7,281,140.00
Admin. Exp.	15,138,000		7,996,563.40	9,920,000	7,996,563.40
Operational Exp.	10,900,000	28,000,000	46,067,369.00	9,730,000	19,106,143.00
<b>TOTAL</b>	<b>41,000,000</b>	<b>69,000,000</b>	<b>61,345,072.40</b>	<b>34,437,000</b>	<b>34,383,846.40</b>

\* Budget article 18 02 11 'Agency for the operational management of large-scale IT systems in the area of freedom, security and justice' as per the definitive adoption of the European Union's general budget for the financial year 2013, OJ L 66, 8.3.2013

\*\* Following migration of appropriations from DG HOME and further to budgetary transfers.

## 7.2 Budget Implementation of 2013 appropriations

### 7.2.1 Implementation by DG HOME

Prior to eu-LISA's financial independence on May 22<sup>nd</sup> 2013, the Agency's budget was implemented by DG HOME. The following table summarises budgetary implementation before the Agency's financial independence based on data supplied by DG HOME:

Heading	Commitments	Payments
<b>Title 1: Staff Costs</b>	3,072,232	3,184,963
<b>Title 2: Admin. Exp.</b>	291,641	2,806,001
<b>Title 3: Oper. Exp.</b>	2,466,136	2,918,067
<b>TOTAL</b>	<b>5,830,009</b>	<b>8,909,031</b>

Upon the Agency's reaching its financial independence, a number of migrations activities, consisting of transfers between DG HOME's and the Agency's accounting systems were performed. These transfers comprised both commitment and payment appropriations. Details of the migration are provided in Annex I, also providing a summary of the combined (by DG HOME prior to financial independence and by the Agency) implementation rates.

### 7.2.2 Implementation by eu-LISA

In addition to 2013 appropriations (fund source C1), the Agency received from DG HOME budgetary commitments carried forward from previous years (fund source C8). Overall credits available in 2013 (appropriations for the year and commitments carry forwards from previous years) as well as implementation thereof are presented below, based on execution performed by eu-LISA following financial independence (22 May-31 December 2013) after the migration of appropriations from DG HOME.

Budget Title	Fund Source*	Credit Available Commitments	Committed	% Commit.	Credit Available Payments	Paid	% Payment
Title 1	C1	7,281,140.00	6,791,186.79	93.27%	7,281,140.00	6,141,791.97	84.35%
Title 2	C1	7,996,563.40	7,841,283.72	98.06%	7,996,563.40	1,603,453.44	20.05%
Title 3	C1	46,067,369.00	46,067,369.00	100.00%	19,106,143.00	10,009,371.35	52.39%
	<b>C1</b>	<b>61,345,072.40</b>	<b>60,699,839.51</b>	<b>98.95%</b>	<b>34,383,846.40</b>	<b>17,754,616.76</b>	<b>51.64%</b>
Title 1	C8	1,277,979.53	209,035.97	16.36%	1,277,979.53	209,035.97	16.36%
Title 2	C8	2,248,697.96	1,398,423.85	62.19%	1,398,423.85	689,778.28	49.33%
Title 3**	C8	40,084,570.80	40,084,570.80	100.00%	-	-	-
	<b>C8</b>	<b>43,611,248.29</b>	<b>41,692,030.62</b>	<b>95.60%</b>	<b>2,676,403.38</b>	<b>898,814.25</b>	<b>33.58%</b>
Title 1	C4	874.84			874.84		

\*C1 – appropriations of the 2013 budget (initial budget + amending budget ± transfers); C4 – internal assigned revenue; C8 – automatic carry-forward of commitments (differentiated and non-differentiated) and payment (non-differentiated) appropriations.

\*\*For Title 3, differentiated appropriations carried forward from 2011/12 (C8), consumed payment appropriations for the 2013 year (C1).

## COMMITMENT APPROPRIATIONS BY BUDGETARY CHAPTER

RUNNING COSTS		Credit Available	Total Implemented	% Committed
11	Salaries & allowances	5,654,156.00	5,433,485.21	96.10%
12	Expenditure relating to Staff recruitment	599,823.00	585,662.26	97.64%
13	Mission expenses	400,000.00	400,000.00	100.00%
14	Socio-medical infrastructure	180,000.00	56,459.78	31.37%
15	Training	229,161.00	168,519.18	73.54%
16	External Services	168,000.00	132,060.36	78.61%
17	Receptions and events	50,000.00	15,000.00	30.00%
<b>TOTAL TITLE I</b>		<b>7,281,140.00</b>	<b>6,791,186.79</b>	<b>93.27%</b>
20	Rental of buildings and associated costs	5,095,124.60	5,071,435.92	99.54%
21	Information and communication technology	1,733,000.00	1,719,780.09	99.24%
22	Movable property and associated costs	62,079.40	44,390.96	71.51%
23	Current administrative expenditure	16,000.00	14,844.66	92.78%
24	Postage / Telecommunications	297,700.00	203,700.00	68.42%
25	Meeting expenses	308,000.00	305,544.96	99.20%
26	Information and publishing	354,800.00	351,727.73	99.13%
27	External support services	129,859.40	129,859.40	100.00%
<b>TOTAL TITLE II</b>		<b>7,996,563.40</b>	<b>7,841,283.72</b>	<b>98.06%</b>
<b>TOTALS FOR RUNNING COSTS</b>		<b>15,277,703.40</b>	<b>14,632,470.51</b>	<b>95.78%</b>

OPERATIONAL COSTS		Credit Available	Total Implemented	% Committed
30	SIS II	30,010,093.10	30,010,093.10	100.00%
31	VIS	8,770,071.90	8,770,071.90	100.00%
32	EDAC	6,876,854.00	6,876,854.00	100.00%
33	Comm Infrastructure	0.00	0.00	
35	Studies and Consult	410,350.00	410,350.00	100.00%
<b>TOTALS FOR OPERATIONAL EXPENDITURE</b>		<b>46,067,369.00</b>	<b>46,067,369.00</b>	<b>100.00%</b>



## PAYMENT APPROPRIATIONS BY BUDGETARY CHAPTER

RUNNING COSTS		Credit Available	Total Implemented	% Committed
11	Salaries & allowances	5,654,156.00	5,415,051.45	95.77%
12	Expenditure relating to Staff recruitment	599,823.00	295,939.26	49.34%
13	Mission expenses	400,000.00	314,906.92	78.73%
14	Socio-medical infrastructure	180,000.00	19,419.39	10.79%
15	Training	229,161.00	9,217.40	4.02%
16	External Services	168,000.00	80,122.65	47.69%
17	Receptions and events	50,000.00	7,134.90	14.27%
<b>TOTAL TITLE I</b>		<b>7,281,140.00</b>	<b>6,141,791.97</b>	<b>84.35%</b>
20	Rental of buildings and associated costs	5,095,124.60	863,192.08	16.94%
21	Information and communication technology	1,733,000.00	462,884.23	26.71%
22	Movable property and associated costs	62,079.40	21,648.73	34.87%
23	Current administrative expenditure	16,000.00	4,805.78	30.04%
24	Postage / Telecommunications	297,700.00	2,440.29	0.82%
25	Meeting expenses	308,000.00	66,607.40	21.63%
26	Information and publishing	354,800.00	58,473.96	16.48%
27	External support services	129,859.40	123,400.97	95.03%
<b>TOTAL TITLE II</b>		<b>7,996,563.40</b>	<b>1,603,453.44</b>	<b>20.05%</b>
<b>TOTALS FOR RUNNING COSTS</b>		<b>15,277,703.40</b>	<b>7,745,245.41</b>	<b>50.70%</b>

OPERATIONAL COSTS		Credit Available	Total Implemented	% Committed
30	SIS II	870,609.40	836,741.85	96.11%
31	VIS	15,003,700.19	9,084,464.29	60.55%
32	EDAC	3,135,819.81	88,165.21	2.81%
33	Comm Infrastructure	0.00	0.00	0.00%
35	Studies and Consult	96,013.60	0.00	0.00%
<b>TOTALS FOR OPERATIONAL EXPENDITURE</b>		<b>19,106,143.00</b>	<b>10,009,371.35</b>	<b>52.39%</b>

### 7.2.3 Comments

The difference between the budgeted and actual implementation of appropriations is mainly due to the following elements:

#### Title 1: Staff:

The highest level of expenditure in Title 1 was recorded for salary of the staff, recruitment costs, and missions.

## **Title 2: Buildings, equipment and miscellaneous operating expenditure:**

The highest level of commitments was used for premises, covering rental costs (for Austria), and all running costs, construction projects and corporate security costs for all premises. The lower level of payments in comparison to committed appropriations is due to the fact that the commitments were done to cover contractual obligations in 2013 and 2014.

## **Title 3: Operations:**

Available in 2013 commitment appropriations (C1) were used in full (100%) for the following core operational activities:

- Global commitment L1: 25,000,000 EUR for SIS II MWO; Individual commitments L2 to be signed during 2014 upon implementation of specific contracts with the new contractor.
- Individual commitment L2: 1,675,586 EUR for extension of warranty and basic maintenance of SISII.
- Global commitment L1: 3,334,507 EUR for the extension of current maintenance for SISII awarded 06/12/2013; Individual commitment L2 to be signed in January 2014, upon expiration of compulsory stand-still period.
- Global commitment L1: 2,000,000 EUR for Specific Contract No 10 for VIS MWO; Individual commitments L2 to be signed in the first quarter of 2014 upon finalisation of Work Orders.
- Global commitment L1: 6,770,072 EUR for BMS Evolution; Individual commitment L2 to be signed in the course of 2014.
- Global Commitment L1: 3,500,000 EUR for recast; Individual commitment L2 to be signed in the course of the year upon finalisation of on-going procurement procedure.
- Individual commitment L2: 3,326,854 for EURODAC clone.

Taking into account the time of signing of the above contract as well as the fact that appropriations in Title 3 are differentiated (they can be used in multiannual projects), only a low proportion of commitment appropriations (836,742 EUR for SISII) were utilised with the payments. The rest of 2013 appropriations from Title 3 will be utilised in 2014 and 2015 to address planned projects related to maintenance and evolution of the systems under management of the agency.

## 7.2.4 Open commitments from the 2013 budget carried forward into 2014

### COMMITMENTS FROM 2013 CARRIED FORWARD TO 2014

BUDGET POSITION	DESCRIPTION	Open Commitments from 2013 carried over to 2014 & to be consumed at the latest by 31/12/2014	Payments done beginning of 2014	To be paid or decommitted in 2014
CHAP AO11	STAFF EXPENDITURE	204,723.00	0	204,723.00
CHAP AO12	STAFF RECRUITMENT	85,000.00	9,562.45	75,437.55
CHAP AO13	MISISON EXPENSES	21,383.11	13,724.43	7,658.68
CHAP AO14	SOCIO-MEDICAL INFR	44,905.49	10,175.61	34,729.88
CHAP AO15	TRAINING FOR STAFF	159,301.78	45,421.36	113,880.42
CHAP AO20	EXPENDITURES FOR PREMISES	3,184,720.01	392,676.84	2,792,043.17
CHAP AO21	CORP IT AND TELECOM	1,442,081.56	310,191.07	1,131,890.49
CHAP AO22	MOVABLE PROPERTY ASS COSTS	22,742.23	11,242.83	11,499.40
CHAP AO23	CURRENT ADMIN EXPENDITURE	10,038.88	7,485.53	2,553.35
CHAP AO24	MAIL	16,074.01	307.23	15,766.78
CHAP AO25	MANAGEMENT BOARD EXPENDITURE	55,921.65	47,764.60	8,157.05
CHAP AO26	INFORMATION AND PUBLICATION	293,253.77	1,645.00	291,608.77
CHAP AO27	EXTERNAL SUPPORT SERVICES	58,396.14	16,674.14	41,722.00
CHAP A028	CORPORATE SECURITY	1,023,523.83	3,051.60	1,020,472.23
<b>Total of 2013 to 2014 on administrative expenditure</b>		<b>6,621,146.46</b>	<b>869,922.69</b>	<b>5,751,223.77</b>
CHAP B031	SIS II	29,173,351.25	0.00	29,173,351.25
CHAP B032	VIS/ BMS MWO	35,905,955.57	0.00	35,905,955.57
CHAP B033	EURODAC	10,652,911.63	0.00	10,652,911.63
CHAP B036	EXT SUPP TO CORE	410,350.00	0.00	410,350.00
<b>Total of 2013 to 2014 on operational expenditure</b>		<b>76,142,568.45</b>	<b>0.00</b>	<b>76,142,568.45</b>
<b>Grand Total of 2013 to 2014</b>		<b>82,763,714.91</b>	<b>869,922.69</b>	<b>81,893,792.22</b>

**Status of global commitments (L 1) by eu-LISA for future funding including individual commitments (L2) done in 2014**

PROJECT NAME	Budget Line	L1 amount	Committed on L2	Available for new L2
EU-LISA JAI-C3-2003-01 AM 31 SIS II MAINTENANCE EXTENSION	LISA-B2014-B03100-C8-LISA	3,334,507.00	3,184,508.63	149,998.37
MWO SIS II HOME-C2-2012-09	LISA-B2014-B03100-C8-LISA	25,000,000.00	1,696,570.32	23,303,429.68
VIS/BMS EVOLUTION	LISA-B2014-B03200-C8-LISA	6,759,235.00	0.00	6,759,235.00
SC10 HOME-C2-2011-03 VIS	LISA-B2014-B03200-C8-LISA	2,000,000.00	1,886,836.06	113,163.94
EURODAC RECAST	LISA-B2014-B03300-C8-LISA	3,500,000.00	0.00	3,500,000.00

**Status of global commitments (L 1) by DG HOME for future funding including individual commitments (L2) done in 2014**

PROJECT NAME	Budget Line	L1 amount	Committed on L2	Available for new L2
HOME/2012/VIS1/1000	LISA-B2014-B03200-C8-LISA	22,955,522.19	22,955,522.19	0.00
HOME/2012/EDAC/WP/1000 - EURODAC 2012 WORK PROGRAMME*	LISA-B2014-B03300-C8-LISA	499,345.68	0.00	-
EU-LISA SPLIT TITLE 3	LISA-B2014-B03300-C8-LISA	29,748.50	6,498.50	23,250.00
EU-LISA SPLIT TITLE 1&2*	C9 BUDGETLINES	1,466,655.08	616,380.97	-
EU-LISA/2012/VIS	LISA-B2014-B03200-C8-LISA	343,618.58	0.00	343,618.58

\* To be decommitted

## 7.3 Budget Outturn Account 2013

The Outturn for the financial year corresponds to the total PF revenues actually cashed minus the total payments incurred during the year 2013 (cashed and appropriations carried over). minus previous year's unused payment appropriations migrated from DG Home.

			2013
<b>REVENUE</b>			
	Balancing Commission subsidy	+	19,000,000.00
	Other subsidy from Commission (Phare. IPA...)	+	
	Fee income	+	
	Other income	+	
<b>TOTAL REVENUE (a)</b>			<b>19,000,000.00</b>
<b>EXPENDITURE</b>			
<i>Title I: Staff</i>			
	Payments	-	6,141,791.97
	Appropriations carried over	-	516,188.22
<i>Title II: Administrative Expenses</i>			
	Payments	-	1,603,453.44
	Appropriations carried over	-	6,105,833.08
<i>Title III: Operating Expenditure</i>			
	Payments	-	10,009,371.35
	Appropriations carried over	-	0.00
<b>TOTAL EXPENDITURE (b)</b>			<b>24,376,638.06</b>
<b>OUTTURN FOR THE FINANCIAL YEAR (a-b)</b>			<b>-5,376,638.06</b>
	Cancellation of unused payment appropriations carried over from previous year	+	2,627,863.24
	Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from ass. Rev	+	0,00
	Exchange differences for the year (gain +/- loss -)	+/-	19.74
<b>BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR</b>			<b>-2,748,755.08</b>
	Balance year N-1	+/-	0,00
	Positive balance from year N-1 reimbursed in year N to the Commission	-	0,00
<b>Result used for determining amounts in general accounting</b>			<b>-2,748,755.08</b>
Commission subsidy - agency registers accrued revenue and Commission accrued expense			19,000,000.00
Pre-financing remaining open to be reimbursed by agency to Commission in year N+1			0.00

Not included in the budget outturn:

Interest generated by 31/12/2013 on the Commission balancing subsidy	+	24,014.19
--	---	-----------

For the 2013 financial year, the balance of the budget outturn amounts to -2,748,755.08 €.

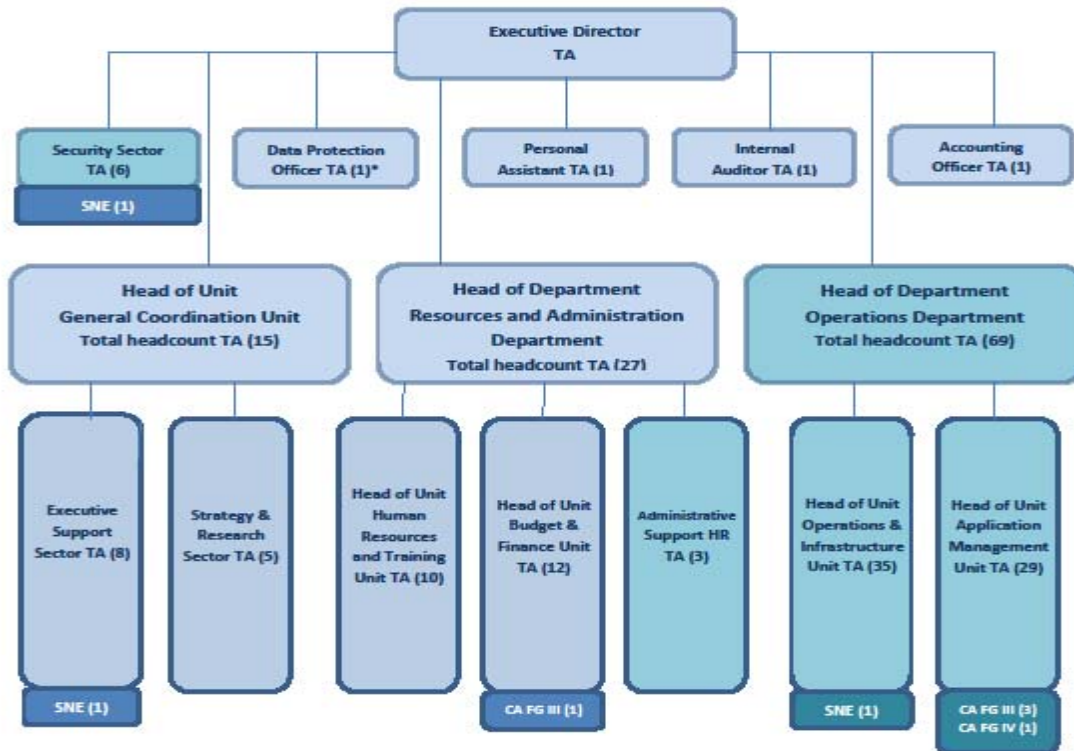
During 2013, a total of 24,014.19 € was received as interest generated on the pre-financing subsidy of the Commission, which is due to the Commission.

## 7.4 Reconciliation between budgetary and accrual based accounts (EUR)

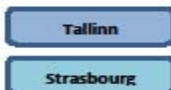
	sign +/-	amount
<b>Economic result (+ for surplus and - for deficit) of the consolidation reporting package including table M2</b>	<b>+/-</b>	<b>5,880,178.26</b>
<i>Adjustment for accrual items (items not in the budgetary result but included in the economic result)</i>		
<b>A</b> Adjustments for Accrual Cut-off (reversal 31.12.2012)	-	0.00
<b>B</b> Adjustments for Accrual Cut-off (cut- off 31.12.2013 )	+	4,683,376.79
<b>C</b> Amount from liaison account with Commission booked in the Economic Outturn Account	-	-22,631,692.29
<b>D</b> Unpaid invoices at year end but booked in charges (class 6)	+	3,747.60
<b>E</b> Depreciation of intangible and tangible assets (1)	+	2,328,361.23
<b>F</b> Provisions (1)	+	112,236.79
<b>G</b> Value reductions (1)	+	0.00
<b>H</b> Recovery Orders issued in in class 7 and not yet cashed	-	0.00
<b>la</b> Prefinancing given in previous year and cleared in the year	+	0.00
<b>lb</b> Prefinancing received in previous year and cleared in the year	-	0.00
<b>J</b> Payments made from carry over of payment appropriations	+	898,814.25
<b>K</b> Other *)	+/-	-8,834,403.61
<i>Adjustment for budgetary items (item included in the budgetary result but not in the economic result)</i>		
<b>M</b> Asset acquisitions (less unpaid amounts)	-	-299,355.80
<b>N</b> New pre-financing paid in the year and remaining open as at 31.12.	-	0.00
<b>O</b> New pre-financing received in the year and remaining open as at. 31.12.	+	19,000,000.00
<b>P</b> Budgetary recovery orders issued before and cashed in the year	+	0.00
<b>Q</b> Budgetary recovery orders issued in on balance sheet accounts (not 7 or 6 accounts) and cashed	+	0.00
<b>R</b> Capital payments on financial leasing (they are budgetary payments but not in the economic result)	-	0.00
<b>S</b> Payment appropriations carried over to 2014	-	-6,622,021.30
<b>T</b> Cancellation of unused carried over payment appropriations from previous year	+	2,627,863.24
<b>U</b> Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	+	
<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)	-	0.00
<b>X</b> Other **)	+/-	105,014.80
<b>total</b>		<b>-2,747,880.04</b>
<b>Budgetary result (+ for surplus) (2)</b>		<b>-2,748,755.08</b>
Delta not explained		875.04

## 7.5 Establishment plan 2013

### European Agency for operational management of large-scale IT systems in the area of freedom, security and justice - eu-LISA as of 01.01.2014



Colour scheme:



\*Will join the Agency on 16 March 2014

In 2013, the Establishment plan of the Agency saw an increase of the staff count from 75 (as of 1.1.2013) to 120 Temporary Agents (TA), 6 Contract Agents (CA) and 6 Seconded National Experts (SNE).

As of 31.12.2013 all 120 Temporary Agents have been recruited; the Data Protection Officer (AD 10) is scheduled to join the Agency on 16 March 2014.

All 6 Contract Agents (three posts FGIII and three posts FGIV) have been recruited. Vacancy announcements for all 5 out of 6 Seconded National Experts (SNEs) were advertised, and candidates selected. Although due to reasons outside the control of the agency, two of the selected candidates decided to not join the Agency. Three SNEs took

posts in the Agency (two in Tallinn and three in Strasbourg).

## 8. Validation of accounting systems by the Accounting Officer

As requested by article 43, paragraph 1, e) of the Financial Regulation of the European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (hereinafter "eu-LISA FR"), the Accounting Officer shall be responsible for laying down and validating the accounting systems, including IT-based payment systems.

According to article 84 of the eu-LISA FR, the accounts shall consist of general accounts and budgetary accounts.

### Accounting Systems

As stipulated in the *Agreement for the provision of services in relation to the implementation of the ABAC System between The European Community, Directorate-General for Budget, and the European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice* (hereinafter "Service Level Agreement – SLA"), the Agency will use the ABAC system to create and validate budgetary and financial transactions, and to introduce requests for validation of Legal Entity (LE) and Bank Account (BA) records.

ABAC is an integrated system allowing for the execution and monitoring of all budgetary and accounting operations by the Agency; it contains the following modules:

- ABAC Accounting,
- ABAC Workflow,
- ABAC Contract,
- ABAC Assets,
- ABAC Data Warehouse (DWH).

The Agency does not operate additional own sub-systems, tailored to specific operational needs and/or exchanging data with ABAC for the time being. Accordingly, there is no need for a separate validation.

Based on that, it can be reasonably established that eu-LISA's accounting system is a safe, documented, comprehensive and compliant budgetary and general ledger accounting system, according to article 84 of the eu-LISA FR. With regard to article 43, paragraph 1, e) of the eu-LISA FR, the accounting system in its to date set-up was validated by written procedure on 07/0/2013. Any modification will be subject of a new evaluation.



# ANNEX I – Integrated overview of eu-LISA budget implementation (DG HOME and eu-LISA)

COMMITMENT APPROPRIATIONS 2013 (in euros)														
Initial budget	Amending Budget	Initial budget incl.modif.	Budget directly implemented by DG HOME before migration**	Com appropriations made available to eu-LISA	Com appropriations made available to eu-LISA incl AB*	Correction C1 transfers**	Decommitments DG HOME***	Budget directly implemented by DG HOME incl. corrections	Final appropriations available in eu-LISA*	Commitment appropriations available in DG HOME	Commitment appropriations available in DG HOME and eu-LISA	Total Implementation	Overall Implementation rate	
1	2	3=1+2	4	5=1-4	6=3-4	7	8	9=4-7-8	10=6	11=7+8	12=10+11	13	14=9+13	15=14/3
41,000,000	28,000,000	69,000,000	7,654,928	33,345,072	61,345,072	-1,136,906	-688,013	5,830,009	61,345,072	1,824,919	63,169,991	60,699,840	66,529,849	96.42%

PAYMENT APPROPRIATIONS 2013 (in euros)										
Initial budget	Modification (CA=PA for T1/T2)****	Initial budget incl.modifications	Payment appropriations remaining in DG HOME to cover outstanding commitments*****	Payment appropriations made available to eu-LISA*	Payments DG HOME before migration	Payments DG HOME after migration	Total Payments made by DG HOME	Payments made by eu-LISA	Total Payments	Overall Implementation rate
1	2	3=1+2	4	5=4-3	6	7	8=6+7	9	10=8+9	11=10/3
34,437,000	5,393,000	39,830,000	5,446,154	34,383,846	4,247,226	4,661,805	8,909,031	17,754,617	26,663,647	66.94%

\* corresponds to appropriations in ABAC for eu-LISA

\*\* Commitments transferred to eu-LISA were erroneously counted as implemented by DG HOME and deducted from available budget

\*\*\* Amounts decommitted by DG HOME became available as commitment budget in DG HOME and were not transferred to eu-LISA

\*\*\*\* Non-differentiated appropriations in titles 1 and 2 have been aligned to commitment appropriations during the migration

\*\*\*\*\* Implementation corresponds to commitments for non-differentiated appropriations (titles 1 and 2) and to payment appropriations for differentiated appropriations (title 3), not transferred to eu-LISA