



Final Annual Accounts 2010 of the European Centre for Disease Prevention and Control

Sixth Financial Year – 2010

Stockholm, June 10th 2011



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1. Final Annual Accounts – Certification

The annual accounts of the European Centre for Disease Prevention and Control for the year 2010 have been prepared in accordance with the Financial Regulation applicable to the general budget of the European Union and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions, agencies and joint undertakings.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European Centre for Disease Prevention and Control in accordance with art 61 of the Financial Regulation.

I have obtained from the authorising officer, who certified its reliability, all the information necessary for the production of the accounts that show the European Centre for Disease Prevention and Control's assets and liabilities and the budgetary implementation.

I hereby certify that based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present a true and fair view of the financial position of the European Centre for Disease Prevention and Control in all material aspects .

Stockholm, June 10th 2011

A handwritten signature in blue ink, which appears to read 'A. Van Brabant', is enclosed in a rectangular box.

Van Brabant Anja
Accounting Officer of ECDC

2. Annual Accounts – Presentation

The annual accounts of the European Centre for Disease Prevention and Control include the financial statements and the report on implementation of the budget. They are accompanied by the report on budget and financial management during the year.

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

The objectives of financial statements are to provide information about the financial position, performance and cash flows of an entity that is useful to a wide range of users. For a public sector entity such as the European Centre for Disease Prevention and Control, the objectives are more specifically to provide information useful for decision making, and to demonstrate the accountability of the entity for the resources entrusted to it.

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

The accounting system of the European Centre for Disease Prevention and Control comprises budget accounts and general accounts. These accounts are kept in euro on the basis of the calendar year. The budget accounts give a detailed picture of the implementation of the budget. They are based on the modified cash accounting principle.¹ The general accounts allow for the preparation of the financial statements as they show all revenues and expenses for the financial year and are designed to establish the financial position in the form of a balance sheet at 31 December.

The annual accounts are drawn up in accordance with Article 76 of the Financial Regulation of the European Centre for Disease Prevention and Control adopted by the Management Board on 18 November 2008.

According to Article 82 of the Financial Regulation, the Centre's accounting officer shall send to the Commission's accounting officer by no later than 1 March of the following year its Final accounts, together with the report on budgetary and financial management during the year. The 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 31 October of the following year in accordance with Article 83 of the Financial Regulation.

¹ This differs from cash-based accounting because of elements such as carryovers.

3. Accounting principles, rules and methods

The Annual Accounts of the Centre have been prepared according to Article 78 of the Financial Regulation which sets out the following 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.

and according to the accounting rules and methods adopted by the Commissions' Accounting Officer (Article 43d of the Financial Regulation)

Reporting Currency

The Centre's reporting currency is the Euro

Transactions and balances

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

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

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

Intangible fixed assets & Internally Developed

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

The Accounting Officer of the European Commission had granted a temporary exception with respect to the introduction of the International Public Sector Accounting Standards (IPSAS) based EC rules. One of these exceptions related to Accounting Rule n°6 and the non-capitalisation of internally developed intangible assets, normally software. From 2010 onwards, the exception has been lifted and as a consequence, the annual accounts have to reflect the capitalisation of internally developed intangible fixed assets in accordance with the rules laid down. From an accounting perspective there are only three phases to an IT Project: a Research phase, a Development phase and an Operational phase. Under the accounting rule, only the development phase can be capitalised and recorded as Assets under construction. Once the project goes live, the resulting asset (the development cost) will be amortised over its useful life which means the costs will be spread over several years. The

depreciation rates should range between 3 and 8 years. The amount of research expenses incurred on IT projects and development costs not capitalised are disclosed in these annual accounts 2010 as required. In addition to the criteria which an intangible asset should meet, also a threshold had to be set for the total estimated development cost of an IT project. The threshold for ECDC was set at € 150 thousand.

The application of accounting rule n° 6 in the annual accounts of 2010 increases the transparency related to the Centre's internally developed intangible fixed assets in particular its internally developed IT projects (for example GIS, EPIS, VBORNET, MoSu, and others)

Tangible fixed assets

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

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

Type of Asset	Depreciation Rate
Intangible assets	25%
Plant, machinery and equipment	10% to 25%
Furniture & Vehicles	10% to 25%
Fixtures and fittings	10% to 33%
Computer hardware	25%

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

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.

Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested regularly for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised 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.

Receivables

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

Cash & cash equivalents

Cash and cash equivalents include bank accounts and one imprest account.

Use of estimates

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

4. Financial Statements

4.1. Balance Sheet

<u>Balance Sheet</u>	<i>Notes</i>	<i>As at Dec. 31, 2010</i>	<i>As at Dec. 31, 2009</i>
		<i>(All amounts in €)</i>	
Assets			
A. Non Current Assets			
Intangible Assets	4.5.1	574.044,59	461.637,33
Intangible fixed assets under construction	4.5.1	1.123.945,52	0,00
Tangible Fixed Assets	4.5.2	2.703.249,22	2.716.185,39
Total Assets		4.401.239,33	3.177.822,27
Total Non Current Assets		4.401.239,33	3.177.822,27
B. Current Assets			
Prefinancing	4.5.3	226.665,00	106.884,00
Stocks	4.5.4	42.813,39	41.214,26
Short Term Receivables	4.5.5	541.489,99	732.425,52
Accrued Income	4.5.6	216.905,78	0,00
Deferred Charges	4.5.6	339.255,13	233.362,60
Cash and Cash equivalents	4.5.7	10.082.951,48	21.448.673,75
Total Current Assets		11.450.080,77	22.562.560,58
Total Assets		15.851.320,10	25.740.382,85

Liabilities
A. Capital

Accumulated surplus	4.4	16.276.578,46	14.784.828,52
Economic result of the year	4.4	(7.069.402,30)	1.491.749,94
Total Capital		9.207.176,16	16.276.578,46

B. Non Current Liabilities

Long term Provisions	4.5.8	0,00	122.000,00
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C. Current Liabilities

Accounts Payable	4.5.9	1.632.073,48	1.232.966,22
Pre-financing to be returned to the Commission	4.5.10	0,00	2.630.368,32
Open Pre-financing from Grants	4.5.10	439.044,78	175.891,72
Deferrals & Accruals	4.5.11	4.573.025,68	5.302.578,13
		6.644.143,94	9.341.804,39

Total Liabilities

	15.851.320,10	25.740.382,85
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4.2. Economic Outturn Account

		2010	2009
		<i>(All amounts in €)</i>	
Operating Revenue	4.5.12	48.443.126,86	46.160.818,63
Administrative Expenses	4.5.13	(34.854.881,20)	(24.856.615,78)
<i>Staff related expenses</i>	4.5.13	<i>(20.611.241,71)</i>	<i>(15.688.576,15)</i>
<i>Depreciation/Amortisation/Write-off</i>	4.5.13	<i>(1.162.810,80)</i>	<i>(965.903,22)</i>
<i>Other Administrative Expenses</i>	4.5.13	<i>(13.080.828,69)</i>	<i>(8.202.136,41)</i>
Operational Expenses	4.5.14	(19.452.124,62)	(20.416.581,10)
Surplus from Administrative & Operating Activities		(5.863.878,96)	887.621,75
Financial revenues	4.5.15	0,00	39,82
Financial Expenses	4.5.15	(19.426,44)	(20.561,68)
Currency Exchange Gains/(Losses)	4.5.16	(1.186.096,90)	624.650,05
Economic Result for the Year		(7.069.402,30)	1.491.749,94

4.3. Cash Flow Statement

	2010	2009
Cash Flows from ordinary activities		
Surplus/(deficit) from ordinary activities	(7.069.402,30)	1.491.749,94
Operating activities		
<u>Adjustments</u>		
Amortisation (intangible fixed assets)	221.741,77	166.369,56
Depreciation (tangible fixed assets)	928.723,27	799.533,66
Increase/(decrease) in Provisions for risks and liabilities	(122.000,00)	122.000,00
Increase/(decrease) in Value reduction for doubtful debts	(2.973,54)	2.973,54
(Increase)/decrease in Stock	(1.599,13)	65.835,40
(Increase)/decrease in Long term Pre-financing	0,00	0,00
(Increase)/decrease in Short term Pre-financing	(119.781,00)	(106.884,00)
(Increase)/decrease in Short term Receivables	(328.551,63)	(202.122,49)
(Increase)/decrease in Receivables related to consolidated EU entities	(372,03)	(205.470,63)
Increase/(decrease) in Accounts payable	(350.821,45)	1.469.918,86
Increase/(decrease) in Liabilities related to consolidated EU entities	(2.163.729,86)	2.173.227,14
Other non-cash movements	29.251,05	0,00
<i>Net cash Flow from operating activities</i>	(8.979.514,85)	5.690.510,19
Cash Flows from investing activities		
Increase of tangible and intangible fixed assets	(2.386.207,42)	(1.033.548,18)
<i>Net cash flow from investing activities</i>	(2.386.207,42)	(1.033.548,18)
Net increase/(decrease) in cash and cash equivalents	(11.365.722,27)	4.656.962,01
<i>Cash and cash equivalents at the beginning of the period</i>	21.448.673,75	16.705.090,95
<i>Cash and cash equivalents at the end of the period</i>	10.082.951,48	21.448.673,75

4.4. Statement of Changes in Capital

Capital (All amounts in €)	Reserves		Accumulated Surplus / Deficit	Economic result of the year	Total Capital
	Fair value reserve	Other reserves			
Balance as of 1 January 2010	0,00	0,00	14.784.828,52	1.491.749,94	16.276.578,46
Other revaluations	0,00	0,00	0,00	0,00	0,00
Reclassifications	0,00	0,00	0,00	0,00	0,00
Allocation of the Economic Result of Previous Year	0,00	0,00	1.491.749,94	(1.491.749,94)	0,00
Economic result of the year	0,00	0,00	0,00	(7.069.402,30)	(7.069.402,30)
Balance as of 31 December 2010	0,00	0,00	16.276.578,46	(7.069.402,30)	9.207.176,16

4.5. Notes to the Financial Statements

4.5.1. Intangible Assets

All amounts in €

	Internally generated Computer Software	Other Computer Software	Total Computer Software	Other Intangible fixed assets (1)	Intangible fixed assets under construction	Total
Gross carrying amounts 01.01.2010	0,00	822.434,48	822.434,48	00,0	0,00	822.434,48
Additions		334.149,03	334.149,03		1.123.945,52	1.458.094,55
Disposals						
Transfer between headings						
Other changes						
Gross carrying amounts 31.12.2010	0,00	1.156.583,51	1.156.583,51	0,00	1.123.945,52	2.280.529,03
Accumulated amortisation and impairment 01.01.2010		(360.797,15)	(360.797,15)			(360.797,15)
Amortisation		(221.741,77)	(221.741,77)			(221.741,77)
Write-back of amortisation						
Disposals						
Accumulated amortisation 31.12.2010		(582.538,92)	(582.538,92)			(582.538,92)
Net carrying amounts 31.12.2010	0,00	574.044,59	574.044,59	0,00	1.123.945,52	1.697.990,11

Not capitalised cost	Research cost	Not capitalised development cost *
Cost of the year 2010	724.860,48	1.377.744,09

* Including yearly amortisation on the capitalised Intangible Internally generated

4.5.2. Fixed Assets

All amounts in €

	Buildings	Plant and Equipment	Computer hardware	Furniture and vehicles	Tangible Fixed Assets under Construction	Total
Gross carrying amounts 01.01.2010	990.246,29	900.827,49	2.014.792,33	669.729,13	0,00	4.575.595,24
Additions	7.049,51	110.279,63	756.558,90	54.224,83		928.112,87
Disposals		(40.957,08)	(120.536,26)			161.493,34
Transfer between headings						0,00
Other changes				20,00		20,00
Gross carrying amounts 31.12.2010	997.295,80	970.150,04	2.650.814,97	723.973,96	0,00	5.342.234,77
Accumulated depreciation 01.01.2010	(188.626,37)	(486.191,24)	(959.185,98)	(225.406,26)	0,00	(1.859.409,85)
Depreciation	(100.714,85)	(235.906,21)	(525.583,22)	(66.518,99)		(928.723,27)
Write-back of depreciation						0,00
Disposals		37.544,10	111.603,47			149.147,57
Impairment						0,00
Write-back of impairment						0,00
Transfer between headings						0,00
Other changes						0,00
Accumulated depreciation 31.12.2010	(289.341,22)	(684.553,35)	(1.373.165,73)	(291.925,25)	0,00	(2.638.985,55)
Net carrying amounts 31.12.2010	707.954,58	285.596,69	1.277.649,24	432.048,71	0,00	2.703.249,22

4.5.3. Pre-financing

The Centre has signed grant agreements with several Health Institutions and Universities of EU member states in relation to its activities. Pre-financing payments in relation to those grants are reported as receivables and cleared after the agreed deliverables and corresponding costs statements are submitted by the beneficiaries to ECDC. The total amounts of Pre-financing paid (but not cleared), accrued and remaining open as, at 31/12/2010 is reported below:

All amounts in €

Non cleared pre-financing at 31/12/2010	761.976,62
Accrued during the year	<u>(535.311,62)</u>
Open pre-financing at 31/12/2010	226.665,00

4.5.4. Stocks

All amounts in €

	01/01/2010	Additions	Disposals	Impairment at year end	31/12/2010
ECDC Publications	41.214,26	100.422,29	(91.152,91)	(7.670,25)	42.813,39
Other	0,00	0,00	(0,00)	0,00	0,00
Total	41.214,26	100.422,29	(91.152,91)	(7.670,25)	42.813,39

4.5.5. Short term Receivables

Short term receivables relate to the following:

All amounts in €

	31/12/2010	31/12/2009
VAT Receivable from Member States (Sweden)	499.383,68	424.330,13
Receivable from other EU institutions and bodies	14.075,91	213.738,30
Receivable from Staff	27.030,40	78.895,60
Other	1.000,00	15.461,49
Total	541.489,99	732.425,52

Short term receivables comprises mainly of VAT Receivable from the Swedish Authorities. According to the Memorandum of Understanding signed between the Government of Sweden and the Centre, the latter has to file an application of Reimbursement of VAT paid on purchases greater than SEK 1.500 (approx. 167€ at EC year-end rate 2010). The VAT receivable appearing in the accounts relates to invoices paid in the last quarter of 2010. Previous claims during 2010 were already paid back in full.

The amount of € 14 thousand concerns salary related receivables generated by transfer of EU employees from other agencies to ECDC. The amount of € 1 thousand is to be received from an insurance company.

4.5.6. Deferred Charges & Accrued Income

Deferred Charges relate mainly to warranties and maintenance costs in relations to ICT equipment that are paid in advance upon reception of goods but are valid for a period longer than 12 months (usually 3 years). The part not related to 2010 is reported here.

Accrued income relates to the cut-off procedure at year-end for the two grants from DG Enlargement implemented by ECDC.

4.5.7. Cash in Bank and imprest account

The Centre keeps its accounts to SEB bank in Euro and in SEK. The balances as at December 31, 2010 are as follows:

All amounts in €

	31/12/2010	31/12/2009
Acc No 59368289476 (EUR)	9.274.822,80	18.894.827,92
Acc No 59378215971 (EUR)	215.153,38	407,36
Acc No 52011096375 (SEK)	589.724,90	2.550.387,76
Acc No 52011097061 (SEK)	3.250,40	2.895,08
Cash in Hand	0,00	155,63
Total	10.082.951,48	21.448.673,75

The Centre mainly uses the account No 52011096375 to execute its local transactions in SEK while the Euro account No 59368289476 is used for cross border payments and the reception of the Commission subsidy. Account No 59378215971 (EUR) is used to for receiving the funds and execute the payments related to the DG Enlargement grant for the cooperation of the Centre with the Candidate and Potential Candidate countries, while account No 52011097061 is the imprest account of the Centre. No cash has been handled by the Centre in 2010.

4.5.8. Long Term Provisions

In December 2009 the Council decided to amend the Commission's proposal adjusting the salaries of the Staff of the European Union by half. As this decision does not correspond to the rules of the "method" laid down in the Staff Regulations the College of the Commissioners lodged an action for annulment against the Council decision in the European Court of Justice in January 2010.

In December 2010 the Court of Justice issued its decision in favour of the European Commission. The related salaries were paid to all staff at the end of December 2010. Consequently, the provision of 122.000 € has been reversed and the actual cost is reflected in the 2010 accounts.

4.5.9. Accounts Payable

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

	<i>All amounts in €</i>	
	31/12/2010	31/12/2009
Trade debtors	1.484.936,79	1.093.357,00
Interest Income payable to the Commission (1)	27.870,55	47.648,58
Other payables to the Commission	23.917,12	55.783,83
Social Security Contributions & income taxes payable	75.963,07	36.176,81
Sundry Payables	19.385,95	0,00
Total	1.632.073,48	1.232.966,22

(1) see also Note 4.5.15

4.5.10. Pre-financing

Pre-financing to be returned to the EC

In general, the amount represents the positive outturn of the budgetary accounts that according to the financial regulation is to be returned to the Commission.

In 2010, ECDC has a negative budgetary outturn (see also 5.1) and therefore no amount has to be returned to the Commission.

Open pre-financing

An amount of € 439 thousand, which cover expenditure in connection to the two grant agreements with DG Enlargement for actions with the candidate and potential candidate countries

4.5.11. Accrued Expenses & Deferred Income

Accrued expenses are estimates provided by the authorising officers on the cost of services and deliveries of goods incurred during 2010 but not yet invoiced or processed. In addition, the cost of the untaken leave of staff during 2010 is reported here

	<i>All amounts in €</i>	
	31.12.2010	31.12.2009
Untaken annual leave	564.380,00	322.679,90
Accrued charges	4.007.645,68	4.979.898,23
Total	4.572.025,68	5.302.578,13

As deferred income, 1000€ has been booked, to be received from the insurance company.

4.5.12. Revenue

The Centre is almost exclusively financed by the Community Budget together with the EFTA Member States contributing to its budget by approximately 2%.

During 2010, the Centre received an amount of € 14 thousand back from a grant beneficiary, who had to reimburse partially the pre-financing he had received from ECDC in 2008. The amount has been included in the budget tables 2010 in order to be returned to the European Commission.

The Centre is also reporting, as accrued revenue, an amount of € 121 thousand related to the second Grant from DG Enlargement for cooperation with the candidate and potential candidate countries for accession to the Union. The accrued revenue is equal to the expenditures made for Grant 2 during 2010. Related to the first grant agreement, there are still open amounts on the balance sheet as ECDC and DG Enlargement have been unable to find a mutual agreement about the total expenditure made under grant 1.

Below is the breakdown of the revenue for the year:

	<i>All amounts in €</i>	
	2010	2009
Community Subsidy (including EEA contribution)	48.254.334,00	45.986.456,68
DG Enlargement Grant 1	0,00	103.619,67
DG Enlargement Grant 2	120.935,72	16.925,28
Other revenue	14.040,14	53.817,00
Correction to the revenue from 2009 (*)	53.817,00	0,00
Total	48.443.126,86	46.160.818,63

(*) The correction relates to the fact that the Commission Subsidy in 2009 was understated by € 53.817,00

4.5.13. Administrative Expenses

Administrative expenses relate mainly to costs incurred by the daily operations of the Centre and include Staff related costs. The breakdown of the main areas is provided below:

All amounts in €

	2010	2009
Staff related expenses	20.611.241,71	15.688.576,15
Costs related to Seconded National Experts	506.883,89	381.213,76
Mission Expenses	840.588,19	962.894,05
Management Board, Advisory Forum & Administrative Meetings	157.218,40	239.962,63
Rent and Building Costs	3.938.039,76	2.470.077,24
Depreciation/Amortisation/Write-off	1.162.810,80	965.903,22
Recruitment Related Costs	155.300,13	415.079,31
IT costs Research	724.860,48	0,00
IT costs Development	1.377.744,09	0,00
IT costs Operational	2.003.039,09	0,00
Other	3.377.154,66	3.732.909,42
Administrative Expenses – Total	34.854.881,20	24.856.615,78

4.5.14. Operational Expenses

Operational Expenses relate to the activities of the Operational Units and the Director's cabinet and also include the developments in the area of information and communication technology in relation to the operations.

All amounts in €

	2010	2009
Operational Expenses – Total	19.452.124,62	20.416.581,10

4.5.15. Finance Income / Expense

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

In addition the Centre received € 27 thousand of interest income earned on the Community Subsidy that is reported under Note 4.5.9. – Accounts Payable, as according to the Financial Regulation it has to be returned to the Commission.

4.5.16. Exchange rate gains/ losses

The Seat of the Centre is outside of the Euro-zone. As a result a substantial part of its activities is carried out in Swedish crowns while the Centre's income as well as its reporting Currency is Euro. The exchange rate differences encountered in 2010 consist of the revaluation of the Swedish Crown in relation to € at year-end, together with the adjustment of the weighting factor applied to the remuneration of staff employed in Sweden and differences related to the payments made in Swedish Crown as the exchange rate used in our financial system differs from the daily rate used by the bank when the payments are actually made. These three components resulted in exchange rate losses of € 1.186 thousand (versus gains of € 625 thousand in 2009).

4.5.17. Contingent Assets & Liabilities

Contingent Liabilities

As at 31 December 2010, the Centre had agreements with several contractors and suppliers for the amount of € 10.091 thousand. These agreements relate mainly to operational projects and are covered by budgetary Commitments against 2010 appropriations.

4.5.18. Operational Leases

The Centre has a lease agreement with Akademiska Hus AB in order to cover its housing needs. Rental costs for the remaining period to 31/1/2018 reach almost 11.3 million €. In addition the centre has lease agreements for printing and copying equipment that run until June 2011 with an automatic renewal clause unless prior notice is given 3 months in advance.

The payment schedule for the following years is presented below:

All amounts in €

	Charges paid during the year	Charges still to be paid			Total charges to be paid
		<1yr	1-5 yrs	>5 yrs	
Printers/ Copiers	58.641,82	20.615,00			20.615,00
Buildings	1.660.625,87	1.600.000,00	8.000.000,00	1.740.000,00	11.340.000,00
Total	1.719.267,69	1.620.615,00	8.000.000,00	1.740.000,00	11.360.615,00

4.5.19. Related party disclosures

The Centre is managed by the Senior Management Team (SMT) comprised by the Director (Authorising Officer) and the Unit Heads / Acting Unit Heads (Authorising Officers by Delegation). All members are temporary agents of the European Communities in the following grades:

Grade	No of Persons in the Grade
AD14	2
AD12	3
AD11	1
Total	6

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

4.5.20. Pension Obligations

The ECDC's staff are members of the European Communities Pension Scheme which is a defined benefit pension plan.

A defined benefit plan is a pension plan that generally defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age and years of service.

ECDC staff contributed up to 30.06.2010 11,3% of their basic salary to the pension scheme, which increased to 11,6% for the second half of 2010. The cost undertaken by the European Commission is not presented on the ECDC's accounts.

Future benefits payable to ECDC staff under the EC Pension Scheme are accounted for in the accounts of the European Commission and no such provisions are entered in the Centre's accounts.

5. Report to the Budget Implementation

5.1. Budget Execution

All amounts in €

		2010	2009
REVENUE			
	Commission subsidy	48.254.334,00	48.670.642,00
	Grant funds from Commission	360.000,00	0,00
	Other revenue	14.040,14	53.817,00
	TOTAL REVENUE (a)	48.628374,14	48.724.459,00
EXPENDITURE			
	<i>Title I: Staff</i>		
	Payments	24.342.545,98	18.147.520,15
	Appropriations carried over	1.291.875,93	1.069.316,16
	<i>Title II: Administrative Expenses</i>		
	Payments	4.034.681,10	3.586.904,93
	Appropriations carried over	2.079.105,50	2.885.391,96
	<i>Title III: Operating Expenditure</i>		
	Payments	11.520.141,02	8.494.949,73
	Appropriations carried over	12.455.073,27	14.292.388,69
	TOTAL EXPENDITURE (b)	55.723.422,80	48.476.471,62
	OUTTURN FOR THE FINANCIAL YEAR (a-b)	-7.095.048,66	247.987,38
	Cancellation of unused payment appropriations carried over from previous year	1.760.389,89	2.242.671,12
	Adjustment for carry-over from the previous year of appropriations available at 31.12.2010 arising from assigned revenue	175.891,72	139.709,82
	Exchange differences for the year (gain+/loss-)	-19.425,89	0,00
	BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR	-5.178.192,94	2.630.368,32
	Balance 2009	2.630.368,32	147.274,24
	Positive balance from 2009 reimbursed in year 2010 to the Commission	(2.630.368,32)	(147.274,24)
	Result used for determining amounts in general accounting	<u>-5.178.192,94</u>	2.630.368,32
	Commission subsidy (2010 Revenue)	<u>48.254.334,00</u>	
	Pre-financing remaining open to be reimbursed to EC in 2011	0,00	
	Not included in the budget outturn:		
	Interest generated by 31/12/2010 on the Commission subsidy funds and to be reimbursed to the Commission (liability)	27.870,55	47.276,48

5.2. Explanatory notes to the Budget

5.2.1. Income

The initial Budget appropriations for 2010 as voted by the Management board meeting in December 2009 amounted to 57.900 thousand €. During the year the following adjustments were made:

Budget Line		Initial Available Budget	Adjustments	Final Available Budget
2000 IC1	European Community Contribution - Current Year Appropriations	56.302.725,76	(47.725,76)	56.255.000,00
2001 IC4	European Community Contribution - Earmarked funds (Reuse 2008)	147.274,24	(0,00)	147.274,24
200 European Community contribution		56.450.000,00	(47.725,76)	56.402.274,24
3000 IC1	Subsidy from EEA/EFTA member states (% of EU contribution)	1.450.000,00	(32.374,00)	1.417.626,00
300 Subsidy from the EEA/EFTA		1.450.000,00	(32.374,00)	1.417.626,00
Total Revenue 2010		57.900.000,00	(80.099,76)	57.819.900,24
R0 – DG ELARG	European Community Contribution - Earmarked funds	207.183,00	(40.000,00)	167.183,00

The decrease in contributions, as shown in the table above and confirmed by DG SANCO, consists of a decrease of the European Community Contribution 2010 and a decrease of the EEA/EFTA Member States contribution.

The decrease related to the 2nd grant received from DG ELARG reflects the fact that the cumulative funds (2009 & 2010) were received by ECDC up to 80% of the total grant, by receiving 167.183 € on the 21/12/2010, which explains that no new commitments for the implementation of the grant were made throughout 2010.

5.2.2. Expenditure

An overview of the budget implementation (execution on commitments and payments) by fund source is provided below:

Fund Source	Commitment/ Payment Appropriations 2010	Executed Commitment	% Commit- ted	Executed Payment in 2010	% Paid	Carried Over to 2011	Cancelled
C1 - Current Year Appropriations	57.819.900,24	55.415.403,54	95%	39.776.432,38	68%	15.638.971,16	2.404.496,70
C8 - Carry Over of 2009 appropriations	18.071.205,09	18.071.205,09	100%	16.310.815,20	90%	0,00	1.760.389,89
R0 - Assigned Revenue DG ELARG Grant 2 (*)	311.833,33	144.650,33	46%	120.935,72 (°)	39%	190.897,61	0,00

* Grant 2 -Actions with Candidate & Potential Candidate Countries,
° executed payments in 2010 on carry-over from 2009

For a detailed analysis of the budget execution by Budget article please refer to Annexes 1-3

In May 2010, following the confirmation of the European Commission on the amount of the EFTA subsidy, the Management Board (MB) decided to allocate the reduction of € 80.099,76 to the Administrative Budget Line A-1190 – Weightings applied to remunerations.

In addition, the MB approved a transfer of 674.000 € from the administrative budget to the operational budget, to support the EPIET programme. The transfer of funds was done from budget line A-1190 – Weightings applied to remunerations to budget line B-3003 Technical Assistance and training. Due to the significant reduction of the weighting coefficient for 2010, this large saving made the transfer possible from Title I Staff related Expenditures to Title III Operational Expenditure where, due to the budgetary constraints of 2010, the EPIET Programme was allocated insufficient funding in the initial budget 2010.

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

Budget 2010 Fund Source C1 Current Year Appropriations	Initial Budget	EFTA/EC Subsidy Decrease	MB Amendments	Director Adjustments	FINAL BUDGET
Title 1 – Staff related Expenditure	27.430.000,00	-80.099,76	-674.000,00	-80.000,00	26.595.900,24
Title 2 – Administrative Expenditure	6.735.000,00				6.735.000,00
Title 3 - Operations	23.735.000,00		674.000,00	80.000,00	24.489.000,00
Total Budget	57.900.000,00	-80.099,76	0,00	0,00	57.819.900,24

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

All amounts in €

Economic Outturn Account	<u><u>(7.069.402,30)</u></u>
<i>Adjustment for accrual items (items not in the budgetary result but included in the economic result)</i>	
Adjustments for Accrual Cut-off (reversal 31.12.2009)	(5.302.578,13)
Adjustments for Accrual Cut-off (cut- off 31.12.2010)	4.573.025,68
Unpaid invoices at year end but booked in charges	1.391.485,89
Depreciation of intangible and tangible fixed assets	1.150.465,04
Value reductions	118.362,99
Prefinancing given in previous year and cleared in the year	106.884,00
Pre-financing received in previous year and cleared in the year	(2.736.697,51)
Payments made from carry-forward of payment appropriations	16.431.750,92
Other (includes reversal of 2009 deferred charges)	246.207,58
Exchange rate differences (losses)	1.186.096,90
<i>Adjustment for budgetary items (item included in the budgetary result but not in the economic result)</i>	
Asset acquisitions (less unpaid amounts)	(1.200.126,02)
New pre-financing paid in the year 2010 and remaining open as at 31.12.2010	(226.665,00)
New pre-financing received in the year 2010 and remaining open as at 31.12.2010	439.044,78
Budgetary recovery orders issued before 2010 and cashed in the year	192.817,00
Payment appropriations carried over to 2011	(15.826.054,70)
Cancellation of unused carried over payment appropriations from previous year	1.760.389,89
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	175.891,72
Other (includes deferred charges and stock acquisitions for 2010)	(589.091,67)
Budgetary Outturn Account	<u><u>-5.178.192,94</u></u>

5.2.4. Budgetary Principles

The establishment and implementation of the budget of the European Centre for Disease Prevention and Control are governed by the following basic principles:

- (a) unity and budget accuracy;
all expenditure and revenue must be incorporated in a single budget document, must be booked on a budget line and expenditure must not exceed authorised appropriations;
- (b) universality:
this principle comprises two rules:
 - 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.



Annex 1 – Budget Execution / Fund source C1 – Current year appropriations

Budget Line Position	Budget Line Description	Commitment Appropriation Transaction Amount	Executed Commitment Amount	% Committed	Payment Appropriation Transaction Amount	Executed Payment Amount	% Paid	Carry-forward	Cancelled
A-1100	Basic salaries	10,175,000.00	10,144,343.68	99.70%	10,175,000.00	10,144,343.68	99.70%	0.00	30,656.32
A-1101	Familly Allowances	1,410,000.00	1,401,401.87	99.39%	1,410,000.00	1,401,401.87	99.39%	0.00	8,598.13
A-1102	Expatriation Allowances	1,500,000.00	1,445,901.69	96.39%	1,500,000.00	1,445,901.69	96.39%	0.00	54,098.31
	Total Article 110	13,085,000.00	12,991,647.24	99.29%	13,085,000.00	12,991,647.24	99.29%	0.00	93,352.76
A-1111	Contract Agents - Basic Salaries	2,680,000.00	2,678,754.59	99.95%	2,680,000.00	2,678,754.59	99.95%	0.00	1,245.41
A-1112	Contract Agents - Allowances	995,000.00	990,111.03	99.51%	995,000.00	990,111.03	99.51%	0.00	4,888.97
	Total Article 111	3,675,000.00	3,668,865.62	99.83%	3,675,000.00	3,668,865.62	99.83%	0.00	6,134.38
A-1140	Birth & Death grants	10,000.00	2,974.65	29.75%	10,000.00	2,974.65	29.75%	0.00	7,025.35
A-1141	Travel expenses from place of employment to place of origin	523,952.00	523,805.77	99.97%	523,952.00	523,805.77	99.97%	0.00	146.23
A-1142	Overtime	50,000.00	49,295.20	98.59%	50,000.00	49,295.20	98.59%	0.00	704.80
A-1149	Learning & Development	720,000.00	714,950.80	99.30%	720,000.00	382,072.20	53.07%	332,878.60	5,049.20
	Total Article 114	1,303,952.00	1,291,026.42	99.01%	1,303,952.00	958,147.82	73.48%	332,878.60	12,925.58
A-1170	Freelance and joint interpreting and conference service interpreters	65,000.00	55,860.00	85.94%	65,000.00	36,456.00	56.09%	19,404.00	9,140.00
A-1173	Translations	30,000.00	7,861.92	26.21%	30,000.00	7,106.66	23.69%	755.26	22,138.08
A-1174	Payment for administrative assistance from the Community institutions	255,000.00	255,000.00	100.00%	255,000.00	245,075.14	96.11%	9,924.86	0.00
A-1175	Interim services	2,046,000.00	2,003,298.55	97.91%	2,046,000.00	1,357,178.33	66.33%	646,120.22	42,701.45
	Total Article 117	2,396,000.00	2,322,020.47	96.91%	2,396,000.00	1,645,816.13	68.69%	676,204.34	73,979.53
A-1180	Miscellaneous expenditure on recruitment	335,000.00	217,415.58	64.90%	335,000.00	205,310.19	61.29%	12,105.39	117,584.42
A-1181	Travel expenses	40,000.00	34,605.90	86.51%	40,000.00	34,605.83	86.51%	0.00	5,394.17
A-1182	Installation, resettlement & transfer allowances	410,000.00	392,071.13	95.63%	410,000.00	392,071.13	95.63%	0.00	17,928.87
A-1183	Removal Expenses	250,000.00	240,708.32	96.28%	250,000.00	207,590.56	83.04%	33,117.76	9,291.68



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A-1184	Temporary daily subsistence allowance	232,000.00	207,633.27	89.50%	232,000.00	207,633.27	89.50%	0.00	24,366.73
	Total Article 118	1,267,000.00	1,092,434.20	86.22%	1,267,000.00	1,047,210.98	82.65%	45,223.15	174,565.80
A-1190	Weightings applied to remunerations	2,106,548.24	1,574,848.84	74.76%	2,106,548.24	1,574,848.84	74.76%	0.00	531,699.40
A-1191	Provisional Appropriation (rappel)	260,000.00	258,376.51	99.38%	260,000.00	258,376.51	99.38%	0.00	1,623.49
	Total Article 119	2,366,548.24	1,833,225.35	77.46%	2,366,548.24	1,833,225.35	77.46%	0.00	533,322.89
	Total Chapter 11	24,093,500.24	23,199,219.30	96.29%	24,093,500.24	22,144,913.14	91.91%	1,054,306.09	894,280.94
A-1300	Mission expenses, travel expenses and incidental expenditure	955,000.00	952,175.07	99.70%	955,000.00	884,384.74	92.61%	67,790.33	2,824.93
	Total Article 130	955,000.00	952,175.07	99.70%	955,000.00	884,384.74	92.61%	67,790.33	2,824.93
	Total Chapter 13	955,000.00	952,175.07	99.70%	955,000.00	884,384.74	92.61%	67,790.33	2,824.93
A-1410	Medical Service	167,000.00	116,985.20	70.05%	167,000.00	103,032.90	61.70%	13,952.30	50,014.80
	Total Article 141	167,000.00	116,985.20	70.05%	167,000.00	103,032.90	61.70%	13,952.30	50,014.80
	Total Chapter 14	167,000.00	116,985.20	70.05%	167,000.00	103,032.90	61.70%	13,952.30	50,014.80
A-1520	Staff Exchanges	593,400.00	591,524.43	99.68%	593,400.00	487,948.73	82.23%	103,575.70	1,875.57
	Total Article 152	593,400.00	591,524.43	99.68%	593,400.00	487,948.73	82.23%	103,575.70	1,875.57
	Total Chapter 15	593,400.00	591,524.43	99.68%	593,400.00	487,948.73	82.23%	103,575.70	1,875.57
A-1700	Entertainment & Representation Expenses	30,000.00	24,300.00	81.00%	30,000.00	16,752.80	55.84%	7,547.20	5,700.00
	Total Article 170	30,000.00	24,300.00	81.00%	30,000.00	16,752.80	55.84%	7,547.20	5,700.00
	Total Chapter 17	30,000.00	24,300.00	81.00%	30,000.00	16,752.80	55.84%	7,547.20	5,700.00
A-1801	Social Contact Between Staff	65,000.00	65,000.00	100.00%	65,000.00	20,295.69	31.22%	44,704.31	0.00
A-1802	Sickness Insurance	435,000.00	434,343.07	99.85%	435,000.00	434,343.07	99.85%	0.00	656.93
A-1803	Accident and Occupational Diseases	100,000.00	98,230.60	98.23%	100,000.00	94,416.60	94.42%	0.00	5,583.40
A-1804	Unemployment for temporary staff	157,000.00	156,458.31	99.65%	157,000.00	156,458.31	99.65%	0.00	541.69
	Total Article 180	757,000.00	754,031.98	99.61%	757,000.00	705,513.67	93.20%	44,704.31	6,782.02
	Total Chapter 18	757,000.00	754,031.98	99.61%	757,000.00	705,513.67	93.20%	44,704.31	2,968.02
	Total Title 1	26,595,900.24	25,638,235.98	96.40%	26,595,900.24	24,342,545.98	91.53%	1,291,875.93	957,664.26



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Budget Line Position	Budget Line Description	Commitment Appropriation Transaction Amount	Executed Commitment Amount	% Committed	Payment Appropriation Transaction Amount	Executed Payment Amount	% Paid	Carry-forward	Cancelled
A-2000	RENT & RELATED EXPENDITURE	1,600,000.00	1,586,040.52	99.13%	1,600,000.00	1,557,300.32	97.33%	28,740.20	13,959.48
A-2001	Insurance	10,000.00	7,453.13	74.53%	10,000.00	7,453.13	74.53%	0.00	2,546.87
A-2002	Water, Gas, Electricity etc	241,000.00	241,000.00	100.00%	241,000.00	189,813.03	78.76%	51,186.97	0.00
A-2003	Maintenance, cleaning	185,500.00	124,306.67	67.01%	185,500.00	74,495.42	40.16%	49,811.25	61,193.33
A-2004	Fitting-out	401,000.00	125,679.12	31.34%	401,000.00	42,445.77	10.58%	83,233.35	275,320.88
A-2005	Security of Building	252,500.00	249,841.94	98.95%	252,500.00	147,563.54	58.44%	102,278.40	2,658.06
A-2006	Restauration & Canteen costs	90,500.00	90,470.41	99.97%	90,500.00	22,617.10	24.99%	67,853.31	29.59
A-2009	Other expenditure on buildings	88,000.00	69,216.64	78.66%	88,000.00	27,301.61	31.02%	41,915.03	18,783.36
	Total Article 200	2,868,500.00	2,494,008.43	86.94%	2,868,500.00	2,068,989.92	72.13%	425,018.51	374,491.57
	Total Chapter 20	2,868,500.00	2,494,008.43	86.94%	2,868,500.00	2,068,989.92	72.13%	425,018.51	374,491.57
A-2110	Purchases of new hardware for operation the centre	981,500.00	959,057.93	97.71%	981,500.00	465,667.56	47.44%	493,390.37	22,442.07
A-2111	Purchase of new software for the operation at the centre	716,000.00	679,825.92	94.95%	716,000.00	541,777.92	75.67%	138,048.00	36,174.08
A-2112	Purchase and Maintenance of printing and reproduction equipment	130,000.00	127,679.88	98.22%	130,000.00	64,261.35	49.43%	63,418.53	2,320.12
A-2114	Developments to support administrative and management applications	809,000.00	805,208.98	99.53%	809,000.00	189,933.60	23.48%	615,275.38	3,791.02
	Total Article 211	2,636,500.00	2,571,772.71	97.54%	2,636,500.00	1,261,640.43	47.85%	1,310,132.28	64,727.29
	Total Chapter 21	2,636,500.00	2,571,772.71	97.54%	2,636,500.00	1,261,640.43	47.85%	1,310,132.28	64,727.29
A-2200	Technical equipment and AV installations	64,000.00	45,157.01	70.56%	64,000.00	12,646.79	19.76%	32,510.22	18,842.99
A-2201	Furniture	206,000.00	204,899.89	99.47%	206,000.00	95,368.57	46.30%	109,531.32	1,100.11
A-2202	Purchase and maintenance of vehicles	45,000.00	32,708.00	72.68%	45,000.00	8,052.83	17.90%	24,655.17	12,292.00
	Total Article 220	315,000.00	282,764.90	89.77%	315,000.00	116,068.19	36.85%	166,696.71	32,235.10
	Total Chapter 22	315,000.00	282,764.90	89.77%	315,000.00	116,068.19	36.85%	166,696.71	32,235.10



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A-2300	Stationery and office supplies	153,000.00	148,798.81	97.25%	153,000.00	95,368.17	62.33%	53,430.64	4,201.19
A-2301	Financial and other charges, exchange losses	35,000.00	10,000.00	28.57%	35,000.00	7,090.18	20.26%	2,909.82	25,000.00
A-2302	Library expenses, purchase of books and info subscriptions	15,000.00	14,926.85	99.51%	15,000.00	7,271.39	48.48%	7,655.46	73.15
A-2308	Business Continuity	0.00	0.00	0.00%	0.00	0.00	0.00%	0.00	0.00
A-2309	Other operating expenditure	5,000.00	4,331.95	86.64%	5,000.00	0.00	0.00%	4,331.95	668.05
	Total Article 230	208,000.00	178,057.61	85.60%	208,000.00	109,729.74	52.75%	68,327.87	29,942.39
	Total Chapter 23	208,000.00	178,057.61	85.60%	208,000.00	109,729.74	52.75%	68,327.87	29,942.39
A-2400	Postal and delivery charges	62,000.00	53,340.26	86.03%	62,000.00	49,635.57	80.06%	3,704.69	8,659.74
	Total Article 240	62,000.00	53,340.26	86.03%	62,000.00	49,635.57	80.06%	3,704.69	8,659.74
A-2410	Telecommunication and internet charges	200,000.00	200,000.00	100.00%	200,000.00	196,918.96	98.46%	3,081.04	0.00
	Total Article 241	200,000.00	200,000.00	100.00%	200,000.00	196,918.96	98.46%	3,081.04	0.00
	Total Chapter 24	262,000.00	253,340.26	96.69%	262,000.00	246,554.53	94.10%	6,785.73	8,659.74
A-2500	Governance and administrative meetings	300,000.00	198,657.69	66.22%	300,000.00	123,718.29	41.24%	74,939.40	101,342.31
A-2501	Evaluation and Strategic Management Consulting	145,000.00	135,185.00	93.23%	145,000.00	107,980.00	74.47%	27,205.00	9,815.00
	Total Article 250	445,000.00	333,842.69	75.02%	445,000.00	231,698.29	52.07%	102,144.40	111,157.31
	Total Chapter 25	445,000.00	333,842.69	75.02%	445,000.00	231,698.29	51.49%	102,144.40	111,157.31
	Total Title 2	6,735,000.00	6,113,786.60	90.78%	6,735,000.00	4,034,681.10	59.86%	2,079,105.50	621,213.40



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Budget Line Position	Budget Line Description	Commitment Appropriation Transaction Amount	Executed Commitment Amount	% Committed	Payment Appropriation Transaction Amount	Executed Payment Amount	% Paid	Carry-forward	Cancelled
B3-000	Networking, surveillance and data collection on Communicable diseases	4,738,000.00	4,702,555.06	99.25%	4,738,000.00	1,443,494.53	30.47%	3,259,060.53	35,444.94
B3-001	Preparedness, response and emerging health threats	1,321,555.00	1,316,080.39	99.59%	1,321,555.00	403,250.05	30.51%	912,830.34	5,474.61
B3-002	Scientific opinions and studies	4,317,524.00	4,283,088.63	99.20%	4,317,524.00	2,285,910.15	52.94%	1,997,178.48	34,435.37
B3-003	Technical assistance and training	3,587,000.00	3,585,590.29	99.96%	3,587,000.00	2,162,184.43	60.28%	1,423,405.86	1,409.71
B3-004	Publications and Communications	1,975,000.00	1,895,174.62	95.96%	1,975,000.00	865,453.56	43.82%	1,029,721.06	79,825.38
B3-005	ICT to support projects	4,962,081.00	4,600,263.95	92.71%	4,962,081.00	2,347,990.16	47.32%	2,252,273.79	361,817.05
B3-006	Build up and maintenance of the Crisis Centre	271,640.00	271,508.05	99.95%	271,640.00	187,099.42	68.88%	84,408.63	131.95
B3-007	Translations of scientific and technical reports and documents	680,000.00	678,914.00	99.84%	680,000.00	300,025.00	44.12%	378,889.00	1,086.00
B3-008	Meetings to implement the work programme	2,131,700.00	1,838,937.37	86.27%	2,131,700.00	1,258,646.10	59.04%	580,291.27	292,762.63
B3-009	Country cooperation and partnership	244,500.00	231,333.29	94.61%	244,500.00	47,043.09	19.24%	184,290.20	13,166.71
B3-010	Scientific Library and Knowledge Services	260,000.00	259,935.31	99.98%	260,000.00	98,108.81	37.73%	161,826.50	64.69
	Total Chapter 30	24,489,000.00	23,663,380.96	96.63%	24,489,000.00	11,388,183.39	46.50%	12,264,175.66	825,619.04
	Total Title 3	24,489,000.00	23,663,380.96	96.63%	24,489,000.00	11,399,205.30	46.55%	12,264,175.66	825,619.04
	GRAND TOTAL	57,819,900.24	55,415,403.54	95.84%	57,819,900.24	39,776,432.38	68.79%	15,635,157.09	2,404,496.70



Annex 2 – Budget Execution / Fund source C8 – Appropriations carried over

Budget Line Position	Budget Line Description	Commitment Appropriation Transaction Amount	Executed Commitment Amount	% Committed	Payment Appropriation Transaction Amount	Executed Payment Amount	% Paid	Cancelled
A-1149	Learning & Development	172,294.87	134,445.05	78.03%	172,294.87	134,445.05	78.03%	37,849.82
	Total Article 114	172,294.87	134,445.05	78.03%	172,294.87	134,445.05	78.03%	37,849.82
A-1170	Freelance and joint interpreting and conference service interpreters	20,500.00	13,632.00	66.50%	20,500.00	13,632.00	66.50%	6,868.00
A-1175	Interim services	186,148.58	140,788.96	75.63%	186,148.58	140,788.96	75.63%	45,359.62
A-1176	Relocation Services	21,628.71	9,506.85	43.95%	21,628.71	9,506.85	43.95%	12,121.86
	Total Article 117	228,277.29	163,927.81	71.81%	228,277.29	163,927.81	71.81%	64,349.48
A-1180	Miscellaneous expenditure on recruitment	137,575.42	43,075.80	31.31%	137,575.42	43,075.80	31.31%	94,499.62
A-1183	Removal Expenses	54,634.65	54,537.65	99.82%	54,634.65	54,537.65	99.82%	97.00
	Total Article 118	192,210.07	97,613.45	50.78%	192,210.07	97,613.45	50.78%	94,596.62
	Total Chapter 11	592,782.23	395,986.31	66.80%	592,782.23	395,986.31	66.80%	196,795.92
A-1300	Mission expenses, travel expenses and incidental expenditure	326,356.77	215,622.75	66.07%	326,356.77	215,622.75	66.07%	110,734.02
	Total Article 130	326,356.77	215,622.75	66.07%	326,356.77	215,622.75	66.07%	110,734.02
	Total Chapter 13	326,356.77	215,622.75	66.07%	326,356.77	215,622.75	66.07%	110,734.02
A-1410	Medical Service	77,111.15	50,930.55	66.05%	77,111.15	50,930.55	66.05%	26,180.60
	Total Article 141	77,111.15	50,930.55	66.05%	77,111.15	50,930.55	66.05%	26,180.60
	Total Chapter 14	77,111.15	50,930.55	66.05%	77,111.15	50,930.55	66.05%	26,180.60
A-1520	Staff Exchanges	28,108.78	27,504.43	97.85%	28,108.78	27,504.43	97.85%	604.35
	Total Article 152	28,108.78	27,504.43	97.85%	28,108.78	27,504.43	97.85%	604.35
	Total Chapter 15	28,108.78	27,504.43	97.85%	28,108.78	27,504.43	97.85%	604.35
A-1700	Entertainment & Representation Expenses	10,953.40	9,160.24	83.63%	10,953.40	9,160.24	83.63%	1,793.16
	Total Article 170	10,953.40	9,160.24	83.63%	10,953.40	9,160.24	83.63%	1,793.16
	Total Chapter 17	10,953.40	9,160.24	83.63%	10,953.40	9,160.24	83.63%	1,793.16



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A-1801	Social Contact Between Staff	34,003.83	31,042.80	91.29%	34,003.83	31,042.80	91.29%	2,961.03
	Total Article 180	34,003.83	31,042.80	91.29%	34,003.83	31,042.80	91.29%	2,961.03
	Total Chapter 18	34,003.83	31,042.80	91.29%	34,003.83	31,042.80	91.29%	2,961.03
	Total Title 1	1,069,316.16	730,247.08	68.29%	1,069,316.16	730,247.08	68.29%	339,069.08

Budget Line Position	Budget Line Description	Commitment Appropriation Transaction Amount	Executed Commitment Amount	% Committed	Payment Appropriation Transaction Amount	Executed Payment Amount	% Paid	Cancelled
A-2003	Maintenance, cleaning	69,835.63	66,585.36	95.35%	69,835.63	66,585.36	95.35%	3,250.27
A-2004	Fitting-out	246,712.91	153,399.68	62.18%	246,712.91	153,399.68	62.18%	93,313.23
A-2005	Security of Building	116,818.41	106,000.45	90.74%	116,818.41	106,000.45	90.74%	10,817.96
A-2006	Restauration & Canteen costs	65,112.65	63,124.17	96.95%	65,112.65	63,124.17	96.95%	1,988.48
A-2009	Other expenditure on buildings	17,608.22	12,867.83	73.08%	17,608.22	12,867.83	73.08%	4,740.39
	Total Article 200	516,087.82	401,977.49	77.89%	516,087.82	401,977.49	77.89%	114,110.33
	Total Chapter 20	516,087.82	401,977.49	77.89%	516,087.82	401,977.49	77.89%	114,110.33
A-2110	Purchases of new hardware for operation the centre	1,024,226.48	1,024,060.75	99.98%	1,024,226.48	1,024,060.75	99.98%	165.73
A-2111	Purchase of new software for the operation at the centre	242,731.32	231,875.43	95.53%	242,731.32	231,875.43	95.53%	10,855.89
A-2112	Purchase and Maintenance of printing and reproduction equipment	87,128.11	81,769.85	93.85%	87,128.11	81,769.85	93.85%	5,358.26
A-2114	Developments to support administrative and management applications	663,101.69	598,987.70	90.33%	663,101.69	598,987.70	90.33%	64,113.99
	Total Article 211	2,017,187.60	1,936,693.73	96.01%	2,017,187.60	1,936,693.73	96.01%	80,493.87
	Total Chapter 21	2,017,187.60	1,936,693.73	96.01%	2,017,187.60	1,936,693.73	96.01%	80,493.87
A-2200	Technical equipment and AV installations	51,255.01	49,658.59	96.89%	51,255.01	49,658.59	96.89%	1,596.42
A-2201	Furniture	10,190.49	8,916.94	87.50%	10,190.49	8,916.94	87.50%	1,273.55
A-2202	Purchase and maintenance of vehicles	1,000.61	338.87	33.87%	1,000.61	338.87	33.87%	661.74
	Total Article 220	62,446.11	58,914.40	94.34%	62,446.11	58,914.40	94.34%	3,531.71
	Total Chapter 22	62,446.11	58,914.40	94.34%	62,446.11	58,914.40	94.34%	3,531.71
A-2300	Stationery and office supplies	15,418.13	9,293.35	60.28%	15,418.13	9,293.35	60.28%	6,124.78



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A-2301	Financial and other charges, exchange losses	7,971.78	1,392.58	17.47%	7,971.78	1,392.58	17.47%	6,579.20
A-2302	Library expenses, purchase of books and info subscriptions	7,633.16	4,164.01	54.55%	7,633.16	4,164.01	54.55%	3,469.15
A-2309	Other operating expenditure	2,193.99	255.79	11.66%	2,193.99	255.79	11.66%	1,938.20
	Total Article 230	33,217.06	15,105.73	45.48%	33,217.06	15,105.73	45.48%	18,111.33
	Total Chapter 23	33,217.06	15,105.73	45.48%	33,217.06	15,105.73	45.48%	18,111.33
A-2400	Postal and delivery charges	2,688.49	2,578.45	95.91%	2,688.49	2,578.45	95.91%	110.04
	Total Article 240	2,688.49	2,578.45	95.91%	2,688.49	2,578.45	95.91%	110.04
A-2410	Telecommunication and internet charges	65,622.87	56,954.95	86.79%	65,622.87	56,954.95	86.79%	8,667.92
	Total Article 241	65,622.87	56,954.95	86.79%	65,622.87	56,954.95	86.79%	8,667.92
	Total Chapter 24	68,311.36	59,533.40	87.15%	68,311.36	59,533.40	87.15%	8,777.96
A-2500	Governance and administrative meetings	188,142.01	67,564.44	35.91%	188,142.01	67,564.44	35.91%	120,577.57
	Total Article 250	188,142.01	67,564.44	35.91%	188,142.01	67,564.44	35.91%	120,577.57
	Total Chapter 25	188,142.01	67,564.44	35.91%	188,142.01	67,564.44	35.91%	120,577.57
	Total Title 2	2,885,391.96	2,539,789.19	88.02%	2,885,391.96	2,539,789.19	88.02%	345,602.77



Final Annual Accounts 2010 (audited)

Budget Line Position	Budget Line Description	Commitment Appropriation Transaction Amount	Executed Commitment Amount	% Committed	Payment Appropriation Transaction Amount	Executed Payment Amount	% Paid	Cancelled
B3-000	Networking, surveillance and data collection on Communicable diseases	3,167,070.58	2,868,705.51	90.58%	3,167,070.58	2,868,705.51	90.58%	298,365.07
B3-001	Preparedness, response and emerging health threats	1,092,230.69	989,997.67	90.64%	1,092,230.69	989,997.67	90.64%	102,233.02
B3-002	Scientific opinions and studies	3,436,528.70	3,331,722.31	96.95%	3,436,528.70	3,331,722.31	96.95%	104,806.39
B3-003	Technical assistance and training	1,392,488.92	1,123,753.81	80.70%	1,392,488.92	1,123,753.81	80.70%	268,735.11
B3-004	Publications and Communications	838,206.51	765,375.51	91.31%	838,206.51	765,375.51	91.31%	72,831.00
B3-005	ICT to support projects	3,084,878.88	3,000,143.37	97.25%	3,084,878.88	3,000,143.37	97.25%	84,735.51
B3-006	Build up and maintenance of the Crisis Centre	98,896.40	91,286.95	92.31%	98,896.40	91,286.95	92.31%	7,609.45
B3-007	Translations of scientific and technical reports and documents	276,496.25	242,250.00	87.61%	276,496.25	242,250.00	87.61%	34,246.25
B3-008	Meetings to implement the work programme	573,763.58	495,071.25	86.28%	573,763.58	495,071.25	86.28%	78,692.33
B3-009	Country cooperation and partnership	91,000.00	81,381.00	89.43%	91,000.00	81,381.00	89.43%	9,619.00
B3-010	Scientific Library and Knowledge Services	64,936.46	51,091.55	78.68%	64,936.46	51,091.55	78.68%	13,844.91
	Total Chapter 30	14,116,496.97	13,040,778.93	92.38%	14,116,496.97	13,040,778.93	92.38%	1,075,718.04
	Total Title 3	14,116,496.97	13,040,778.93	92.38%	14,116,496.97	13,040,778.93	92.38%	1,075,718.04
	GRAND TOTAL	18,071,205.09	16,310,815.20	90.26%	18,071,205.09	16,310,815.20	90.26%	1,760,389.89



Annex 3 – Budget Execution/Fund source R0 – Assigned Revenue (DG ELARG Grant)

Budget Line Position	Budget Line Description	Commitment Appropriation Transaction Amount	Executed Commitment Amount	% Committed	Payment Appropriation Transaction Amount	Executed Payment Amount	% Paid	Carry-forward
B3-011	GRANT DG ELARG - CANDIDATE AND POTENTIAL CANDIDATE COUNTRIES	311,833.33	144,650.33	46.39%	311,833.33	120,935.72	38.78%	190,897.61
	Total Article 310	311,833.33	144,650.33	46.39%	311,833.33	120,935.72	38.78%	190,897.61
	Total Chapter 31	311,833.33	144,650.33	46.39%	311,833.33	120,935.72	38.78%	190,897.61



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

Sixth Financial Year – 2010
Stockholm, June 10th, 2011



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1. Developments in the Organisation during the year

ECDC is organised in five Units and a Director's Cabinet. The Heads of Units are responsible for the activities in their Units, which are divided in sections. The Management structure was updated in the end of 2009, giving more emphasis to the horizontal Disease Specific Programmes.

ECDC has a Senior Management Team (SMT), consisting of the Director and all the Heads of Units, which plays an important role in the management of ECDC.

The Annual Work Programme 2010, prepared along the lines of the strategic multi-annual Work Programme 2007-2013, was approved by the Management Board in November 2009. The programme includes specific objectives. The implementation was followed up on a regular basis. In 2009, a Management Information System (MIS) was implemented with the view to be a central point of reference for the management and monitoring of the activities in the work programme. The system was updated in 2010 to strengthen the monitoring of the Work Programme. Furthermore, a limited set of indicators, in the form of a dashboard, was developed in 2010.

The monthly reporting to the SMT of key data, such as commitments, payments and recruitments was continued in 2010 and intensified towards the end of the year with the issue of weekly budget bulletins in order to facilitate the decision making.

The Centre has a Data Protection Officer (DPO) in charge of ensuring compliance with data protection requirements. The main objective in this field is to develop data protection awareness through events and training and to ensure proper notification of data processing operations to verify adequate personal protection measures are established.

In 2010, the Centre's Data Protection Officer and the controllers of the Centre's personal data processing operations continued to promote compliance with Regulation (EC) No 45/2001. Several information sessions for staff and controllers were held. Six operations were notified by their controllers to the DPO, and three of these were further notified by the DPO to the European Data Protection Supervisor for a prior check. The DPO moreover assisted controllers in implementing recommendations of the EDPS resulting from three prior checks made in 2009.

In the field of business continuity, the methodology was developed internally and submitted to the management team. Several measures (such as back-ups, clustering of key applications, handover procedure) are already in place. Work on a formal Business Continuity Plan is on-going and should be finalised by mid-2011.

In 2010, the Director of ECDC, as Authorising Officer (AO), delegated financial responsibility to the five Heads of Unit, and for a period of time, to the Coordinator of the Director's Cabinet (Authorising Officers by Delegation (AOD)). The Heads of Unit in turn delegated, but only in their absence, to the Deputy Heads of Unit. Should the Deputy Head of Unit, or the Coordinator of the Director's Cabinet, be unavailable the authority returns to the Director. Thereby, a very limited number of persons act as AO/AOD in ECDC. The AODs can enter into budgetary and legal commitments and authorise payments. However, all contracts over 250.000€ need to be signed by the Director.

For the expenditure of 2010, the AODs signed a Declaration of Assurance to the AO, similar to the one signed by the AO himself, for the area for which they have been delegated responsibility. As there was a change in Director in 2010, the Interim Director also signed a Declaration of Assurance to the new Director for the period in which he was performing the role as Director.

2. Budget Implementation & Finance

2010 was the first-full-year that the Centre has implemented its budget for the entire year through ABAC WF (the EC integrated budgetary and accounting system). This system has reinforced compliance with the accrual accounting rules and ensured that ECDC financial systems are updated with all changes in the financial regulation. The Internal Procedures for payments and commitments were updated during the first quarter of 2010 and will be under revision during 2011 following the Director's decision to reorganise the structure of the Centre.

The core budget of the Centre increased from EUR 49.2 million in 2009 to EUR 57.8 million in 2010 (+17,5%).

Budget execution at year end reached 95% in terms of commitment appropriations, equivalent to EUR 55.4 million. This means that 5% or EUR 2.4 million remained unused of which EUR 1 million in Title I, EUR 0.6 million in Title II and EUR 0.8 million in Title III. The main budget lines with unused appropriations are: Weightings applied to remunerations, Recruitment, Salaries & Allowances, Medical services, Interim services, Fitting-out of premises, Governance and administrative meetings, Publications & Communications, ICT to support projects and Meetings to implement the Work Programme.

The appropriations in Title I, for staff related expenditure, remain unused, in spite of great efforts, as some senior posts remained vacant and will only be filled in 2011. In addition related to recruitment costs, many candidates did not claim their expenses, yearly medical check-ups were not attended by all staff and at year-end staff committed appropriations for interim services became again available due to a few resignations of interim staff.

The unused appropriations related to meetings to implement the Work Programme were due to cancelations of planned meetings.

The budget execution in term of payments reached 68% of the total budget compared to 59% in 2009. The payment execution for administrative expenses increased by nearly 9% compared to 2009 and reached almost 60%. The payment execution for operational expenses increased by 10% compared to 2009, to a total of nearly 47%. This upwards trend will have to be further strengthened in 2011.

An overview comparing 2010 vs. 2009 - Current Year C1 credits % committed and % paid:

Title Description	Commitments %			Payments %		
	2010	2009	difference	2010	2009	difference
TITLE 1 <i>Staff expenses</i>	96.40%	92.70%	3.70%	91.53%	87.53%	4.00%
TITLE 2 <i>Administrative expense</i>	90.78%	91.94%	-1.16%	59.91%	50.95%	8.96%
TITLE 3 <i>Operational expenses</i>	96.63%	96.04%	0.59%	46.55%	36.29%	10.26%
TOTAL TITLE 1 + 2 + 3	95.84%	93.56%	2.28%	68.79%	59.15%	9.54%

The Finance section verified 600 commitments throughout the year. More than 7000 payment orders, issued by the Director and the Authorising Officers by delegation, were executed during 2010 (compared to 4 600 in 2009) while the total amount of payments executed increased by 28% and reached EUR 56.2 million (EUR 43.9 million in 2009).

During 2010, the second grant agreement related to the cooperation with the European Commission on gradual integration of the Candidate and Potential candidate Countries for EU accession to ECDC programs with DG Enlargement was further implemented and a second installment up to 80% of the grant was received in December. An extension of the implementation period has been requested to DG Enlargement until November 2011 to maximise its implementation.

Below is an overview of the budget implementation (execution on commitments and payments) by fund source:

Fund Source	Commitment/ Payment Appropriations 2010	Executed Commitment 2010	% Commit- ted	Executed Payment in 2010	% Paid	Carried Over to 2011	Cancelled
C1 - Current Year Appropriations	57.819.900,24	55.415.403,54	95%	39.776.432,38	68%	15.638.971,16	2.404.496,70
C8 - Carry Over of 2009 appropriations	18.071.205,09	18.071.205,09	100%	16.310.815,20	90%	0,00	1.760.389,89
R0 - Assigned Revenue DG ELARG Grant 2 (*)	311.833,33	0,00		120.935,72 (°)	12%	190.897,61	0,00

* Grant 2 -Actions with Candidate & Potential Candidate Countries,
° executed payments in 2010 on carry-over from 2009

In May 2010, following the confirmation of the European Commission on the amount of the EFTA subsidy, the Management Board (MB) decided to allocate the reduction of € 80.099,76 to the Administrative Budget Line A-1190 – Weightings applied to remunerations.

In addition, the MB approved a transfer of 674.000 € from the administrative budget to the operational budget, to support the EPIET programme. The transfer of funds was done from budget line A-1190 – Weightings applied to remunerations to budget line B-3003 Technical Assistance and Training. Due to the significant reduction of the weighting coefficient for 2010, the large saving made the transfer possible from Title I Staff related Expenditures to Title III Operational Expenditure where, due to the budgetary constraints of 2010, the EPIET Programme was allocated insufficient funding in the initial budget 2010. During December, ECDC received the second instalment of 167.183 € related to the second Grant agreement with DG Enlargement for actions with Candidate and Potential Candidate Countries (Fund Source R0).

During the year, in order to maximise the budget implementation and improve the efficiency of the funds allocated to ECDC, the Director exercised his right to amend the budget within the limitations of article 23.2 of the Financial Regulation of ECDC. As a result, only one transfer was made by the Director between titles for 80.000 €.

Specifically, nearly 500.000 € were transferred within the operational budget to budget line B-3002 Scientific Opinions and Studies. The reason for the mobilisation of funding is to carry-out the Narcolepsy Study under the Framework Partnership agreement with the VAESCO consortium.

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

Budget 2010 Fund Source C1 Current Year Appropriations	Initial Budget	EFTA Decrease	MB Amendments	Director Adjustments	FINAL BUDGET
Title 1 – Staff related Expenditure	27.430.000,00	-80.099,76	-674.000,00	-80.000,00	26.595.900,24
Title 2 –Administrative Expenditure	6.735.000,00				6.735.000,00
Title 3 - Operations	23.735.000,00		674.000,00	80.000,00	24.489.000,00
Total Budget	57.900.000,00	-80.099,76	0,00	0,00	57.819.900,24

The MB, in its June meeting issued a positive opinion on the Annual Accounts of the Centre for 2009.

The Inter-institutional discussions of the Budget 2011 were closely monitored, in particular the impact of the budgetary cuts ECDC had to face during the preparation of the 2011 budget to be presented to the MB. The Budget for 2011 was approved by the MB in November 2010 and finally adopted by the European Parliament in December 2010.

In 2010, the procurement office supported 60 open procedures and 23 negotiated procedures. Four of the negotiated procedures were launched with a value above 60.000€ and 13 with a value between 25.000€ and 60.000€ Most of the procurement procedures are reviewed by a consultative committee, the CPCG (Committee on Procurement, Grants and Contracts) which gives advice to ensure compliance with relevant rules and regulations.

3. Audit issues and internal control

Internal Control Standards

Since 2006, a set of Internal Control Standards has been in place at ECDC. They specify the necessary requirements, actions and expectations to build an effective system of internal control that could provide a reasonable assurance on the achievement of the ECDC objectives. This set of control standards was developed along the lines of the European Commission's Internal Control Standards, which were based on the international COSO standards.

In early 2010, ECDC followed the example of the European Commission and introduced the revised set of Internal Control Standards.

The revised Internal Control Standards were more detailed in the requirements and increased the internal control especially in the areas of staff allocation and mobility, business continuity, external communication and accounting and financial reporting.

Each Internal Control Standard is made up of a number of requirements to be met. For each requirement ECDC has identified what is already in place, the actions to be taken, the person responsible and the deadline for when it should be in place.

The revised ICS were discussed in detail in the Audit Committee and adopted by the Management Board in March 2010.

The standards cover the areas of mission and values, human resources, planning and risk management processes, operations and control activities, information and financial reporting, and evaluation and audit.

A review of the implementation of the ICS was performed as part of the work for the Annual Report. The results were discussed and validated by ECDC management. Two of the standards have not been implemented, notably business continuity (n° 10) and evaluation of activities (n°14), and four others have only been partly implemented, while the rest were mainly or fully implemented. Work will continue in 2011 on the outstanding actions not yet in place to ensure all ICS are fully implemented.

European Court of Auditors

ECDC is audited every year by the European Court of Auditors (ECA). The audit provides a statement of assurance as to the reliability of the accounts of the Centre and the legality and regularity of the transactions underlying them.

ECDC has received an unqualified ⁽²⁾ audit opinion every year, indicating that the accounts are reliable and the transactions underlying the accounts are legal and regular.

The ECA audit of the 2010 annual accounts is on-going. The draft report will be available by the 15th of June 2011. The first part of the audit was performed in October 2010 and the second part took place in May 2011.

There was only one observation raised by the ECA regarding the 2009 annual accounts, which was regarding the high amount of carry-forwards/breaching the principle of annuality (also raised in 2008). This issue is being addressed by ECDC. The level of carry-forwards has already been reduced, and work is on-going, including an action plan to reduce it further is ongoing. The only other remaining open observation from the audit of the 2008 annual accounts regarding the seat agreement/personal identification numbers was resolved in 2010.

Internal Audit Service

The ECDC is also audited by its Internal Auditor (the Internal Audit Service of the European Commission). The audit work to be performed is defined in the risk based annual IAS Strategic Audit Plan. All observations and recommendations are taken into account and appropriate action plans are developed. The implementation of these actions is being followed up regularly.

In 2010, the planned audit on "Processes supporting the establishment of the Annual Work Programme, focussing on the Management Information System" was postponed to 2011. Instead, the IAS performed a more detailed Risk Assessment. A follow-up audit was also performed for its previous findings. At the end of 2010, there were no critical findings and no very important findings were found whereas 6 important findings are still open.

² Unqualified audit opinion = The auditor's report contains a clear written expression of opinion on the financial statements or the legality and regularity of underlying transactions as a whole. An **unqualified opinion** is expressed when the auditor concludes that, on the whole, the underlying transactions are legal and regular and the supervisory and control systems are adequate to manage the risk.

4. Human Resources and Staffing

The principal tasks in the area of Human Resources (HR) are to ensure the recruitment of staff (temporary agents, contract agents, seconded national experts and trainees), provide complete HR services for all areas, organise and support learning and development activities, and offer advice and guidance to staff and managers on these and related matters. This work is carried out in close cooperation with the senior management team of the Centre. The human resources section also drafts procedures to ensure transparency and a harmonised approach to carrying out tasks. The Human Resources Section also drafts implementing rules for the Centre, based on the Commission's 'model decisions'.

To ensure staff well-being, HR offered counselling, arranged an in-house doctor for staff members, and vaccinations for the yearly seasonal influenza. HR also provides support for newcomers in their settling into Sweden by providing relocation services in-house.

Staff development was further improved with targeted trainings in areas such as performance management, procurement and ethics and integrity. One of the identified priority areas as a result of the staff survey outcome in 2009 was to formulate ECDC values. During 2010 the ECDC values project was launched and after thorough consultation throughout the organisation three values were selected: Quality driven, Service minded, and One team. In autumn, all managers went through a values training and the roll out of the implementation process throughout the organisation started in February 2011.

The total number of temporary agents in place at the Centre as of 31.12.2010 was 175, out of the 200 posts provided for in the Establishment Table for 2010.

As of 31.12.2010 the Centre has 88 % filled posts in the Establishment Table. The vacancy rate of 12% will continue to be reduced in the first quarter of 2011 with a further 7 offers for temporary agent positions accepted in December 2010. This improvement in ECDC's proportion of filled posts has been achieved as a result of considerable efforts in the area of recruitment in 2010.

It should also be noted that the Centre's internal movements (staff applying through open procedures for new posts within the Centre) resulted during 2010 in a total of 22 successful internal recruitments for temporary agent posts. This in turn led to replacement recruitments for temporary agents as well as contract agents. Moreover, a total of 73 contract agents were in place by the end of 2010 and 6 seconded national experts.

The turnover rate for temporary agents and contract agents was 7 % in 2010.

Table 1: Number of staff and selection procedures

	2008	2009	2010
Total staff (TA, CA, SNE)	154	199	254
Selection procedures	97	119	133*

* This is the number of selection procedures completed in 2010, i.e. either the staff member has started employment with ECDC in 2010 or the selection procedure was unsuccessful. Out of the 133 selection procedures, there were 76 external recruitments, 34 internal staff members who were successful in external recruitment procedures and 23 unsuccessful recruitments. In order to be able to monitor statistics, we have, for the first time in 2010, only considered recruitment procedures that led to an actual start of employment in 2010. Subsequently this includes procedures already launched in 2009 and finalised in 2010, however not those procedures still ongoing at the end of 2010 (with a start date in 2011).

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

	TA	CA	SNE	Total
PRU	30	8	0	38
SUN	39	6	1	46
SAU	37	8	4	49
CCU	24	21	1	46
RMU	32	27	0	59
DIR	13	3	0	16
Total	175	73	6	254

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

Nationality	Number of Staff (TA and CA) at 31.12.2010
Austria	2
Belgium	10
Bulgaria	6
Cyprus	1
Czech Republic	3
Denmark	4
Estonia	3
Finland	14
France	22
Germany	22
Greece	5
Hungary	4
Ireland	2
Italy	18
Latvia	7
Lithuania	5
Luxembourg	1
Malta	2
Netherlands	11
Poland	5
Portugal	4
Romania	16
Slovakia	1
Slovenia	1
Spain	11
Sweden	52
United Kingdom	15
Norway	1
Total	248