



# EASO Final Annual Accounts 2018

29 May 2019







### ***Certification by the Accounting Officer of EASO's Final Annual Accounts 2018***

The Final Annual Accounts of the European Asylum Support Office (EASO) for the year 2018 have been prepared in accordance with Title IV Chapter 4 Section 3 and Title XIII 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 EASO in accordance with Article 77 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 EASO'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 fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of EASO.

(Signed 29 May 2019)

Efstathios Adamantiadis,  
Accounting Officer

<b>Certification by the Accounting Officer of EASO's Final Annual Accounts 2018</b>	<b>3</b>
<b>1. Introduction</b>	<b>5</b>
<b>1.1 Short introduction</b>	<b>5</b>
<b>1.2 Legal Framework</b>	<b>6</b>
<b>1.3 Accounting principles</b>	<b>7</b>
<b>2. Financial statements 2018</b>	<b>9</b>
<b>2.1 Balance Sheet</b>	<b>9</b>
<b>2.2 Statement of financial performance (Economic outturn account)</b>	<b>11</b>
<b>2.3 Cash flow</b>	<b>12</b>
<b>2.4 Statement of Changes in Net assets</b>	<b>13</b>
<b>2.5 Budgetary outturn account</b>	<b>14</b>
<b>2.6 Reconciliation Statement of financial performance - Budgetary outturn account</b>	<b>15</b>
<b>3. Annex to the Financial Statements</b>	<b>16</b>
<b>3.1 Notes to the Balance Sheet</b>	<b>16</b>
3.1.1 Non-current assets	16
3.1.2 Current assets	18
3.1.3 Current liabilities	19
<b>3.2 Notes to the Statement of financial performance</b>	<b>20</b>
3.2.1 Operational revenue	20
3.2.2 Operational expenses	20
<b>3.3 Contingent liabilities</b>	<b>21</b>
<b>3.4 Related parties</b>	<b>22</b>
<b>3.5 Financial risk management</b>	<b>22</b>
<b>3.6 Other Significant Disclosures</b>	<b>23</b>
<b>3.7 Events after the balance sheet date</b>	<b>23</b>
<b>4. Reports on the implementation of the budget 2018</b>	<b>24</b>
<b>4.1 Budgetary principles</b>	<b>24</b>
<b>4.2 Budget 2018 – Initial, Amended, and transfers</b>	<b>25</b>
<b>4.3 Budget 2018 – Execution</b>	<b>27</b>
4.3.1 Budget execution of Income appropriations	27
4.3.2 Budget execution of Commitment appropriations	28
4.3.3 Budget execution of Payment appropriations	29
<b>4.4 Carry-over from 2018 to 2019</b>	<b>30</b>
4.4.1 Non-differentiated C1 appropriations carried-over from 2018 to 2019	30
4.4.2 C4 appropriations carried-over from 2018 to 2019	30
4.4.3 R0 appropriations carried-over from 2018 to 2019	31
4.4.4 Differentiated C1 and C8 appropriations carried-over from 2018 to 2019	31

# 1. Introduction

## 1.1 *Short introduction*

The European Asylum Support Office (referred to as “EASO”) has been created within Regulation (EU) No 439/2010<sup>1</sup> of the European Parliament and of the Council establishing a European Asylum Support Office (referred to as “EASO Regulation”).

EASO contributes to the creation of a Common European Asylum System. EASO’s purpose is to facilitate, coordinate and strengthen practical cooperation among Member States on the many aspects of asylum, such as: providing practical and operational support to Member States; providing operational support to Member States subject to particular pressure on their asylum systems, including the coordination of asylum support teams made up of national asylum experts; and providing scientific and technical assistance for EU policymaking and legislation in all areas having a direct or indirect impact on asylum.

Following an application by the Government of the Republic of Malta to host the seat of EASO, on 25/02/2010 the Representatives of the Governments of the EU Member States took Decision to locate EASO in Valletta Harbour<sup>2</sup>.

EASO is comprised of a Management Board and an Executive Director assisted by staff members.

The EASO Management Board is composed of one member from each Member State – except Denmark, two members from the European Commission and one non-voting member of the United Nations High Commissioner for Refugees (UNHCR). Denmark is invited to attend, as observer, all meetings of the Management Board and other relevant meetings. Norway, Switzerland, Liechtenstein and Iceland also participate as observers.

The key functions of the Management Board, as the governing and planning body of EASO, are outlined in Article 29 of the EASO Regulation and include: the appointment of the Executive Director, adoption of the work programmes, annual reports, budget, and has overall responsibility for ensuring that EASO performs effectively its duties.

The Executive Director, who shall be independent in the performance of his tasks, is the legal representative of EASO and is responsible, inter alia, for the administrative management and for the implementation of the Work Programme and the decisions of the Management Board. He serves for a period of five year term of office, renewable once for three years. The first Executive Director, Dr Robert K. Visser, took up office on 1 February 2011 and left on 31 October 2015. He was replaced by Mr Jose Carreira. Mr Carreira resigned on 6 June 2018 and the Management Board appointed Mr Jamil Addou as interim Executive Director.

The Accounting Officer is appointed by the Management Board. Mr Isaac Jiménez Carvajal took up this function on 16 August 2012 and signed the Annual Accounts for 2015. Mr Efstathios Adamantiadis took up duties as the new Accounting Officer on 16 November 2016.

The Internal audit function is performed by Internal Audit Service of the European Commission.

---

<sup>1</sup> OJ L 132, 29.5.2010, p. 11.

<sup>2</sup> OJ L 324, 9.12.2010, p. 47.

The External audit is performed by the European Court of Auditors, after considering the audit work performed by the independent external private auditor.

The Discharge Authority is the European Parliament, acting on a recommendation from the Council.

Every year, EASO shall publish a consolidated annual activity report on its activities, including its financial statements (annual accounts and budget implementation reports).

## **1.2 Legal Framework**

This report has been prepared in accordance with the EASO Financial Regulation adopted by its Management Board, in particular its Title IX.

The EASO Accounting Officer shall send the Provisional accounts to the accounting officer of the Commission and to the Court of Auditors by 1 March of the following year.

The Court of Auditors shall, by 1 June of the following year at the latest, make its observations on the Provisional accounts.

On receiving the Court of Auditors' observations on the Final accounts, the EASO Accounting Officer shall draw up the Final accounts.

The Executive Director shall send them to the Management Board, which shall give an opinion on these accounts.

The EASO Accounting Officer shall send the Final accounts, together with the opinion of the Management Board, to the accounting officer of the Commission, the Court of Auditors, the European Parliament and the Council, by 1 July of the following financial year.

The objectives of financial statements are to provide information about the financial position, performance and cash-flows of EASO.

The financial statements have been prepared according to the accounting rules adopted by the European Commission's Accounting Officer, following the principles of accrual-based accountancy where the economic outturn, balance and cash flow are concerned.

The general accounts are accrual accounts which means that the effects of the transactions and other events, are recognised when those transactions or events occur (and not only when cash or its equivalent is received or paid). They are based on the IPSAS (International Public Sector Accounting Standards). 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 budget execution is prepared on the basis of a modified cash accounting. In the cash accounting system, the payments made and revenue received are recorded. Modified cash accounts means that payment appropriations carried over are also recorded. They are used to produce the budgetary outturn account and reports on budget implementation.

These provisions lead to discrepancies between the general accounts and the budget accounts.

The accounting policies have been applied consistently throughout the period.



### 1.3 *Accounting principles*

Based on the EASO Financial Regulation, the financial statements are drawn up in accordance with the generally accepted accounting principles specified in the detailed rules for implementing the General Financial Regulation, namely:

#### **a) Going concern basis principle**

The going-concern principle means that for the purposes of preparing the financial statements, EASO is deemed to be established for an indefinite duration.

#### **b) Principle of prudence**

The principle of prudence means that assets and income have not been overstated and liabilities and charges have not been understated. No hidden reserves or undue provisions have been created.

#### **c) Principle of consistent accounting methods**

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

#### **d) Principle of comparability of information**

The principle of comparability of information means that for each item, the financial statements also show the amount of the corresponding item for the previous year.

Where, pursuant to the previous paragraph, the presentation or the classification of one of the components of the financial statements is changed, the corresponding amounts for the previous year have been made comparable and reclassified. Where it has been impossible to reclassify items, this shall be explained in the annex.

#### **e) Materiality principle**

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

Transactions may be aggregated where:

- (a) The transactions are identical in nature, even if the amounts are large;
- (b) The amounts are negligible;
- (c) Aggregation makes presentation in the financial statements clearer.

**f) No-netting principle**

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

**g) Principle of reality over appearance**

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

**h) Accrual-based accounting principle**

The accrual-based accounting principle means that transactions and events have been entered in the accounts when they occurred and not when amounts were actually paid or recovered. They shall be booked to the financial years to which they relate.

**Currency**

The financial statements of EASO are presented in Euros.

**Transactions in foreign currencies**

Economic transactions in other currencies than in Euros have been converted into Euros on the basis of the European Commission's official rate. A very limited number of transactions during the reporting period occurred in foreign currencies.

**Financial independence**

EASO became financially independent on 20 September 2012.

## 2. Financial statements 2018

### 2.1 Balance Sheet

Balance Sheet - Assets	Note No	2018	2017
<b>ASSETS</b>			
NON CURRENT ASSETS	3.1.1		
INTANGIBLE FIXED ASSETS	3.1.1.1	<b>14,591.00</b>	<b>47,620.00</b>
<i>Computer software</i>		<i>14,591.00</i>	<i>47,620.00</i>
TANGIBLE FIXED ASSETS	3.1.1.2	<b>4,213,010.00</b>	<b>3,904,019.00</b>
<i>Buildings</i>		<i>1,859,024.00</i>	<i>1,613,242.00</i>
<i>Plant and equipment</i>		<i>13,915.00</i>	<i>9,767.00</i>
<i>Furniture and Vehicles</i>		<i>405,819.00</i>	<i>174,156.00</i>
<i>Computer Hardware</i>		<i>1,704,153.00</i>	<i>1,925,879.00</i>
<i>Other fixtures and fittings</i>		<i>230,099.00</i>	<i>180,975.00</i>
<b>TOTAL NON CURRENT ASSETS</b>		<b>4,227,601.00</b>	<b>3,951,639.00</b>
CURRENT ASSETS	3.1.2		
SHORT-TERM PRE-FINANCING	3.1.2.1	<b>399,947.00</b>	<b>1,842,956.71</b>
<i>PF – Procurement and grants</i>		<i>399,947.00</i>	<i>1,842,956.71</i>
SHORT-TERM RECEIVABLES	3.1.2.2	<b>1,223,953.16</b>	<b>1,735,102.07</b>
<i>Current Receivables</i>		<i>938,749.38</i>	<i>1,225,348.52</i>
<i>Other short-term receivables</i>		<i>44,973.74</i>	<i>38,185.91</i>
<i>Accrued Income</i>		<i>0.00</i>	<i>250,233.58</i>
<i>Deferred Charges</i>		<i>240,230.04</i>	<i>221,334.06</i>
CASH AND CASH EQUIVALENTS	3.1.2.3	<b>19,588,530.84</b>	<b>9,962,142.53</b>
<b>TOTAL CURRENT ASSETS</b>		<b>21,212,431.00</b>	<b>13,540,201.31</b>
<b>TOTAL</b>		<b>25,440,032.00</b>	<b>17,491,840.31</b>

Balance Sheet – Capital and Liabilities	Note No	2018	2017
<b>CAPITAL AND CURRENT LIABILITIES</b>			
CAPITAL			
ACCUMULATED RESULT PREVIOUS YEARS		4,395,133.04	-2,595,092.32
ECONOMIC RESULT of the YEAR		713,688.49	6,990,225.36
CURRENT LIABILITIES	3.1.3		
Short-term provisions	3.1.3.1	50,850.00	0.00
Accounts Payable	3.1.3.2	20,280,360.47	13,096,707.27
<i>Current Payables</i>		1,931,571.26	660,213.03
<i>Other accounts Payable against consolidated EU entities</i>		457,331.08	12,913.61
<i>Accrued charges</i>		11,529,648.82	9,266,887.80
<i>Accrued charges with consolidated EU entities</i>		117,202.55	86,032.90
<i>Pre-financing received from consolidated EU entities</i>		5,896,401.76	3,056,073.01
<i>Deferred income</i>		344,464.86	0.00
<i>Other accounts Payable</i>		3,740.14	14,586.92
<b>TOTAL CURRENT LIABILITIES</b>		<b>20,331,210.47</b>	<b>13,096,707.27</b>
<b>TOTAL</b>		<b>25,440,032.00</b>	<b>17,491,840.31</b>

## 2.2 Statement of financial performance (Economic outturn account)

	Note No	2018	2017
EU SUBSIDY (COMMISSION)		86,225,418.92	72,722,843.20
OPERATIONAL REVENUES - MISCELLANEOUS		5,419,851.94	5,740,098.81
<b>TOTAL OPERATIONAL INCOME</b>	3.2.1	<b>91,645,270.86</b>	<b>78,462,942.01</b>
Administrative expenses		<b>-32,764,262.07</b>	<b>-24,340,106.02</b>
<i>All Staff expenses</i>		-18,279,338.81	-14,396,882.16
<i>Fixed assets related expenses</i>		-1,201,292.98	-893,495.97
<i>Other administrative expenses</i>		-13,283,630.28	-9,049,727.89
Operational expenses		<b>-58,153,685.24</b>	<b>-47,126,117.02</b>
<b>TOTAL OPERATIONAL EXPENSES</b>	3.2.2	<b>-90,917,947.31</b>	<b>-71,466,223.04</b>
<b>SURPLUS(- DEFICIT) FROM OPERATIONAL ACTIVITIES</b>		<b>727,323.55</b>	<b>6,996,718.97</b>
Financial revenues		0.00	4,723.35
Financial expenses		-13,635.06	-11,216.96
<b>SURPLUS FROM NON OPERATIONAL ACTIVITIES</b>		<b>-13,635.06</b>	<b>-6,493.61</b>
<b>SURPLUS/(-DEFICIT) FROM ORDINARY ACTIVITIES</b>		<b>713,688.49</b>	<b>6,990,225.36</b>
Extraordinary gains (+)		0.00	0.00
Extraordinary losses (-)		0.00	0.00
<b>SURPLUS FROM EXTRAORDINARY ITEMS</b>		<b>0.00</b>	<b>0.00</b>
<b>ECONOMIC RESULT FOR THE YEAR</b>		<b>713,688.49</b>	<b>6,990,225.36</b>

## 2.3 *Cash flow*

(Indirect method)

	2018	2017
<b>Cash Flows from ordinary activities</b>		
<b>Surplus/(deficit) from ordinary activities</b>	<b>713,688.49</b>	<b>6,990,225.36</b>
<b>Operating activities</b>		
<u>Adjustments</u>		
Amortization (intangible fixed assets)+	33,029.00	63,555.00
Depreciation (tangible fixed assets) +	1,163,488.98	827,738.97
Increase/(Decrease) in Provisions for risks and liabilities	50,850.00	0.00
(Increase)/Decrease in Short term Pre-financing	1,443,009.71	-1,686,041.71
(Increase)/Decrease in Short term Receivables	511,148.91	2,447,714.52
(Increase)/Decrease in Receivables related to consolidated EU entities	0.00	0.00
Increase/(Decrease) in Accounts payable	4,343,324.45	-1,758,299.59
Increase/(Decrease) in Liabilities related to Pre-financing received from consolidated EU entities	2,840,328.75	-13,223,857.54
<b>Net cash Flow from operating activities</b>	<b>11,098,868.29</b>	<b>-6,338,964.99</b>

<b>Cash Flows from investing activities</b>		
Increase of tangible and intangible fixed assets(-)	-1,472,479.98	-2,754,819.10
<b>Net cash flow from investing activities</b>	<b>-1,472,479.98</b>	<b>-2,754,819.10</b>

Net increase in cash and cash equivalents	9,626,388.31	-9,093,784.09
<b>Cash and cash equivalents at the beginning of the period</b>	<b>9,962,142.53</b>	<b>19,055,926.62</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>19,588,530.84</b>	<b>9,962,142.53</b>

## 2.4 *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			
<b>Balance as of 31 December 2017</b>	<b>0.00</b>	<b>0.00</b>	<b>-2,595,092.32</b>	<b>6,990,225.36</b>	<b>4,395,133.04</b>
Changes in accounting policies	0.00	0.00	0.00		0.00
<b>Balance as of 1 January 2018</b>	<b>0.00</b>	<b>0.00</b>	<b>-2,595,092.32</b>	<b>6,990,225.36</b>	<b>4,395,133.04</b>
Fair value movements					0.00
Movement in Guarantee Fund reserve					0.00
Allocation of the Economic Result of Previous Year			6,990,225.36	-6,990,225.36	0.00
Amounts credited to Member States					0.00
Economic result of the year	0.00	0.00		713,688.49	713,688.49
<b>Balance as of 31 December 2018</b>	<b>0.00</b>	<b>0.00</b>	<b>4,395,133.04</b>	<b>713,688.49</b>	<b>5,108,821.53</b>

## 2.5 Budgetary outturn account

		2018	2017
<b>REVENUE</b>			
Balancing Commission subsidy	+	91,971,000.00	75,376,000.00
Other income	+	5,762,009.88	4,266,732.37
<b>TOTAL REVENUE (a)</b>		<b>97,733,009.88</b>	<b>79,642,732.37</b>
<b>EXPENDITURE</b>			
<i>Title I: Staff</i>			
Payments	-	17,991,959.30	15,079,087.13
Appropriations carried over	-	1,381,126.08	1,108,271.88
<i>Title II: Administrative Expenses</i>			
Payments	-	6,290,853.34	5,326,650.33
Appropriations carried over	-	4,167,864.28	3,852,813.75
<i>Title III: Operating Expenditure</i>			
Payments	-	57,754,896.63	50,222,930.45
Appropriations carried over	-	9,102,890.08	3,143,573.96
<i>Title IV: Operating Expenditure for specific projects (earmarked funds)</i>			
Payments	-	229,270.60	2,181,147.45
Appropriations carried over	-	150,820.68	380,091.28
<b>TOTAL EXPENDITURE (b)</b>		<b>97,069,680.99</b>	<b>81,294,566.23</b>
<b>OUTTURN FOR THE FINANCIAL YEAR (a-b)</b>		<b>663,328.89</b>	<b>-1,651,833.86</b>
Cancellation of unused payment appropriations carried over from previous year	+	313,138.59	341,189.03
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	+	4,772,319.39	15,869,771.86
Unused payment appropriations carried over from previous year available at 31.12 arising from assigned revenue reimbursed in year N to the Commission	-	0.00	-11,904,461.26
Exchange differences for the year (gain +/- loss -)	+/-	-3,205.79	-1,508.97
<b>BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR</b>		<b>5,745,581.08</b>	<b>2,653,156.80</b>
Balance year N-1	+/-	2,653,156.80	1,104,405.88
Positive balance from year N-1 reimbursed in year N to the Commission	-	-2,653,156.80	-1,104,405.88
<b>Result used for determining amounts in general accounting</b>		<b>5,745,581.08</b>	<b>2,653,156.80</b>
<b>Commission subsidy - agency registers accrued revenue and Commission accrued expense</b>		<b>86,225,418.92</b>	<b>72,722,843.20</b>
<b>Pre-financing remaining open to be reimbursed by agency to Commission in year N+1</b>		<b>5,745,581.08</b>	<b>2,653,156.80</b>



## 2.6 Reconciliation Statement of financial performance - Budgetary outturn account

	sign +/-	amount
<b>Economic result (+ for surplus and - for deficit)</b>	<b>+/-</b>	<b>713,688.49</b>
<b>Adjustment for accrual items (items not in the budgetary result but included in the economic result)</b>		
Adjustments for Accrual Cut-off (reversal 31.12.N-1)	-	-7,862,241.05
Adjustments for Accrual Cut-off (cut- off 31.12.N )	+	13,244,760.49
Amount from liaison account with Commission booked in the Statement of financial performance	-	0.00
Unpaid invoices at year end but booked in charges (class 6)	+	1,331,930.23
Depreciation of intangible and tangible assets and amounts written off	+	1,196,517.98
Provisions	-	50,850.00
Value reductions	+	9,449.00
Recovery Orders issued in 2018 in class 7 and not yet cashed	-	0.00
Pre-financing given in previous year and cleared in the year	+	267,792.33
Pre-financing received in previous year and cleared in the year	-	-252,095.53
Payments made from carry-over of payment appropriations	+	3,399,292.89
Other	+/-	
<b>Adjustment for budgetary items (item included in the budgetary result but not in the economic result)</b>		
Asset acquisitions (less unpaid amounts)	-	-1,457,266.28
New pre-financing paid in the year 2018 and remaining open as at 31.12.2018	-	-934,847.60
New pre-financing received in the year 2018 and remaining open as at. 31.12.2018	+	5,745,581.08
Budgetary recovery orders issued before 2018 and cashed in the year	+	0.00
Budgetary recovery orders issued in 2018 on balance sheet accounts (not 7 or 6 accounts) and cashed	+	0.00
Capital payments on financial leasing (they are budgetary payments but not in the economic result)	-	0.00
Payment appropriations carried over to 2019	-	-14,802,701.12
Cancellation of unused carried over payment appropriations from previous year	+	313,138.59
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	+	4,772,319.39
Payments for pensions ( they are budgetary payments but booked against provisions)	-	0.00
Payments for stocks of leave and supplementary hours ( they are budgetary payments but booked against provisions)	-	0.00
Other	+/-	9,412.19
<b>total</b>		<b>5,745,581.08</b>
<b>Budgetary result (+ for surplus)</b>		<b>5,745,581.08</b>
Delta not explained		<b>0.00</b>

### 3. Annex to the Financial Statements

#### 3.1 *Notes to the Balance Sheet*

##### 3.1.1 Non-current assets

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

Fixed assets are assets with an acquisition price value above 420 Euros and are expected to be used during more than one year. Assets, which do not fall under the above described criteria, have been charged against expenses and are reflected in the statement of financial performance. Repairs and maintenance are recognised as running expenses during the financial period in which they are incurred.

EASO's assets are already tagged with label stickers. A full inventory is available and a physical inventory check of EASO's assets was performed during the period October 2018 - February 2019.

The assets were valued in the financial statements at their purchase price minus depreciation, in order to give a fair value of EASO's assets.

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. The depreciation method chosen is the straight-line method. EASO's fixed assets are depreciated on a monthly basis. The depreciation rates are the coefficients used at the European Commission. The applied depreciation annual percentage rates per asset types are as follows:

##### Intangible fixed assets:

Computer software	25.0%
-------------------	-------

##### Tangible fixed assets:

Buildings	10.0% and 12.5%
Specific equipment	12.5% and 25.0%
Computers, servers, printers etc.	25.0%
Telecommunications and audio-visual equipment	25.0%
Office furniture	10.0%, 12.5% and 25.0%

### 3.1.1.1 Intangible fixed assets

Intangible assets are identifiable non-monetary assets without physical substance.  
EASO's intangible fixed assets during the reporting period are composed of IT software.

2018		Computer Software
<b>Gross carrying amounts 01.01.2018</b>	+	<b>296,903.83</b>
Additions	+	0.00
Disposals	-	0.00
Transfers between headings	+/-	0.00
Other changes	+/-	0.00
<b>Gross carrying amounts 31.12.2018</b>		<b>296,903.83</b>

<b>Accumulated amortization and impairment 01.01.2018</b>		<b>-249,283.83</b>
Amortization	-	-33,029.00
Write-back of amortization	+	0.00
Disposals	+	0.00
Impairment	-	0.00
Write-back of Impairment	+	0.00
Transfer between headings	+/-	0.00
Other changes	+/-	0.00
<b>Accumulated amortization and impairment 31.12.2018</b>		<b>-282,312.83</b>
<b>Net carrying amounts 31.12.2018</b>		<b>14,591.00</b>

### 3.1.1.2 Tangible fixed assets

Tangible fixed assets are assets that are held by EASO for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one reporting period.

EASO's tangible fixed assets consist of buildings, plant machinery and equipment, furniture and vehicles, computer hardware, and other fixture and fittings.

2018		Buildings	Plant, Machinery and Equipment	Furniture and vehicles	Computer Hardware	Other Fixture and Fittings	Total
<b>Gross carrying amounts 01.01.2018</b>	+	<b>1,880,701.00</b>	<b>10,570.89</b>	<b>226,067.16</b>	<b>3,144,638.18</b>	<b>323,859.59</b>	<b>5,585,836.82</b>
Additions	+	532,914.00	5,904.00	291,709.45	509,664.15	135,537.38	<b>1,475,728.98</b>
Disposals	-	0.00	0.00	0.00	-7,301.40	-6,050.50	<b>-13,351.90</b>
Transfers between headings	+/-	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
Other changes	+/-	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>Gross carrying amounts 31.12.2018</b>		<b>2,413,615.00</b>	<b>16,474.89</b>	<b>517,776.61</b>	<b>3,647,000.93</b>	<b>453,346.47</b>	<b>7,048,213.90</b>

2018		Buildings	Plant, Machinery and Equipment	Furniture and vehicles	Computer Hardware	Other Ficture and Fittings	Total
<b>Accumulated amortization and impairment 01.01.2018</b>	-	<b>-267,459.00</b>	<b>-803.89</b>	<b>-51,911.16</b>	<b>-1,218,759.18</b>	<b>-142,884.59</b>	<b>-1,681,817.82</b>
Amortization	-	-287,132.00	-1,756.00	-61,496.45	-730,208.15	-82,896.38	-1,163,488.98
Write-back of amortization	+	0.00	0.00	0.00	0.00	0.00	0.00
Disposals	+	0.00	0.00	0.00	1,369.40	2,533.50	3,902.90
Impairment	-	0.00	0.00	0.00	0.00	0.00	0.00
Write-back of Impairment	+	0.00	0.00	1,450.00	4,750.00	0.00	6,200.00
Transfer between headings	+/-	0.00	0.00	0.00	0.00	0.00	0.00
Other changes	+/-	0.00	0.00	0.00	0.00	0.00	0.00
<b>Accumulated amortization and impairment 31.12.2018</b>		<b>-554,591.00</b>	<b>-2,559.89</b>	<b>-111,957.61</b>	<b>-1,942,847.93</b>	<b>-223,247.47</b>	<b>-2,835,203.90</b>
<b>Net carrying amounts 31.12.2018</b>		<b>1,859,024.00</b>	<b>13,915.00</b>	<b>405,819.00</b>	<b>1,704,153.00</b>	<b>230,099.00</b>	<b>4,213,010.00</b>

After request from the Greek Authorities in 2017, EASO transferred to the Greek Asylum Service assets of net book value as of 31.12.2018 amount 11,172.00 EUR. The donation was formally accepted in May 2019.

In addition, after request from the authorities in Cyprus, EASO donated computer hardware to the Asylum Services of Cyprus (net book value 4,775.00 EUR). The donations were formally accepted on 28<sup>th</sup> August 2018.

### 3.1.2 Current assets

#### 3.1.2.1 Short-term pre-financing

Pre-financing is a payment intended to provide the beneficiary with a float, i.e. cash advance.

#### 3.1.2.2 Short-term 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 EASO will not be able to collect all amounts due according to the original terms of receivables.

EASO's receivables comprise mainly the VAT to be recovered from Maltese Tax Authorities for an amount of 938,749.30 EUR. In this balance, two bank cheques issued on 29<sup>th</sup> November 2018 by the Central Bank of Malta with beneficiary EASO of total amount 228,373.27 EUR for the refund of VAT are included. EASO deposited the cheques to its bank account in ING Belgium on 10<sup>th</sup> December 2018. The cheques were cleared on 9<sup>th</sup> January 2019 and EASO received the funds in its bank account two days later.

In accordance with the Seat Agreement and the Protocol on privileges and immunities of the European Union, EASO is entitled to VAT reimbursements for purchases with a value of more than 150 EUR.

EASO's other short term receivables comprise mainly balances related to staff (Salary advances, Mission advances and EU inter-entity balances).

Deferred charges are expenditures that are paid in one accounting period, but for which the underlying asset will not be entirely consumed until one or more future periods have been completed.

### **3.1.2.3 Cash and equivalents**

EASO has one bank account opened with ING in Belgium. The bank balance at the end of the reporting period was:

	31/12/2018	31/12/2017
EUR account	19,588,530.84 EUR	9,962,142.53 EUR

## **3.1.3 Current liabilities**

### **3.1.3.1 Short-term provisions**

A provision of 50,850.00 EUR has been established in order to cover operating and legal expenses which are expected to be settled in 2019 arising from past events.

### **3.1.3.2 Accounts payable**

Payables are amounts due to a creditor, including transactions arising from the purchase of goods and services.

Current payables consist of amounts owed by EASO at the end of the reporting period for invoices, claims and requests for reimbursement that have been received.

Accrued charges represent estimate of liabilities that is not supported by an invoice or a cost claim or an expense summary at the end of the reporting period. Accrued charges have been estimated on the basis of accounting information provided by the Authorising Officers. Unspent annual leave is included and reflects EASO staff annual leave days carried over to the following year.

Pre-financing received is a payment intended to provide EASO with a float. It may be split into a number of payments in accordance with the provisions of the underlying contract, decision, agreement or the basic legal act. The float or advance is either used for the purpose for which it was provided during the period defined in the agreement or it is repaid. Pre-financing received from consolidated entities consist of amounts of EU subsidy or EU Grants that have not been used for the purpose for which they were provided as of 31.12.2018.

Deferred income is amount received for goods or services which have not yet been delivered. EASO's deferred income is part of Associate Countries contribution which relate to payment credits received from the EU and not spent by 31 December 2018.

## 3.2 *Notes to the Statement of financial performance*

### 3.2.1 Operational revenue

In accordance with the principle of accrual-based accounting, the financial statements shall show the income for the financial year, i.e. when they were recognised, regardless of the date of collection.

EASO's revenue during year 2018 consists mainly in the European Commission subsidy (EU contribution for C1 appropriations) and other operational revenue from specific grants.

During 2018, EASO received four bank transfers corresponding to the subsidy (pre-financing for EU contribution) from the European Commission for an amount of 91,971,000.00 EUR. The budgetary outturn calculation shows the part of Commission subsidy registered as income and the part of pre-financing remaining open to be reimbursed by EASO to the Commission in 2019.

Other operational revenue consists of: Revenue from consolidated entities for specific projects (R0 appropriations), revenue from associate countries, fixed assets related income, reimbursements of expenses and realised/unrealised exchange rate gains.

REVENUE	2018	2017
	EUR	EUR
Revenue from consolidated EC entities (EU Subsidy)	86,225,418.92	72,722,843.20
Revenue from consolidated EC entities (EU Grants, Projects)	218,192.22	1,384,113.42
Revenue from Associate Countries	5,173,525.14	4,337,258.10
Fixed Assets related income	7,994.00	0.00
Recovery of expenses	17,645.61	17,842.37
Exchange rate differences gains (from operating activities)	2,494.97	884.92
<b>TOTAL</b>	<b>91,645,270.86</b>	<b>78,462,942.01</b>

### 3.2.2 Operational expenses

In accordance with the principle of accrual-based accounting, the financial statements shall show the charges for the financial year, i.e. when they were recognised, regardless of the date of payment.

Administrative expenses relate to EASO's administrative activities (budget titles 1: Staff expenditure and 2: Infrastructure and operating expenditures).

Staff expenditure include EASO staff related costs (basic salaries, allowances, contract agents, family allowances, insurance, social contributions, etc.) covered by the Staff Regulations and Conditions of

Employment of Other Servants of the European Union, as well as the allowances for Seconded National Experts.

#### Payroll charges

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

The PMO's mission is to manage the financial rights of permanent, temporary and contractual staff working at the Commission, to calculate and to pay their salaries and other financial entitlements. The PMO provides these services to other EU institutions and agencies as well. The PMO is also responsible for managing the health insurance fund of the Institutions, together with processing and paying the claims of reimbursement from staff members. The PMO also manages the pension scheme and pays the pensions of retired staff members. The PMO is being audited by the European Court of Auditors.

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

Fixed assets expenses reflect mainly depreciation and impairment charges for the year 2018.

Infrastructure and operating expenditures consist of administrative expenses incurred from EASO daily activities, such as rent, public utilities (electricity, water, etc.), office supplies, meetings organising expenses, etc.

Operational expenses are intended to cover EASO operational activities (budget titles 3 and 4: Operational expenditures).

### 3.3 *Contingent liabilities*

#### Operating lease

This corresponds to the rental/lease expenses of the EASO building in Valletta Harbour and EASO's offices in Athens, Rome, Cyprus and Brussels. In addition, EASO pays rental/lease expenses for buildings and other installations in Greek hotspots.

Operating lease	Total amount (EUR)
Due within one year	2,341,122.12
Due between one year and five years	8,312,661.12
Due more than five years	7,287,998.88
<b>Total</b>	<b>17,941,782.12</b>

### Commitments for future funding

Contractual commitments, for which budget commitments as of 31 December 2018 had not yet been made, were not present. The part of the budget commitments which has not been consumed by 31 December 2018 is 17,415,391.91 EUR.

### Legal cases

No legal case was reported to the Accounting Officer that could have material effect, at the time of issuing the Final Annual Accounts 2018.

## 3.4 *Related parties*

EASO is managed by the Executive Director, who also performs the duties of Authorising Officer, under the supervision of the Management Board. In accordance with the EASO Financial Regulation Article 40, the Executive Director may delegate his/her powers of budget implementation to EASO staff covered by the Staff Regulations.

As of 31/12/2018, EASO had in total 1 Authorising Officer and 3 Authorising Officers by delegation who are temporary agents in the following grades:

Grade	Number of persons
AD11	1
AD10	3
<b>Total</b>	<b>4</b>

## 3.5 *Financial risk management*

EASO is exposed to limited liquidity, interest rate, foreign currency exchange and credit risks which arise in the normal course of its operations. This note presents information about EASO's exposure to each of the above risks. Unless otherwise indicated, EASO prudently manages its investments.

### Liquidity risk

Liquidity risk is the risk of EASO not being able to meet its obligations as they fall due. EASO does not have significant exposure to liquidity risk as it has resources from the budget of the European Union. The investments are held in liquid bank deposits.



**Credit risk**

Credit risk is the risk of financial loss to EASO if counterparties to financial instruments fail to meet their contractual obligations, and it arises principally from receivables, and cash and cash equivalents. EASO's accounts receivable are almost exclusively from EU member states, and therefore risks related to credit are considered minor.

EASO minimises the credit risk to its cash and cash equivalents by holding its funds in banks with high or upper medium grade credit ratings.

**Currency risk**

EASO receives its revenues in Euros and incur expenses also in Euros, and exceptionally in other currencies. As a result, the foreign currency exchange risk arising from fluctuations of currency exchange rates is extremely limited.

**Interest rate risk**

EASO's bank account's interest rates are linked to the financial markets. EASO is to a very limited extent exposed to the risk of falling interest rates, since less than 0.1 per cent of its revenue derived from investment income.

**Fair values**

At 31 December 2018, the carrying amounts of cash at bank, receivables, payables, and accrued expenses approximated their fair values.

**3.6 *Other Significant Disclosures***

None.

**3.7 *Events after the balance sheet date***

No material issues were reported to the Accounting Officer that would require separate disclosure under this section.

## **4. Reports on the implementation of the budget 2018**

### **4.1 *Budgetary principles***

In Accordance with the EASO Financial Regulation Title II, the establishment and implementation of the budget of EASO shall comply with the following principles:

#### **a) Principles of unity and budget accuracy**

This principle means that no revenue shall be collected and no expenditure effected unless booked to a line in EASO's budget. An appropriation must not be entered in the budget if it is not for an item of expenditure considered necessary. No expenditure may be committed or authorised in excess of the appropriations authorised by the budget.

#### **b) Principle of annuality**

The appropriations entered in the budget shall be authorised for one financial year which shall run from 1 January to 31 December.

#### **c) Principle of equilibrium**

This means that the budget revenue and payment appropriations must be in balance.

#### **d) Principle of unit of account**

The budget shall be drawn up and implemented in Euro and the accounts shall be presented in Euro.

#### **e) Principle of universality**

Total revenue shall cover total payment appropriations and all revenue and expenditure shall be entered in full without any adjustment against each other.

#### **f) Principle of specification**

The appropriations in their entirety shall be earmarked for specific purposes by title and chapter; the chapters shall be further subdivided into articles and items.

#### **g) Principle of sound financial management**

Budget appropriations shall be used in accordance with the principle of sound financial management – in accordance with the principles of economy, efficiency and effectiveness.

#### **h) Principle of 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.

## 4.2 ***Budget 2018 – Initial, Amended, and transfers***

In accordance with article 33 of the EASO Regulation, the revenues and resources of EASO shall consist, in particular, of:

- a) a contribution from the Union entered in the general budget of the European Union;
- b) any voluntary contribution from the Member States;
- c) charges for publications and any service provided by EASO;
- d) a contribution from the associate countries.

During 2018, EASO has received:

- a) Subsidy from the Commission;
- b) Contribution from associate countries (Norway, Switzerland and Liechtenstein).

The expenditure of EASO shall cover staff remunerations, infrastructure and administrative expenditure, and operational expenditure and are divided into 4 titles as follows:

- Title 1 - Staff expenditure
- Title 2 - Infrastructure and operating expenditure
- Title 3 - Operational expenditure
- Title 4 - Operational expenditure for specific projects (earmarked appropriations)

In 2018, one Amending Budget was adopted by the Management Board. In addition to this Amending Budget, the Authorising Officer or Authorising Officers by Delegation have approved a total of 11 budget transfers during the year.

The tables below present the Budget 2018 in terms of appropriations for revenue, commitment and payment.

The distribution of appropriations among Titles of the Budget 2018 is as follows.

## Revenue

Budget Line	Description	Voted Budget 2018	Amending Budgets 2018	Final Appropriations 2018
2000	EU Contribution (Commission subsidy - Titles 1. 2 and 3)	91,971,000.00	0.00	91,971,000.00
3000	Associate countries contributions	0.00	5,694,322.29	5,694,322.29
4000	Other contributions	0.00	0.00	0.00
5000	Administrative operations and miscellaneous income	0.00	0.00	0.00
	<b>Budget revenues</b>	<b>91,971,000.00</b>	<b>5,694,322.29</b>	<b>97,665,322.29</b>

## Expenditures

Budget Title	Title Description	EASO adopted budget 2018		2018 EASO budget after amending budgets and budgetary transfers	
		Commitment	Payment	Commitment	Payment
Title 1	Staff expenditure	28,360,982.00	28,360,982.00	20,336,982.00	20,336,982.00
Title 2	Infrastructure and operating expenditures	10,872,500.00	10,872,500.00	12,184,500.00	12,184,500.00
Title 3	Operational expenditures	52,737,518.00	52,737,518.00	65,143,840.29	65,143,840.29
Title 4	Operational expenditures for specific projects	0.00	0.00	0.00	0.00
	<b>Total expenditure</b>	<b>91,971,000.00</b>	<b>91,971,000.00</b>	<b>97,665,322.29</b>	<b>97,665,322.29</b>

### 4.3 Budget 2018 – Execution

The present budget implementation report covers the period from 1 January to 31 December 2018.

C1 appropriations (appropriations of the current year), C8 appropriations (appropriations and commitments carried-forward from previous years), C4 appropriations (appropriations and commitments internally assigned), C5 appropriations (appropriations and commitments from internal assigned revenue carried over from previous year) and R0 appropriations (appropriations from external assigned revenue) were present.

Commitments are entered in the accounts on the basis of the legal commitments entered into up to 31 December and payments on the basis of the payments made by the Accounting Officer by 31 December of that year, at the latest.

EASO has non-differentiated appropriations for titles 1 and 2 (commitment and payment appropriations are equal and linked) and differentiated appropriations for title 3 and title 4.

#### 4.3.1 Budget execution of Income appropriations

Income appropriations					
Budget Title	Fund Source	Description	Current budget	Revenue received	Remaining balance
Title 2	IC1	EU contribution (Commission subsidy - titles 1, 2 and 3)	91,971,000.00	91,971,000.00	0.00
Title 3	IR1	Associate country contributions	5,694,322.29	5,732,517.43	0.00
Title 4	IR1	Other contributions	0.00	0.00	0.00
	IC4	Miscellaneous income	0.00	19,985.00	0.00
Title 5	IC1	Administrative operations	0.00	8.72	0.00
	IC4	Miscellaneous income	0.00	9,498.73	0.00
		<b>Total Income</b>	<b>97,665,322.29</b>	<b>97,733,009.88</b>	<b>0.00</b>

### 4.3.2 Budget execution of Commitment appropriations

Commitment appropriations					
Budget Title	Fund Source	Current budget	Current execution	Remaining balance	Ratio (%)
Title 1	C1	20,336,982.00	19,314,071.60	1,022,910.40	94.97%
	C4	4,266.30	0.00	4,266.30	0.00%
	C8	972,033.18	868,759.38	103,273.80	89.38%
	R0	54,747.48	54,747.48	0.00	100.00%
Total Title 1		21,368,028.96	20,237,578.46	1,130,450.50	94.71%
Title 2	C1	12,184,500.00	9,746,175.94	2,438,324.06	79.99%
	C4	4,135.43	0.00	4,135.43	0.00%
	C5	78.16	0.00	78.16	0.00%
	C8	2,740,398.30	2,530,533.51	209,864.79	92.34%
	R0	708,406.25	698,192.85	10,213.40	98.56%
Total Title 2		15,637,518.14	12,974,902.30	2,662,615.84	82.97%
Title 3	C1	59,449,518.00	58,327,219.14	1,122,298.86	98.11%
	C4	21,082.00	0.00	21,082.00	0.00%
	C5	7,938.30	7,938.30	0.00	100.00%
	C8	22,663,826.55	19,363,813.26	3,300,013.29	85.44%
	R0	9,355,454.40	5,478,759.22	3,876,695.18	58.56%
Total Title 3		91,497,819.25	83,177,729.92	8,320,089.33	90.91%
Title 4	R0	380,091.28	334,338.73	45,752.55	87.96%
Total Title 4		380,091.28	334,338.73	45,752.55	87.96%
Total Commitment appropriations		128,883,457.63	116,724,549.41	12,158,908.22	90.57%

### 4.3.3 Budget execution of Payment appropriations

Payment appropriations					
Budget Title	Fund Source	Current budget	Current execution	Remaining balance	Ratio (%)
Title 1	C1	20,336,982.00	17,937,211.82	2,399,770.18	88.20%
	C4	4,266.30	0.00	4,266.30	0.00%
	C8	972,033.18	868,759.38	103,273.80	89.38%
	R0	54,747.48	54,747.48	0.00	100.00%
Total Title 1		21,368,028.96	18,860,718.68	2,507,310.28	88.27%
Title 2	C1	12,184,500.00	5,592,660.49	6,591,839.51	45.90%
	C4	4,135.43	0.00	4,135.43	0.00%
	C5	78.16	0.00	78.16	0.00%
	C8	2,740,398.30	2,530,533.51	209,864.79	92.34%
	R0	708,406.25	698,192.85	10,213.40	98.56%
Total Title 2		15,637,518.14	8,821,386.85	6,816,131.29	56.41%
Title 3	C1	59,449,518.00	57,475,191.06	1,974,326.94	96.68%
	C4	21,082.00	0.00	21,082.00	0.00%
	C5	6,059.25	6,059.25	0.00	100.00%
	R0	9,355,454.40	273,646.32	9,081,808.08	2.92%
Total Title 3		68,832,113.65	57,754,896.63	11,077,217.02	83.91%
Title 4	R0	380,091.28	229,270.60	150,820.68	60.32%
Total Title 4		380,091.28	229,270.60	150,820.68	60.32%
Total Payment appropriations		106,217,752.03	85,666,272.76	20,551,479.27	80.65%

The current budget of R0 fund source includes appropriations of 2018 budget and appropriations carried over from previous years as per table below:

R0 fund source				
Budget Title	Appropriations carried over from previous years	Appropriations of 2018	Budget transfers	Current budget 2018
Title 1	136,238.70	0.00	-81,491.22	54,747.48
Title 2	1,112,337.29	0.00	-403,931.04	708,406.25
Title 3	3,137,514.71	5,732,517.43	485,422.26	9,355,454.40
Title 4	380,091.28	0.00	0.00	380,091.28
<b>Total</b>	<b>4,766,181.98</b>	<b>5,732,517.43</b>	<b>0.00</b>	<b>10,498,699.41</b>

#### 4.4 Carry-over from 2018 to 2019

The carry-over is intended to cover pending expenditure at the end of the year (several invoices and debit notes from contractors and EU institutions/agencies were pending to be received).

Carry-over of appropriations relates to:

- Title 1: Staff expenditure such as missions, schooling and representation/miscellaneous costs;
- Title 2: Infrastructure and operating expenditure (IT hardware, software and related services, etc.), administrative assistance from other EU institutions (e.g. SLAs with PMO), translations and publications, business consultancy and organisation costs of Management Board meetings;
- Title 3: Operational expenditure such as translations and publications, organisation of events, reimbursement of participants/experts to meetings organised by EASO, etc.;
- Title 4: Operational expenditure for specific projects (ENP countries participating in the work of EASO) such as translations, staff travel costs, organisation of events, reimbursement of participants/experts to meetings organised by EASO, etc.

##### 4.4.1 Non-differentiated C1 appropriations carried-over from 2018 to 2019

Non-differentiated C1 appropriations (Title 1 and Title 2) corresponding to obligations duly contracted at the close of the financial year are carried over automatically to the following financial year only, together with the payment appropriations.

Budget Title	Description	Commitment execution 2018	Payment execution 2018	RAL Commitment and payment appropriations carried-over to 2019	Ratio carry-over / commitments
Title 1	Staff expenditure	19,314,071.60	17,937,211.82	1,376,859.78	7.13%
Title 2	Infrastructure and operating expenditures	9,746,175.94	5,592,660.49	4,153,515.45	42.62%

##### 4.4.2 C4 appropriations carried-over from 2018 to 2019

C4 appropriations (internally assigned funds) are carried over automatically to the following financial year as C5 appropriations for not committed funds and C8 appropriations for committed funds, together with the payment appropriations.

Budget Title	Description	Current budget 2018	Current execution 2018	Carry-over to 2019	Ratio (%)
Title 1	Staff expenditure	4,266.30	0.00	4,266.30	100.00%
Title 2	Infrastructure and operating expenditures	4,135.43	0.00	4,135.43	100.00%
Title 3	Operational expenditures	21,082.00	0.00	21,082.00	100.00%



#### 4.4.3 R0 appropriations carried-over from 2018 to 2019

R0 appropriations (externally assigned funds) are carried over automatically to the following financial year together with the payment appropriations.

Budget Title	Description	Current budget 2018	Current execution 2018	Carry-over to 2019	Ratio (%)
Title 1	Staff expenditure	54,747.48	54,747.48	0.00	0.00%
Title 2	Infrastructure and operating expenditures	708,406.25	698,192.85	10,213.40	1.44%
Title 3	Operational expenditures	9,355,454.40	273,646.32	9,081,808.08	97.08%
Title 4	Operational expenditures for specific projects (earmarked appropriations)	380,091.28	229,270.60	150,820.68	39.68%

#### 4.4.4 Differentiated C1 and C8 appropriations carried-over from 2018 to 2019

Differentiated C1 appropriations (Title 3) corresponding to obligations duly contracted at the close of the financial year are carried over automatically to the following financial year, under C8 appropriations, without the payment appropriations.

Budget Title	Description	Commitment execution 2018	Payment execution 2018 (under C1)	RAL Commitment appropriations carried-over to 2019	Ratio carry-over / commitments
Title 3	Operational expenditures	58,327,219.14	38,672,930.10	19,654,289.04	33.70%

Differentiated C8 appropriations (Title 3), from previous years, are carried over automatically to the following financial year, under C8 appropriations, without the payment appropriations.

Budget Title	Description	Commitment execution 2017	Payment execution 2018 (under C1)	RAL Commitment appropriations carried-over to 2019	Ratio carry-over / commitments
Title 3	Operational expenditures	19,363,813.26	18,802,260.96	561,552.30	3%

Payment appropriations of budget 2018 for title 3 (fund source C1, amount 59,449,518.00 EUR) were used for the payment execution 2018 of both C1 and C8 differentiated appropriations of title 3. Out of the total amount of 57,475,191.06 EUR payment appropriations executed in 2018 (fund source C1), 18,802,260.96 EUR were executed against commitment appropriation from previous years (fund source C8) and 38,672,930.10 EUR against fresh commitment appropriations of 2018 (fund source C1).