



Annual accounts of the
Innovative Medicines
Initiative 2 Joint
Undertaking

Financial year 2018

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CERTIFICATION OF THE ACCOUNTS

The final annual accounts of the Innovative Medicines Initiative 2 Joint Undertaking for the year 2018 have been prepared in accordance with the Financial Regulation of the JU and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and Union Bodies.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the Joint Undertaking in accordance with Article 43 of the Financial Regulation of the JU.

I have obtained from the Authorising Officer, who guaranteed its reliability, all the information necessary for the production of the accounts that show the JU'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 JU in all material aspects.

[signed]

Rosa ALDEA BUSQUETS

Accounting Officer

June 2019

BACKGROUND INFORMATION ON THE IMI2 JU

The Innovative Medicines Initiative 2 Joint Undertaking (IMI2 JU) is the European public-private partnership (PPP) based in Brussels that works on improving health by speeding up the development of, and patient access to, the next generation of medicines, particularly in areas where there is an unmet medical or social need. It does this by facilitating collaboration between the key players involved in healthcare research, including universities, pharmaceutical companies, other companies active in healthcare research, small and medium-sized enterprises (SMEs), patient organisations, and medicines regulators. This approach has proven highly successful, and IMI projects are delivering exciting results that are helping to advance the development of urgently-needed new treatments in diverse areas.

IMI2 JU was launched in 2008 as a partnership between the European Union (EU), represented by the European Commission¹, and the European pharmaceutical industry, represented by the European Federation of Pharmaceutical Industries and Associations (EFPIA). The partnership was renewed in 2014 with the creation of the IMI 2 programme. IMI2 JU is funded by the members contributing either in cash or in-kind to the administrative and operational costs of the JU.

IMI2 JU ongoing projects focus on specific health issues such as neurological conditions (Alzheimer's disease, schizophrenia, depression, chronic pain, and autism), infectious diseases (including antimicrobial resistance and Ebola), diabetes, lung disease, oncology, inflammation & infection, tuberculosis, and obesity.

Others focus on broader challenges in drug development like drug and vaccine safety, knowledge management, the sustainability of chemical drug production, the use of stem cells for drug discovery, drug behaviour in the body, and the creation of a European platform to discover novel medicines. IMI2 JU also supports education and training projects.

IMI2 JU has a budget of over EUR 5 billion for the period 2008-2024, making it the world's largest PPP in health research. Half of this comes from the EU's research and innovation programmes, the Seventh Framework Programme (FP7) and Horizon 2020. The other half comes from large companies and organisations, mostly EFPIA companies. These do not receive any EU funding, but contribute to the projects 'in kind', for example by investing their researchers' time or providing access to research facilities or resources.

Following Article 22 of the IMI2 JU Financial Rules², the Governing Board of IMI2 JU appoints the Accounting Officer who is, amongst other tasks, responsible for preparation of the annual accounts of the joint undertaking. Following Article 40 of the IMI2 JU Financial Rules the annual accounts shall be prepared in accordance with the accounting rules adopted by the Commission's Accounting Officer (EU Accounting Rules, EAR) that are based on the International Public Sector Accounting Standards (IPSAS). In accordance with the decision of the IMI2 JU's Governing Board of 23 July 2015 (IMI2-GB-DEC-2015-33), the Accounting Officer of the Commission acts, as of 1 September 2015, as the Accounting Officer of IMI2 JU.

Highlights of the year

In 2018, IMI2 JU launched 3 Calls for proposals with a total of 19 topics and with significant contributions from new Associated Partners and EFPIA Partners in Research, keeping IMI2 JU on track to commit its entire budget by the end of 2020.

In 2018, IMI2 JU achieved an important milestone with the launch of the 100th project. By the end of the year, IMI2 JU had signed a total of 20 new Grant Agreements with a combined budget of EUR 546 million, bringing the total project portfolio to 119 (59 IMI1 projects + 60 IMI2 projects).

30 April 2018 marked the 10th anniversary of the very first IMI Call for proposals. To celebrate this, and to tell the story of IMI's achievements the Programme Office ran a highly successful multi-channel communications campaign spanning several months promoting IMI project results and impacts.

¹ Hereinafter referred to as 'Commission'.

² Adopted by the decision IMI2-GB-DEC-2015-44 of the IMI2 JU Governing Board.

IMI2 JU continuous efforts to improve operational performance resulted in a significant execution rate of 86.69 % for operational payment appropriations and successful achievement of key operational indicators on Call and grant management such as time to inform, time to grant and time to pay.

FINANCIAL STATEMENTS AND EXPLANATORY NOTES

It should be noted that due to the rounding of figures into thousands of euros, some financial data in the tables below may appear not to add-up.

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BALANCE SHEET

EUR '000

	Note	31.12.2018	31.12.2017
NON-CURRENT ASSETS			
<i>Intangible assets</i>	2.1	63	-
<i>Property, plant and equipment</i>	2.2	127	100
<i>Pre-financing</i>	2.3	217 790	173 471
		217 980	173 570
CURRENT ASSETS			
<i>Pre-financing</i>	2.3	78 451	59 451
<i>Exchange receivables and non-exchange recoverables</i>	2.4	49 739	76 317
		128 190	135 768
TOTAL ASSETS		346 170	309 339
CURRENT LIABILITIES			
<i>Payables and other liabilities</i>	2.5	(185 996)	(174 166)
<i>Accrued charges and deferred income</i>	2.6	(133 404)	(134 836)
		(319 400)	(309 003)
TOTAL LIABILITIES		(319 400)	(309 003)
NET ASSETS			
<i>Contribution from Members</i>	2.7	1 957 247	1 626 324
<i>Accumulated deficit</i>		(1 625 988)	(1 290 548)
<i>Economic result of the year</i>		(304 489)	(335 440)
NET ASSETS		26 770	336

STATEMENT OF FINANCIAL PERFORMANCE

EUR '000

	Note	2018	2017
REVENUE			
Revenue from non-exchange transactions			
<i>Recovery of expenses</i>	3.1	1 188	55
<i>Other</i>		4	-
		1 192	55
Revenue from exchange transactions			
<i>Financial revenue</i>		-	(6)
<i>Other exchange revenue</i>		22	33
		22	27
Total revenue		1 214	82
EXPENSES			
<i>Operating costs</i>	3.2	(297 476)	(327 103)
<i>Staff costs</i>	3.3	(4 573)	(4 480)
<i>Finance costs</i>	3.4	(3)	(8)
<i>Other expenses</i>	3.5	(3 651)	(3 931)
Total expenses		(305 703)	(335 522)
ECONOMIC RESULT OF THE YEAR		(304 489)	(335 440)

CASHFLOW STATEMENT³

EUR '000

	2018	2017
<i>Economic result of the year</i>	(304 489)	(335 440)
Operating activities		
<i>Depreciation and amortization</i>	35	40
<i>(Increase)/decrease in pre-financing</i>	(63 319)	11 708
<i>(Increase)/decrease in exchange receivables and non-exchange recoverables</i>	26 579	19 071
<i>Increase/(decrease) in payables</i>	11 829	(29 529)
<i>Increase/(decrease) in accrued charges</i>	(1 432)	30 950
<i>Increase/(decrease) in cash contributions</i>	179 400	126 599
<i>Increase/(decrease) in in-kind contributions</i>	151 524	176 618
Investing activities		
<i>(Increase)/decrease in intangible assets and property, plant and equipment</i>	(126)	(17)
NET CASHFLOW	0	0
<i>Net increase/(decrease) in cash and cash equivalents</i>	–	–
<i>Cash and cash equivalents at the beginning of the year</i>	–	–
<i>Cash and cash equivalents at year-end</i>	–	–

³ Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of IMI JU, the treasury of IMI JU was integrated into the Commission's treasury system. Because of this, IMI JU does not have any bank accounts of its own. All payments and receipts are processed via the Commission's treasury system and registered on intercompany accounts, which are presented under the heading exchange receivables.

STATEMENT OF CHANGES IN NET ASSETS

EUR '000

	Contribution from Members	Accumulated Surplus/ (Deficit)	Economic result of the year	Net Assets
BALANCE AS AT 31.12.2016	1 323 107	(1 060 729)	(229 819)	32 559
<i>Allocation 2016 economic result</i>	-	(229 819)	229 819	-
<i>Cash contribution</i>	126 599	-	-	126 599
<i>Contribution in-kind</i>	176 618	-	-	176 618
<i>Economic result of the year</i>	-	-	(335 440)	(335 440)
BALANCE AS AT 31.12.2017	1 626 324	(1 290 548)	(335 440)	336
<i>Allocation 2017 economic result</i>	-	(335 440)	335 440	-
<i>Cash contribution</i>	179 400	-	-	179 400
<i>Contribution in-kind</i>	151 524	-	-	151 524
<i>Economic result of the year</i>	-	-	(304 489)	(304 489)
BALANCE AS AT 31.12.2018	1 957 247	(1 625 988)	(304 489)	26 770

NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. ACCOUNTING PRINCIPLES

The objective of financial statements is to provide information about the financial position, performance and cashflows of an entity that is useful to a wide range of users.

The overall considerations (or accounting principles) to be followed when preparing the financial statements are laid down in EU Accounting Rule 1 'Financial Statements' and are the same as those described in IPSAS 1: fair presentation, accrual basis, going concern, consistency of presentation, materiality, aggregation, offsetting and comparative information. The qualitative characteristics of financial reporting are relevance, faithful representation (reliability), understandability, timeliness, comparability and verifiability.

1.2. BASIS OF PREPARATION

1.2.1. Reporting period

Financial statements are presented annually. The accounting year begins on 1 January and ends on 31 December.

1.2.2. Currency and basis for conversion

The annual accounts are presented in thousands of euros, the euro being the EU's functional and reporting currency. Foreign currency transactions are translated into euros using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the re-translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial performance. Different conversion methods apply to property, plant and equipment and intangible assets, which retain their value in euros at the date when they were purchased.

Year-end balances of monetary assets and liabilities denominated in foreign currencies are translated into euros on the basis of the European Central Bank (ECB) exchange rates applying on 31 December.

Euro exchange rates

Currency	31.12.2018	31.12.2017	Currency	31.12.2018	31.12.2017
BGN	1.9558	1.9558	PLN	4.3014	4.177
CZK	25.7240	25.5350	RON	4.6635	4.6585
DKK	7.4673	7.4449	SEK	10.2548	9.8438
GBP	0.8945	0.8872	CHF	1.1269	1.1702
HRK	7.4125	7.4400	JPY	125.8500	135.01
HUF	320.9800	310.3300	USD	1.145	1.1993

1.2.3. Use of estimates

In accordance with IPSAS and generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions by management based on the most reliable information available. Significant estimates include, but are not limited to; amounts for employee benefit liabilities, accrued and deferred revenue and charges, provisions, financial risk on accounts receivables, contingent assets and liabilities, and degree of impairment of assets. Actual results could differ from those estimates.

Reasonable estimates are essential part of the preparation of financial statements and do not undermine their reliability. An estimate may need revision if changes occur in the circumstances on which the estimate was based or as a result of new information or more experience. By its nature, the revision of an estimate does not relate to prior periods and is not the correction of an error. The effect of a change in

accounting estimate shall be recognised in the surplus or deficit in the periods in which it becomes known.

1.3. BALANCE SHEET

1.3.1. Intangible assets

Acquired computer software licences are stated at historical cost less accumulated amortisation and impairment losses. The assets are amortised on a straight-line basis over their estimated useful lives. The estimated useful lives of intangible assets depend on their specific economic lifetime or legal lifetime determined by an agreement. Internally developed intangible assets are capitalised when the relevant criteria of the EU accounting rules are met. The costs capitalisable include all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. Costs associated with research activities, non-capitalisable development costs and maintenance costs are recognised as expenses when incurred.

1.3.2. Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition or construction of the asset. 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 or service potential associated with the item will flow to the entity and its cost can be measured reliably. Repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred. Land and works of art are not depreciated as they are deemed to have an indefinite useful life. Assets under construction are not depreciated as these assets are not yet available for use. Depreciation on other assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives, as follows:

Type of asset	Straight line depreciation rate
<i>Buildings</i>	4 % to 10 %
<i>Plant and equipment</i>	10 % to 25 %
<i>Furniture and vehicles</i>	10 % to 25 %
<i>Computer hardware</i>	25 % to 33 %
<i>Other</i>	10 % to 33 %

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

Leases

Leases of tangible assets, where the entity has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. The interest element of the finance lease payment is charged to statement of financial performance over the period of the lease at a constant periodic rate in relation to the balance outstanding. The rental obligations, net of finance charges, are included in financial liabilities (non-current and current). The interest element of the finance cost is charged to the statement of financial performance over the lease period so as to produce a constant periodic interest rate on the remaining balance of the liability for each period. The assets held under finance leases are depreciated over the shorter of the assets' useful life and the lease term.

Leases where the lessor retains a significant portion of the risks and rewards inherent to ownership are classified as operating leases. Payments made under operating leases are charged to the statement of financial performance on a straight-line basis over the period of the lease.

1.3.3. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation/depreciation and are tested annually for impairment. Assets that are subject to amortisation/depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be

recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Intangible assets and property, plant and equipment residual values and useful lives are reviewed, and adjusted if appropriate, at least once per year. 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. If the reasons for impairments recognised in previous years no longer apply, the impairment losses are reversed accordingly.

1.3.4. Financial assets

Financial assets are classified in the following categories: financial assets at fair value through surplus or deficit; loans and receivables; held-to-maturity investments; and available for sale financial assets. The classification of the financial instruments is determined at initial recognition and re-evaluated at each balance sheet date.

(i) Financial assets at fair value through surplus or deficit

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by the entity. Derivatives are also categorised in this category. Assets in this category are classified as current assets if they are expected to be realised within 12 months of the balance sheet date. During this financial year, the entity did not hold any investments in this category.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the entity provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in non-current assets, except for maturities within 12 months of the balance sheet date. Loans and receivables include term deposits with the original maturity above three months.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the entity has the positive intention and ability to hold to maturity. During this financial year, the entity did not hold any investments in this category.

(iv) Available for sale financial assets

Available for sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are classified as either current or non-current assets, depending on the period of time the entity expects to hold them, which is usually the maturity date. During this financial year, the entity did not hold any investments in this category.

Initial recognition and measurement

Purchases and sales of financial assets at fair value through surplus or deficit, held-to-maturity and available for sale are recognised on trade date - the date on which the entity commits to purchase or sell the asset. Cash equivalents and loans are recognised when cash is deposited in a financial institution or advanced to borrowers. Financial instruments are initially recognised at fair value. For all financial assets not carried at fair value through surplus or deficit transaction costs are added to the fair value at initial recognition.

Financial instruments are derecognised when the rights to receive cashflows from the investments have expired or the entity has transferred substantially all risks and rewards of ownership to another party.

Subsequent measurement

Financial assets at fair value through surplus or deficit are subsequently carried at fair value with gains and losses arising from changes in the fair value being included in the statement of financial performance in the period in which they arise.

Loans and receivables and held-to maturity investments are carried at amortised cost using the effective interest method.

Available for sale financial assets are subsequently carried at fair value. Gains and losses arising from changes in the fair value are recognised in the fair value reserve. Interest on available for sale financial assets calculated using the effective interest method is recognised in the statement of financial performance.

The entity assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired and whether an impairment loss should be recorded in the statement of financial performance.

1.3.5. Pre-financing amounts

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. It may be split into a number of payments over a period defined in the particular contract, decision, agreement or 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. If the beneficiary does not incur eligible expenditure, he has the obligation to return the pre-financing advance to the entity. The amount of the pre-financing may be reduced (wholly or partially) by the acceptance of eligible costs (which are recognised as expenses).

Pre-financing is, on subsequent balance sheet dates, measured at the amount initially recognised on the balance sheet less eligible expenses (including estimated amounts where necessary) incurred during the period.

1.3.6. Receivables and recoverables

As the EU accounting rules require a separate presentation of exchange and non-exchange transactions, for the purpose of drawing up the accounts, receivables are defined as stemming from exchange transactions and recoverables are defined as stemming from non-exchange transactions (when the entity receives value from another entity without directly giving approximately equal value in exchange).

Receivables from exchange transactions meet the definition of financial instruments and are thus classified as loans and receivables and measured accordingly (see 1.3.4 above).

Recoverables from non-exchange transactions are carried at original amount (adjusted for interests and penalties) less write-down for impairment. A write-down for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of the recoverables. The amount of the write-down is the difference between the asset's carrying amount and the recoverable amount. The amount of the write-down is recognised in the statement of financial performance.

1.3.7. Cash and cash equivalents

Cash and cash equivalents are financial instruments and include cash at hand, deposits held at call or at short notice with banks, and other short-term highly liquid investments with original maturities of three months or less.

1.3.8. Provisions

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

be required to settle the present obligation at the reporting date. Where the provision involves a large number of items, the obligation is estimated by weighting all possible outcomes by their associated probabilities ('expected value' method).

Provisions for onerous contracts are measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

1.3.9. Payables

Included under accounts payable are both amounts related to exchange transactions such as the purchase of goods and services and to non-exchange transactions e.g. to cost claims from beneficiaries, grants or other EU funding.

Where grants or other funding is provided to the beneficiaries, the cost claims are recorded as payables for the requested amount when the cost claim is received. Upon verification and acceptance of the eligible costs, the payables are valued at the accepted and eligible amount.

Payables arising from the purchase of goods and services are recognised at invoice reception for the original amount and corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by the entity.

1.3.10. Accrued and deferred revenue and charges

Transactions and events are recognised in the financial statements in the period to which they relate. At year-end, if an invoice is not yet issued but the service has been rendered, the supplies have been delivered by the entity or a contractual agreement exists (e.g. by reference to a contract), an accrued revenue will be recognised in the financial statements. In addition, at year-end, if an invoice is issued but the services have not yet been rendered or the goods supplied have not yet been delivered, the revenue will be deferred and recognised in the subsequent accounting period.

Expenses are also accounted for in the period to which they relate. At the end of the accounting period, accrued expenses are recognised based on an estimated amount of the transfer obligation of the period. The calculation of accrued expenses is done in accordance with detailed operational and practical guidelines issued by the Accounting Officer which aim at ensuring that the financial statements provide a faithful representation of the economic and other phenomena they purport to represent. By analogy, if a payment has been made in advance for services or goods that have not yet been received, the expense will be deferred and recognised in the subsequent accounting period.

1.4. STATEMENT OF FINANCIAL PERFORMANCE

1.4.1. Revenue

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Depending on the nature of the underlying transactions in the statement of financial performance it is distinguished between:

(i) Revenue from non-exchange transactions

Revenue from non-exchange transactions are taxes and transfers because the transferor provides resources to the recipient entity without the recipient entity providing approximately equal value directly in exchange.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes. The entity shall recognise an asset in respect of transfers when the entity controls the resources as a result of a past event (the transfer) and expects to receive future economic benefits or service potential from those resources, and when the fair value can be reliably measured. An inflow of resources from a non-exchange transaction recognised as an asset (i.e. cash) is also recognised as

revenue, except to the extent that the entity has a present obligation in respect of that transfer (condition), which needs to be satisfied before the revenue can be recognised. Until the condition is met the revenue is deferred and recognised as a liability (pre-financing received).

(ii) Revenue from exchange transactions

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

1.4.2. Expenses

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrence of liabilities that result in decreases in net assets/equity. They include both the expenses from exchange transactions and expenses from non-exchange transactions.

Expenses from exchange transactions arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by the entity. They are valued at original invoice amount. Furthermore, at the balance sheet date expenses related to the service delivered during the period for which an invoice has not yet been received or accepted are recognised in the statement of financial performance.

Expenses from non-exchange transactions relate to transfers to beneficiaries and can be of three types: entitlements, transfers under agreement and discretionary grants, contributions and donations. Transfers are recognised as expenses in the period during which the events giving rise to the transfer occurred, as long as the nature of the transfer is allowed by regulation or an agreement has been signed authorising the transfer; any eligibility criteria have been met by the beneficiary; and a reasonable estimate of the amount can be made.

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

1.5. CONTINGENT ASSETS AND LIABILITIES

1.5.1. Contingent assets

A contingent asset is a possible asset that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

1.5.2. Contingent liabilities

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

1.6. CONTRIBUTIONS FROM MEMBERS

The contributions from the Members of the joint undertakings (JU) form the funding of the JU and are treated as contributions from owners. An owner in this context does not mean an owner in the sense of owning shares (no shares are issued) of the JU but rather in the sense of political interest and governance of the JU by exercising the voting rights linked to these contributions

1.6.1. Financial contributions

Financial contributions are contributions of Members made in cash in order to provide funding of the operational or administrative needs of the JU. The financial contributions are recognised in the net assets in the period in which the right to receive the payment was established.

1.6.2. In-kind contributions

Members other than the EU (i.e. 'Private Members') can also contribute resources other than cash, e.g. laboratory equipment, specialised staff, etc. These in-kind contributions consist of the costs incurred by Private Members in implementing indirect actions. Such contributions concern the operations of IMI2 JU (so called In-kind contributions to operational activities, IKOP) and are recognised in the net assets of the JU in the period when the conditions for Members' contributions stipulated by the Regulation were met.

The expenses related to the IKOP incurred in the financial year are recognised in the statement of financial performance. At year-end, incurred IKOP not yet reported are estimated and recorded as other liabilities ('Contributions of Members to be validated').

2. NOTES TO THE BALANCE SHEET

ASSETS

2.1. INTANGIBLE ASSETS

'000 EUR

<i>Gross carrying amount at 31.12.2017</i>	364
<i>Additions</i>	69
Gross carrying amount at 31.12.2018	433
<i>Accumulated amortisation at 31.12.2017</i>	(364)
<i>Amortisation charge for the year</i>	(6)
Accumulated amortisation at 31.12.2018	(370)
NET CARRYING AMOUNT AT 31.12.2018	63
<i>NET CARRYING AMOUNT AT 31.12.2017</i>	-

The above amounts relate primarily to computer software.

2.2. PROPERTY, PLANT AND EQUIPMENT

	Furniture and vehicles	Computer hardware	TOTAL
<i>Gross carrying amount at 31.12.2017</i>	135	222	357
<i>Additions</i>	47	10	57
<i>Disposals</i>	(10)	(26)	(36)
Gross carrying amount at 31.12.2018	172	206	377
<i>Accumulated depreciation at 31.12.2017</i>	(63)	(194)	(257)
<i>Depreciation charge for the year</i>	(17)	(7)	(24)
<i>Disposals</i>	4	27	31
Accumulated depreciation at 31.12.2018	(76)	(174)	(250)
NET CARRYING AMOUNT AT 31.12.2018	95	32	127
<i>NET CARRYING AMOUNT AT 31.12.2017</i>	71	28	100

2.3. PRE-FINANCING

For all pre-financing amounts open at 31 December 2018 a case-by-case assessment has been performed and all pre-financing that was considered unlikely to be cleared in the course of 2019 was classified as non-current pre-financing.

The outstanding pre-financing was reduced by kEUR 42 826 of estimated (cut-off) expenses for on-going or ended projects without validated cost claims on 31 December 2018. The remaining portion of the cut-off expenses is recorded in accrued charges (see note 2.6).

	EUR '000	
	31.12.2018	31.12.2017
<i>Non-current pre-financing</i>	217 790	173 471
<i>Current pre-financing</i>	78 451	59 451
Total	296 241	232 922

Guarantees received covering pre-financing amounted to kEUR 3 904 at year-end.

The overall high amount of the open pre-financing can be explained by the fact that according to the Horizon 2020 rules the pre-financing is only cleared when the payments to the beneficiary reach 90% of the grant agreement amount. The overall increase by kEUR 63 319 is due to the projects started in 2018 or beginning of January 2019 for which the pre-financing has been paid out in 2018.

2.4. EXCHANGE RECEIVABLES & NON-EXCHANGE RECOVERABLES

At 31 December 2018 IMI2 JU does not have any long term receivables, all amounts included under this heading are current and are as follows:

		EUR '000	
	Note	31.12.2018	31.12.2017
<i>Recoverables from non-exchange transactions</i>		17	-
<i>Receivables from exchange transactions</i>	2.4.1	49 722	76 317
Total		49 739	76 317

2.4.1. Receivables from exchange transactions

	EUR '000	
	31.12.2018	31.12.2017
<i>Central treasury liaison accounts</i>	49 519	76 235
<i>Customers</i>	56	37
<i>Deferred charges relating to exchange transactions</i>	145	21
<i>Others</i>	2	26
Total	49 722	76 317

The main element concerns the treasury liaison/intercompany accounts with the Commission that represent a virtual bank account of IMI2 JU. Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of IMI2 JU, the treasury of IMI2 JU was integrated into the Commission's treasury system. Because of this, IMI2 JU does not have any bank accounts of its own. All payments and receipts are processed via the Commission's treasury system and registered on intercompany accounts which are presented under this heading.

The result of the incoming and outgoing payments represents the cash balance of kEUR 49 519 (2017: kEUR 76 235). The balance of liaison accounts was reduced by kEUR 26 716 mainly due to the increase of pre-financing paid out for the new projects (see note 2.3).

The increase in deferred charges can be largely explained by the pre-payments of rental costs in 2018 for 2019. The underlying invoices for 2019 rent were received in December 2018.

LIABILITIES

2.5. PAYABLES AND OTHER LIABILITIES

	EUR '000	
	31.12.2018	31.12.2017
<i>Contribution in kind to be validated</i>	164 427	169 414
<i>Current payables</i>	4 405	159
<i>Public bodies</i>	17 185	1 702
<i>Sundry payables</i>	(21)	2 891
Total	185 996	174 166

Included under the sub-heading 'Contribution in-kind to be validated' are the in kind contributions from Members related to on-going or ended projects without a validated cost statement at 31 December 2018. The amount of in-kind contributions was estimated on a case-by-case basis using the best available information on the projects.

The increase of payables to Public bodies (kEUR 15 483) and the increase in the current payables to suppliers (kEUR 4 4246) compared to 2017 are due to the fact that in 2018 some cost claims and invoices were submitted but not yet paid at 31 December 2018.

For all H2020 grant agreements signed, there is an automatic guarantee retention of 5% from the pre-financing payment due to Beneficiaries. The guarantee is transferred to the Participant Guarantee Fund ("the Fund") and paid to the beneficiary by the Fund only when the project is successfully accomplished. This mechanism arises from EU Regulation 1290/2013 laying down the rules for participation and dissemination in "Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)". Since the integration of IMI2 JU into Sygma, the EU IT tool for H2020 grant management, from September 2017 DG RTD is responsible for initiating the procedure by which IMI2 JU transfers the retained guarantee to the Participants Guarantee Fund. The payable as at 31.12.2017 represents automatically retained amounts from the pre-financing of 8 Horizon 2020 beneficiaries' projects, which were not transferred to the Fund the date. During 2018 they were transferred and no outstanding payables to the Fund existed at year-end.

2.6. ACCRUED CHARGES

	EUR '000	
	31.12.2018	31.12.2017
<i>Accrued charges</i>	133 376	134 820
<i>Other</i>	28	16
Total	133 404	134 836

Accrued charges are the amounts estimated by the Authorising Officer of costs incurred for services and goods delivered in year 2018 but not yet invoiced or processed by the end of the year. They are mainly composed of estimated operating expenses of kEUR 132 905 for on-going or ended projects without a validated cost statement where the 2018 expense was estimated on a case-by-case basis using the best available information about the projects at 31 December 2018. Accrued charges also include estimated administrative expenses kEUR 367. The amounts presented under this heading are net of pre financing: the portion of the estimated accrued charges which relates to pre-financing paid has been recorded as a reduction of the pre-financing amounts (see note 2.3).

Included under this heading is also kEUR 104 related to the accrued staff expenses for untaken leave.

The substantial increase of the accruals compared to last year relates to the new projects started in 2018 or in 2017 for which no cost claims have been received and validated yet and the entire underlying 2018 expense had thus to be estimated during the closure (cut-off) exercise (see note 3.2).

NET ASSETS

2.7. CONTRIBUTIONS FROM MEMBERS

Programming period	2018			2017			<i>EUR '000</i>
	Cash	in-Kind	Total	Cash	in-Kind	Total	
<i>FP7</i>	937 952	633 342	1 571 294	849 079	529 861	1 378 940	
<i>H2020</i>	255 395	130 559	385 954	164 869	82 515	247 384	
Total	1 193 347	763 900	1 957 247	1 013 947	612 376	1 626 324	

2.7.1. Research and Innovation funding programme for 2007-2013 (FP7)

Similarly to Horizon 2020 (see below 2.7.2), under FP7 programme only certified in-kind contributions from the EFPIA validated by the Executive Director of IMI2 JU are considered in-kind contribution.

Member	EUR '000					
	Commission		EFPIA		Total	
	Cash	In kind	Cash	In kind	Cash	In kind
<i>Running costs contributions at 31.12.2017</i>	34 366	–	21 898	–	56 265	–
<i>Current year contributions</i>	0	–	(0)	–	0	–
Running costs contributions at 31.12.2018	34 366	–	21 898	–	56 265	–
<i>Operating costs contributions at 31.12.2017</i>	792 814	–	–	529 861	792 814	529 861
<i>Adjustments of prior years contributions</i>	–	–	–	(1 052)	–	(1 052)
<i>Current year contributions</i>	88 873	–	–	104 532	88 873	104 532
Operating costs contributions at 31.12.2018	881 688	–	–	633 342	881 688	633 342
<i>TOTAL contributions at 31.12.2017</i>	827 181	–	21 898	529 861	849 079	529 861
TOTAL contributions at 31.12.2018	916 054	–	21 898	633 342	937 952	633 342
<i>% of total contributions (by type)</i>	97.67%	0.00%	2.33%	100.00%	100.00%	100.00%
<i>Total contribution in %</i>		58.30%		41.70%	100.00%	
<i>Voting rights %</i>		50.00%		50.00%	100.00%	

2.7.2. Research and Innovation funding programme for 2014-2020 (Horizon 2020)

With regard to the Horizon 2020, Council Regulation (EC) No 557/2014 (IMI2 JU) distinguishes members of the JU: the EU, represented by the Commission, the European pharmaceutical industry, represented by the EFPIA and Members other than the Union and Associated Partners. Only certified in-kind contributions from the Members validated by the Executive Director of IMI2 JU are considered in-kind contribution.

Member	Commission		EFPIA		Associated Partners		Total	
	Cash	In kind	Cash	In kind	Cash	In kind	Cash	In kind
<i>Running costs contributions at 31.12.2017</i>	3 680	-	3 680	-	-	-	7 361	-
<i>Current year contributions</i>	5 157	-	4 979	-	-	-	10 136	-
Running costs contributions at 31.12.2018	8 837	-	8 659	-	-	-	17 496	-
<i>Operating costs contributions at 31.12.2017</i>	153 639	-	1 200	81 322	2 669	1 193	157 508	82 515
<i>Current year contributions</i>	79 391	-	1 000	46 706	-	1 337	80 391	48 044
Operating costs contributions at 31.12.2018	233 030	-	2 200	128 028	2 669	2 530	237 899	130 559
<i>TOTAL contributions at 31.12.2017</i>	157 320	-	4 880	81 322	2 669	1 193	164 869	82 515
TOTAL contributions at 31.12.2018	241 867	-	10 859	128 028	2 669	2 530	255 395	130 559
<i>% of total contributions (by type)</i>	94.70%	0.00%	4.25%	0.00%	1.05%	0.00%	100.00%	100.00%
<i>Total contribution in %</i>	62.67%		35.99%		1.34%		100.00%	
<i>Voting rights %</i>	50.00%		50.00%		0.00%		100.00%	

3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

NON-EXCHANGE REVENUE

3.1. RECOVERY OF EXPENSES

EUR '000

	2018	2017
<i>Recovery of expenses</i>	1 188	55

The amounts under this heading relate to the recovery of operating expenses from grant beneficiaries and post audit corections. The high amount in 2018 comes from post audit adjustments.

EXPENSES

3.2. OPERATING COSTS

Included under this heading are operating expenses related to projects that were carried out in 2018. A part of the operating costs related to on-going or ended projects without any validated cost claims (or equivalent) available at 31 December, was estimated using the best information available at the time of the preparation of the annual accounts. The estimation is based on the case-by-case assessment of completion which ensures that only costs that reflect the services or work performed by 31 December are included in the operating costs of the year. Depending on the availability of information at the time of the preparation of the annual accounts, the estimates are based on reports of services or work performed (e.g. Report of the member of the Joint Undertaking other than the EU on the in-kind contributions in the meaning of Article 4(3) and 4(4) of Regulation (EU) No 557/2014) or costs incurred to date as a proportion of the estimated total costs of the projects ('pro-rata temporis').

The break-down of the operating costs between operating costs incurred on the basis of validated cost claims (or equivalent) and estimated operating costs, is given in the table below. It should be noted that in line with the accounting rules the portion of the estimated cost also includes a revision of accounting estimates made in the previous periods.

EUR '000

	2018	2017
<i>Validated in-kind contributions</i>	152 576	176 618
<i>Estimated in-kind contributions</i>	(4 988)	(24 814)
Total operating costs from in-kind contributions	147 587	151 804
<i>Validated EU contributions</i>	162 971	155 689
<i>Estimated EU contributions</i>	(13 082)	19 611
Total operating costs from EU contributions	149 889	175 299
Total	297 476	327 103

The decrease in the validated in kind contributions stems from the fact that several IMI1 projects are now closed. The increase in the estimated in kind contributions and EU contributions can be explained by the new projects started in 2018 for which no cost claims (or equivalent) have yet been validated and the entire underlying 2018 expense had thus to be estimated during the closure (cut-off) exercise.

3.3. STAFF COSTS

Included under this heading are expenses for salaries, other employment-related allowances and benefits. The calculations related to staff costs are, based on the service level agreement, entrusted to the Office for Administration and Payment of Individual Entitlements (also known as the Paymaster's Office-PMO).

The staff members of the IMI2 JU are part of the Pension Scheme of European Officials. The administration of pensions is entrusted to the Commission which also accounts for the underlying pension expenses and liabilities.

A defined benefit plan is a pension plan that generally defines an amount of benefit an employee will receive on retirement, usually dependent on one or more factors such as age and years of service. Both IMI JU staff and the Commission contribute to the pension scheme in the function of the basic salary of the staff. The contribution percentage is yearly revised to reflect the changes in staff regulation. The cost to the Commission is not reflected in the IMI2 JU's accounts.

Future benefits payable to the IMI2 JU staff under the Pension Scheme of European Officials are accounted for in the accounts of the Commission since it is the Commission who will pay these pensions. No provisions for such pensions are made in these accounts.

3.4. FINANCE COSTS

Included under this heading are expenses related to interest on late payments.

3.5. OTHER EXPENSES

EUR '000

	2018	2017
<i>External non IT services</i>	1 218	885
<i>Experts expenses</i>	1 128	1 008
<i>Communications & publications</i>	444	171
<i>Operating leasing expenses</i>	442	719
<i>External IT services</i>	121	832
<i>Training costs</i>	80	57
<i>Property, plant and equipment related expenses</i>	67	46
<i>Missions</i>	62	153
<i>Foreign exchange losses</i>	0	(0)
<i>Other</i>	88	62
Total	3 651	3 931

The significant decrease of kEUR 711 expenses related to external IT services is due to less IT developments (the migration to H2020 tools was completed) and the fact that in 2017 there was a big IT infrastructure project (migration from IT on-premises infrastructure to IaaS-Infrastructure as a service) which was not the case in 2018. The increase of Keur 273 in communication and publication expenses is due to the campaign communication campaign for the 10 Years Anniversary of IMI. The experts expenses increase by Keur 120 and the External Non IT services increase by Keur 333 are due to additional operational activities covered per IMI2 JU calls and increase of the number of calls evaluated (in 2018, IMI2 JU used 219 experts from 35 countries in the evaluation of IMI2 - Calls 8, 12, 13, 14, 15 and 16).

The operating lease expenses relate to the IMI2 JU building 'White Atrium'. In 2017, there were works/constructions in the offices. From November 2017 there was an increase in rent due to more office space being used but the cost of the works in 2017 made the total budget execution higher in 2017 than in 2018. This led to the decrease of 277K euro in operating lease (rent).

An overview of the amounts to be committed and paid during the remaining term of this lease contract, including rent and related charges, is as follow:

<i>'000 EUR</i>				
Future amounts to be paid				
	< 1 year	1- 5 years	> 5 years	Total
<i>Buildings</i>	518	2 178	1 155	3 851

4. OTHER SIGNIFICANT DISCLOSURES

4.1. OUTSTANDING COMMITMENTS NOT YET EXPENSED

EUR '000

	31.12.2018	31.12.2017
<i>Outstanding commitments not yet expensed</i>	545 016	417 792

The outstanding commitments not yet expensed consists of the budgetary RAL ('Reste à Liquider') less related amounts that have been included as expenses in the 2018 statement of financial performance. The budgetary RAL is an amount representing the open commitments for which payments and/or de-commitments have not yet been made. This is the normal consequence of multi-annual programmes.

4.2. RELATED PARTIES

The related parties of the IMI2 JU are the venturers and key management personnel of these entities. Transactions between these entities take place as part of the normal operations of IMI2 JU and as this is the case, no specific disclosure requirements are necessary for these transactions in accordance with the EU accounting rules.

4.3. KEY MANAGEMENT ENTITLEMENTS

The highest ranked civil servant of IMI2 JU is the Executive Director, who executes the role of the Authorising Officer.

	31.12.2018	31.12.2017
<i>Executive Director</i>	AD 14	AD 14

The Executive Director is remunerated in accordance with the Staff Regulation of the European Union that is published on the Europa website and which is the official document describing the rights and the obligation of all officials of the EU. The Executive Director has not received any preferential loans from IMI2 JU.

4.4. EVENTS AFTER REPORTING DATE

The in-kind contributions validated between 31.12.2018 and 14.05.2019 amounted to kEUR 4 484. The entire amount relates to the contribution of EFPIA to the FP7 programme. The validated contributions are recorded as additions to net assets in 2019.

5. FINANCIAL RISK MANAGEMENT

5.1. TYPES OF RISK

Market risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate, because of variations in market prices. Market risk embodies not only the potential for loss, but also the potential for gain. It comprises *currency risk, interest rate risk and other price risk* (the EDPS has no significant other price risk).

- (1) *Currency risk* is the risk that the EDPS operations or its investments' value will be affected by changes in exchange rates. This risk arises from the change in price of one currency against another.
- (2) *Interest rate risk* is the possibility of a reduction in the value of a security, especially a bond, resulting from an increase in interest rates. In general, higher interest rates will lead to lower prices of fixed rate bonds, and vice versa. EDPS does not have any securities thus it is not exposed to the interest rate risk.

Credit risk is the risk of loss due to a debtor's/borrower's non-payment of a loan or other line of credit (either the principal or interest or both) or other failure to meet a contractual obligation. The default events include a delay in repayments, restructuring of borrower repayments and bankruptcy.

Liquidity risk is the risk that arises from the difficulty in selling an asset; for example, the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss or meet an obligation.

5.2. CURRENCY RISKS

Exposure to currency risk at year-end

At 31 December 2018 the financial assets and the financial liabilities ending balances did not include any material amounts quoted in different currencies other than the euro.

5.3. CREDIT RISK

Financial assets that are neither past due nor impaired

The financial assets are entirely composed of receivables and recoverables that are neither past due nor impaired.

Financial assets by risk category

At 31 December 2018 the financial assets are entirely composed of receivables and recoverables against entities with a prime external credit rating. The entire amount relates to entities which never defaulted in the past.

5.4. LIQUIDITY RISK

Maturity analysis of financial liabilities by remaining contractual maturity

Financial liabilities entirely consist of accounts payable. All the accounts payable have a remaining contractual maturity of less than 1 year.

REPORTS ON THE IMPLEMENTATION OF THE BUDGET

It should be noted that due to the rounding of figures into thousands of euros, some financial data in the tables below may appear not to add-up.

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1. BUDGETARY PRINCIPLES, STRUCTURE AND IMPLEMENTATION

1.1. BUDGETARY PRINCIPLES

The establishment and implementation of the budget of IMI2 JU is governed by the following basic principles set out in the Chapter 2 of the Financial Rules of IMI2 JU:

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 the budget of IMI2 JU. No expenditure may be committed or authorised in excess of the appropriations authorised by the budget. An appropriation may be entered in the budget only if it is for an item of expenditure which is considered necessary.

Principle of annuality

The appropriations entered in the budget shall be authorised for a financial year which shall run from 1 January to 31 December. As specified in its Financial Rules, IMI2 JU is subject to an exception to the annuality principle, specific only to the joint undertakings (the "N+3" rule), whereby any unused appropriations may be entered in the estimate of revenue and expenditure of up to the following three financial years. These appropriations must be used first.

Principle of equilibrium

Revenue and payment appropriations shall be in balance.

Principle of unit of account

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

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.

Principle of specification

Appropriations shall be earmarked for specific purposes at least by title and chapter.

Principle of sound financial management

Appropriations shall be used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness.

Principle of transparency

The budget shall be established and implemented and the accounts presented in accordance with the principle of transparency. The budget and any amending budgets shall be published on IMI2 JU's internet site within four weeks of adoption and shall be transmitted to the Commission and the Court of Auditors.

1.2. STRUCTURE AND PRESENTATION OF THE BUDGET

IMI2 JU makes use of differentiated appropriations for its administrative expenditure and operational expenditure.

Following the provisions of the Financial rules of IMI2 JU, the budget accounts shall consist of a statement of revenue and a statement of expenditure. The budget is distributed in the following titles:

Title 1 budget lines are related to staff expenditure such as salaries and allowances for persons working with IMI2 JU. It also includes recruitment expenses, staff missions, expenses for the socio-medical infrastructure and representation costs.

Title 2 budget lines relate to all infrastructure, equipment, meetings, experts, studies, ex-post audits and miscellaneous administrative expenditure.

Title 3 budget lines provide for the implementation of the activities and tasks assigned to IMI2 JU in accordance with its establishing Council Regulation (EC) No 73/2008 (IMI1 JU) and Council Regulation (EC) No 557/2014 (IMI2 JU).

1.3. HIGHLIGHTS OF THE BUDGETARY IMPLEMENTATION

The IMI2 JU Governing Board approved the 2018 budget on 15 December 2017.

The IMI2 JU Governing Board approved the first budget amendment on 12 June 2018 in order to include the carry over amounts (EUR 209 724 074 commitment appropriations and EUR 56 158 881 payment appropriations) from the previous year.

The IMI2 JU Governing Board approved the second budget amendment on 13 July 2018 in order to include additional carry over amounts (EUR 25 669 for each commitment and payment appropriations) from the previous year, corresponding specifically to IMI1 amounts recovered from beneficiaries in 2017 and carried over to the 2018 budget.

The IMI2 JU Governing Board approved the third budget amendment on 5 December 2018 in order to reflect the reduction of operational payment appropriations by EUR 36 332 261, corresponding to:

- the reduction of the European Union's contribution to operational costs (EUR – 34 978 261) following the Bourlange procedure and;
- the temporary reduction of the Associated Partner Bill and Melinda Gates Foundation (BMGF) contribution (BMGF) to operational costs (EUR – 1 354 000) of the PERISCOPE project. However, as the project will run until 2021, the Associated Partner contribution will be disbursed in the coming years.

The staff establishment plan for 2018 remained unchanged.

The total budget approved for 2018 was EUR 485 595 766 in commitment appropriations and EUR 235 963 022 in payment appropriations.

Overall, in 2018, the budget implementation of the commitment and payment appropriations reached a level of 99.7 % and 86.2 % respectively.

Operational expenditure

IMI2 JU's operational budget ('Title 3') reflects expenses linked to the implementation of the IMI2 JU research agenda. Here it should be noted that since 2014 IMI2 JU has managed two programmes in parallel:

- IMI1 (under the Seventh Framework Programme, FP7)

FP7 was the EU's research and innovation funding programme for 2007-2013. Through FP7, the EU contributes EUR 966 million to the IMI1 research programme.

- IMI2 (under Horizon 2020, H2020)

H2020 is the EU's research and innovation funding programme for 2014-2020. The EU has committed to contribute EUR 1 638 billion from H2020 to the IMI2 programme.

In 2018, the operational commitment and payment appropriations reached a level of 99.9 % and 86.7 % respectively.

The commitment appropriations related to H2020 were consumed by Grant Agreements implementing IMI2 – Calls for proposals 8 (fourth cut-off date), 10, 11 and 12, and by launching IMI2 - Calls for proposals 14, 15 and 16.

The payment appropriations related to H2020 were mainly used by pre-financing for projects of IMI2 - Calls 10 and 12 and by intermediate payments for projects of IMI2 – Calls 2, 3 and 8.

On operational commitment appropriations, IMI2 JU has fully executed its annual budget (99.98 %).

As regards operational payment appropriations, execution reached 86.69 %. This is a significant increase and a rising trend in the absorption of operational payment appropriations in comparison to the previous years (69.39 % in 2016, 71.96 % in 2017). This result is due to a number of corrective measures applied in the budgetary planning and monitoring process.

Administrative expenditure

The budget implementation of the commitment and payment appropriations improved in 2018 and reached a level of 88 % and 77.8 % respectively. IMI continued to execute its budget applying principles of sound financial management, which resulted particularly in an improvement in the implementation of budget title 2 payment appropriations in comparison to 2017 (from 58.52% to 67.21%).

More detailed information about the budgetary implementation is provided in the Report on budgetary and financial management of the year.

2. RESULT OF THE IMPLEMENTATION OF THE BUDGET

		EUR '000	
	Title	2018	2017
Revenue		179 646	126 661
<i>of which:</i>			
Subsidies and Revenues	A-2	179 574	126 638
Subsidies from Associated partners	A-3	–	–
Operational recovery	B0-3	72	23
Expenditure		(203 519)	(148 514)
<i>of which:</i>			
Staff expenditure	A-1	(5 315)	(4 941)
Admin expenditure	A-2	(3 855)	(3 192)
Operational expenditure	B0-3	(194 348)	(140 381)
Exchange rate differences		(0)	1
Budget result		(23 872)	(21 853)

3. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

	EUR '000	
	2018	2017
ECONOMIC RESULT OF THE YEAR	(304 489)	(335 440)
Adjustment for accrual items (items not in the budgetary result but included in the economic result)	192 872	230 453
<i>In-kind contributions validated in the year</i>	151 524	176 618
<i>Adjustments for accrual cut-off (net)</i>	(19 261)	(6 385)
<i>Unpaid invoices at year end but booked in expenses</i>	194	48
<i>Depreciation of intangible and tangible assets</i>	35	39
<i>Recovery orders issued in the year and not yet cashed</i>	54	37
<i>Correction of recovery orders issued last year</i>	-	(447)
<i>Pre-financing given in previous year and cleared in the year</i>	60 507	60 569
<i>Correction pre-financing in the year</i>	-181	-
<i>Other individually immaterial</i>	-	(26)
Adjustment for budgetary items (item included in the budgetary result but not in the economic result)	87 745	83 134
<i>Members' cash contributions collected in the year</i>	179 399	126 661
<i>Asset acquisitions (less unpaid amounts)</i>	126	17
<i>New pre-financing paid in the year and remaining open as at 31 December</i>	(91 913)	(43 544)
<i>Correction pre-financing in the year</i>	-	-
<i>Entitlements established in previous year and cashed in the year</i>	133	-
BUDGET RESULT OF THE YEAR	(23 872)	(21 853)

4. IMPLEMENTATION OF BUDGET REVENUE

4.1. Implementation of budget revenue – Title A-2

EUR '000

		Income appropriations		Entitlements established			Revenue				
		Initial budget	Final budget	Current year	Carried	Total	Current year	Carried	Total	%	Outstanding
		1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	10
A-2001	Subsidy from EC	208 399	173 420	173 420	-	173 420	173 420	-	173 420	100%	-
A-2002	EFPIA Running costs	5 157	5 157	4 979	-	4 979	4 979	-	4 979	97%	-
A-2003	Miscellaneous revenues	-	-	143	32	174	124	32	156	-	19
A-2004	JTI revenues	-	-	20	-	20	19	-	19	-	1
A-2005	Subsidy from other members	1 000	1 000	1 000	-	1 000	1 000	-	1 000	100%	-
Total chapter A-20		214 555	179 577	179 562	32	179 594	179 543	32	179 574	100%	20
Total Title A-2		214 555	179 577	179 562	32	179 594	179 543	32	179 574	100%	20

4.2. Implementation of budget revenue – Title A-3

EUR '000

		Income appropriations		Entitlements established			Revenue				
		Initial budget	Final budget	Current year	Carried	Total	Current year	Carried	Total	%	Outstanding
		1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	10
A-3000	Associated Partners contributions	1 354	-	-	-	-	-	-	-	-	-
Total chapter A-30		1 354	-	-	-	-	-	-	-	-	-
Total Title A-3		1 354	-	-	-	-	-	-	-	-	-

4.3. Implementation of budget revenue – Title B0-3

EUR '000

		Income appropriations		Entitlements established			Revenue				
		Initial budget	Final budget	Current year	Carried	Total	Current year	Carried	Total	%	Outstanding
		1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	10
B3-999	Recovery Ex-post audit	-	-	120	5	125	67	5	72	-	53
Total chapter B3-9		-	-	120	5	125	67	5	72	-	53
Total Title B0-3		-	-	120	5	125	67	5	72	-	53
GRAND TOTAL		215 909	179 577	179 682	37	179 719	179 609	37	179 646	100%	73

5. IMPLEMENTATION OF BUDGET EXPENDITURE

5.1. Breakdown & changes in commitment appropriations

5.1.1. Breakdown & changes in commitment appropriations – Title A-1

EUR '000

		Budget appropriations of the year				Additional appropriations			Total apppr. available 8=4+7
		Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Carryover	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	
A-1100	Staff in active employment and costs linked to employees	3 644	-	(328)	3 316	-	-	-	3 316
A-1101	Family allowances	374	-	-	374	-	-	-	374
A-1102	Transfer and expatriation allowance	405	-	23	428	-	-	-	428
A-1110	Contract agents	636	-	-	636	-	-	-	636
A-1111	Seconded national experts	-	-	31	31	-	-	-	31
A-1130	Insurance against sickness	98	-	6	104	-	-	-	104
A-1131	Insurance against accidents & occupational disease	15	-	-	15	-	-	-	15
A-1132	Unemployment insurance for temporary staff	39	-	1	40	-	-	-	40
A-1140	Birth and death allowance	10	-	-	10	-	-	-	10
A-1141	Annual travel costs	59	-	-	59	-	-	-	59
A-1144	Fixed local travel allowances	3	-	-	3	-	-	-	3
A-1172	Cost of organizing traineeships within IMI	32	-	-	32	-	-	-	32
A-1177	Other services rendered	5	-	17	22	-	-	-	22
A-1178	PMO fees	45	-	22	67	-	-	-	67
A-1181	Travelling expenses (taking up duty)	5	-	1	6	-	-	-	6
A-1182	Installation allowance	43	-	-	43	-	-	-	43
A-1184	Temporary daily allowance	10	-	-	10	-	-	-	10
A-1190	Weightings (correction coefficients)	2	-	-	2	-	-	-	2
Total chapter A-11		5 425	-	(227)	5 198	-	-	-	5 198
A-1200	Miscellaneous expenditure on staff recruitment	20	-	-	20	-	-	-	20

EUR '000

	Budget appropriations of the year				Additional appropriations			Total approp. available 8=4+7
	Initial adopted budget 1	Amending budgets 2	Transfers 3	Final budget adopted 4=1+2+3	Carryover 5	Assigned revenue 6	Total 7=5+6	
Total chapter A-12	20	-	-	20	-	-	-	20
A-1300 Mission expenses	190	-	(70)	120	-	1	1	121
Total chapter A-13	190	-	(70)	120	-	1	1	121
A-1401 Socio-medical structure	80	-	1	81	-	-	-	81
A-1410 Other trainings	110	-	(20)	90	-	-	-	90
A-1430 Medical service	5	-	13	18	-	-	-	18
A-1440 Trainings covered by the Service level agreement	6	-	30	36	-	-	-	36
A-1490 Other interventions	159	-	213	372	-	-	-	372
Total chapter A-14	360	-	237	597	-	-	-	597
A-1700 Entertainment and representation expenses	20	-	20	40	-	-	-	40
Total chapter A-17	20	-	20	40	-	-	-	40
Total Title A-1	6 015	-	(40)	5 975	-	1	1	5 976

5.1.2. Breakdown & changes in commitment appropriations – Title A-2

EUR '000

		Budget appropriations of the year				Additional appropriations			
		Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Carryover	Assigned revenue	Total	Total approp. available
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
A-2000	Rentals	569	-	(89)	480	-	9	9	489
A-2020	Water, gas, electricity, and charges	131	-	-	131	-	-	-	131
A-2040	Furnishing of premises (works)	10	-	34	44	-	-	-	44
A-2050	Security and surveillance	19	-	12	31	-	-	-	31
Total chapter A-20		729	-	(43)	686	-	9	9	694
A-2101	Hardware, infrastructure and related services	218	-	-	218	-	12	12	230
A-2102	Software development, licenses and related	494	-	-	494	-	-	-	494
Total chapter A-21		712	-	-	712	-	12	12	724
A-2200	Purchase	123	-	(80)	43	-	-	-	43
A-2201	Rentals	10	-	(9)	1	-	-	-	1
A-2202	Maintenance utilisation and repair	20	-	-	20	-	-	-	20
Total chapter A-22		153	-	(89)	64	-	-	-	64
A-2300	Stationery and office supply	40	-	-	40	-	-	-	40
A-2350	Other operating expenditure	13	-	26	39	-	-	-	39
A-2360	Library stocks purchase of books and subscriptions	44	-	-	44	-	-	-	44
A-2370	Translation interpretation	26	-	-	26	-	-	-	26
Total chapter A-23		123	-	26	149	-	-	-	149
A-2400	Correspondence and communication	68	-	(2)	66	-	1	1	67
Total chapter A-24		68	-	(2)	66	-	1	1	67
A-2500	Formal meetings	158	-	(23)	135	-	0	0	135
Total chapter A-25		158	-	(23)	135	-	0	0	135
A-2600	Running costs in connection with operational activities	24	-	-	24	-	-	-	24
A-2602	Workshops	270	-	(103)	167	-	-	-	167
A-2603	Knowledge management	6	-	-	6	-	-	-	6

	Budget appropriations of the year				Additional appropriations			Total approp. available
	Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Carryover	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	
Total chapter A-26	300	-	(103)	197	-	-	-	197
A-2700 External communication	225	-	63	288	-	-	-	288
A-2701 Events	300	-	65	365	-	-	-	365
A-2702 Material	100	-	(68)	32	-	-	-	32
Total chapter A-27	625	-	60	685	-	-	-	685
A-2800 Ex-post audits	536	-	(152)	384	-	-	-	384
A-2801 Studies, consultancy	114	-	135	249	-	-	-	249
A-2802 Audits	80	-	(24)	56	-	-	-	56
Total chapter A-28	730	-	(41)	689	-	-	-	689
A-2900 Evaluation experts meetings	600	-	343	943	-	-	-	943
A-2901 Evaluation facilities	100	-	(88)	12	-	-	-	12
Total chapter A-29	700	-	255	955	-	-	-	955
Total Title A-2	4 298	-	40	4 338	-	22	22	4 360

5.1.3. Breakdown & changes in commitment appropriations – Title B0-3

		Budget appropriations of the year				Additional appropriations			EUR '000
		Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Carryover	Assigned revenue	Total	Total appropri. available
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
B3-000	Implementing the research agenda of IMI JU	-	-	-	-	26	-	26	26
B3-001	Call 1	-	-	-	-	-	25	25	25
B3-003	Call 3	-	-	-	-	-	172	172	172
B3-004	Call 4	-	-	-	-	-	8	8	8
B3-020	IMI2 Implementing the research agenda of IMI JU	-	-	-	-	7	-	7	7
B3-022	IMI2 Call 2	-	-	4	4	-	-	-	4
B3-028	IMI2 Call 8	-	-	0	0	-	-	-	0
B3-030	IMI2 Call 10	-	-	51 886	51 886	122 000	-	122 000	173 886
B3-034	IMI2 Call 14	-	82 357	(51 890)	30 467	51 890	-	51 890	82 357
B3-035	IMI2 Call 15	-	136 074	-	136 074	35 801	-	35 801	171 876
B3-036	IMI2 Call 16	-	46 900	-	46 900	-	-	-	46 900
Total chapter B3-0		-	265 331	-	265 331	209 724	205	209 929	475 260
Total Title B0-3		-	265 331	-	265 331	209 724	205	209 929	475 260
GRAND TOTAL		10 313	265 331	0	275 644	209 724	227	209 951	485 596

5.2. Breakdown & changes in payment appropriations

5.2.1. Breakdown & changes in payment appropriations – Title A-1

EUR '000

		Budget appropriations of the year				Additional appropriations			Total approp. available 8=4+7
		Initial adopted budget 1	Amending budgets 2	Transfers 3	Final budget adopted 4=1+2+3	Carryover 5	Assigned revenue 6	Total 7=5+6	
A-1100	Staff in active employment and costs linked to employees	3 644	–	(328)	3 316	–	–	–	3 316
A-1101	Family allowances	374	–	–	374	–	–	–	374
A-1102	Transfer and expatriation allowance	405	–	23	428	–	–	–	428
A-1110	Contract agents	636	–	–	636	–	–	–	636
A-1111	Seconded national experts	–	–	31	31	–	–	–	31
A-1130	Insurance against sickness	98	–	6	104	–	–	–	104
A-1131	Insurance against accidents & occupational disease	15	–	–	15	–	–	–	15
A-1132	Unemployment insurance for temporary staff	39	–	1	40	–	–	–	40
A-1140	Birth and death allowance	10	–	–	10	–	–	–	10
A-1141	Annual travel costs	59	–	–	59	–	–	–	59
A-1144	Fixed local travel allowances	3	–	–	3	–	–	–	3
A-1172	Cost of organizing traineeships within IMI	32	–	–	32	–	–	–	32
A-1177	Other services rendered	5	–	17	22	–	–	–	22
A-1178	PMO fees	45	–	22	67	–	–	–	67
A-1181	Travelling expenses (taking up duty)	5	–	1	6	–	–	–	6
A-1182	Installation allowance	43	–	–	43	–	–	–	43
A-1184	Temporary daily allowance	10	–	–	10	–	–	–	10
A-1190	Weightings (correction coefficients)	2	–	–	2	–	–	–	2
Total chapter A-11		5 425	–	(227)	5 198	–	–	–	5 198
A-1200	Miscellaneous expenditure on staff recruitment	20	–	–	20	14	–	14	34

		Budget appropriations of the year				Additional appropriations			
		Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Carryover	Assigned revenue	Total	Total approp. available
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
Total chapter A-12		20	-	-	20	14	-	14	34
A-1300	Mission expenses	190	-	(70)	120	37	1	38	158
Total chapter A-13		190	-	(70)	120	37	1	38	158
A-1401	Socio-medical structure	80	-	1	81	-	-	-	81
A-1410	Other trainings	110	-	(20)	90	0	-	0	90
A-1430	Medical service	5	-	13	18	0	-	0	18
A-1440	Trainings covered by the Service level agreement	6	-	30	36	13	-	13	49
A-1490	Other interventions	159	-	213	372	10	-	10	382
Total chapter A-14		360	-	237	597	23	-	23	619
A-1700	Entertainment and representation expenses	20	-	20	40	0	-	0	40
Total chapter A-17		20	-	20	40	0	-	0	40
Title A-1		6 015	-	(40)	5 975	74	1	75	6 050

5.2.2. Breakdown & changes in payment appropriations – Title A-2

EUR '000

		Budget appropriations of the year				Additional appropriations			Total
		Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Carryover	Assigned revenue	Total	Total approp. available
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
A-2000	Rentals	569	-	(89)	480	106	9	115	595
A-2020	Water, gas, electricity, and charges	131	-	-	131	1	-	1	132
A-2040	Furnishing of premises (works)	10	-	77	87	62	-	62	149
A-2050	Security and surveillance	19	-	12	31	-	-	-	31
Total chapter A-20		729	-	0	729	168	9	177	906
A-2101	Hardware, infrastructure and related	218	-	-	218	276	12	288	506
A-2102	Software development, licenses and	494	-	-	494	328	-	328	822
Total chapter A-21		712	-	-	712	604	12	616	1 328
A-2200	Purchase	123	-	(123)	-	-	-	-	-
A-2201	Rentals	10	-	(9)	1	-	-	-	1
A-2202	Maintenance utilisation and repair	20	-	-	20	-	-	-	20
Total chapter A-22		153	-	(132)	21	-	-	-	21
A-2300	Stationery and office supply	40	-	-	40	2	-	2	42
A-2350	Other operating expenditure	13	-	26	39	6	-	6	45
A-2360	Library stocks purchase of books and subscriptions	44	-	-	44	-	-	-	44
A-2370	Translation interpretation	26	-	-	26	-	-	-	26
Total chapter A-23		123	-	26	149	8	-	8	157
A-2400	Correspondence and communication	68	-	(2)	66	43	1	44	110
Total chapter A-24		68	-	(2)	66	43	1	44	110
A-2500	Formal meetings	158	-	(23)	135	28	0	29	164
Total chapter A-25		158	-	(23)	135	28	0	29	164
A-2600	Running costs in connection with	24	-	-	24	13	-	13	37
A-2602	Workshops	270	-	(103)	167	57	-	57	224
A-2603	Knowledge management	6	-	-	6	4	-	4	10
Total chapter A-26		300	-	(103)	197	74	-	74	271
A-2700	External communication	225	-	63	288	75	-	75	363
A-2701	Events	300	-	65	365	20	-	20	385
A-2702	Material	100	-	(68)	32	6	-	6	39
Total chapter A-27		625	-	60	685	101	-	101	786

EUR '000

		Budget appropriations of the year				Additional appropriations			
		Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Carryover	Assigned revenue	Total	Total approp. available
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
A-2800	Ex-post audits	536	-	(152)	384	277	-	277	661
A-2801	Studies, consultancy	114	-	135	249	-	-	-	249
A-2802	Audits	80	-	(24)	56	32	-	32	88
Total chapter A-28		730	-	(41)	689	309	-	309	998
A-2900	Evaluation experts meetings	600	-	343	943	40	-	40	983
A-2901	Evaluation facilities	100	-	(88)	12	1	-	1	13
Total chapter A-29		700	-	255	955	41	-	41	996
Title A-2		4 298	-	40	4 338	1 376	22	1 397	5 735

5.2.3. Breakdown & changes in payment appropriations – Title B0-3

EUR '000

		Budget appropriations of the year				Additional appropriations			
		Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Carryover	Assigned revenue	Total	Total approp. available
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
B3-000	Implementing the research agenda of IMI JU	-	-	-	-	26	-	26	26
B3-001	Call 1	57	-	192	249	-	25	25	274
B3-002	Call 2	700	-	-	700	-	-	-	700
B3-003	Call 3	6 087	-	-	6 087	-	172	172	6 259
B3-004	Call 4	2 630	-	-	2 630	2 386	8	2 394	5 024
B3-005	Call 5	-	-	-	-	7 344	-	7 344	7 344
B3-006	Call 6	7 500	-	-	7 500	309	-	309	7 809
B3-007	Call 7	54	-	-	54	-	-	-	54
B3-008	Call 8	9 207	-	1 100	10 307	-	-	-	10 307
B3-009	Call 9	6 927	-	-	6 927	-	-	-	6 927
B3-010	Call 10	1 200	-	-	1 200	-	-	-	1 200

EUR '000

		Budget appropriations of the year				Additional appropriations			Total appror. available
		Initial adopted budget	Amending budgets	Transfers	Final budget adopted	Carryover	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	
B3-011	Call 11	21 523	-	(1 587)	19 936	-	-	-	19 936
B3-013	ENSO 2013	-	-	295	295	696	-	696	991
B3-020	IMI2 Implementing the research agenda of IMI JU	-	-	-	-	201	-	201	201
B3-021	IMI2 Call 1	2 900	-	-	2 900	-	-	-	2 900
B3-022	IMI2 Call 2	16 785	(8 850)	-	7 935	12 365	-	12 365	20 300
B3-023	IMI2 Call 3	7 680	-	-	7 680	4 183	-	4 183	11 862
B3-024	IMI2 Call 4	113	-	-	113	61	-	61	174
B3-025	IMI2 Call 5	7 002	-	-	7 002	-	-	-	7 002
B3-026	IMI2 Call 6	8 060	(1 700)	-	6 360	-	-	-	6 360
B3-027	IMI2 Call 7	4 148	-	-	4 148	-	-	-	4 148
B3-028	IMI2 Call 8	19 593	(8 500)	-	11 093	2 110	-	2 110	13 203
B3-029	IMI2 Call 9	1 000	-	-	1 000	1 716	-	1 716	2 716
B3-030	IMI2 Call 10	58 008	-	-	58 008	-	-	-	58 008
B3-031	IMI2 Call 11	2 627	-	-	2 627	-	-	-	2 627
B3-032	IMI2 Call 12	21 796	(17 282)	-	4 514	23 314	-	23 314	27 828
Total chapter B3-0		205 596	(36 332)	(0)	169 264	54 709	205	54 914	224 178
Title B0-3		205 596	(36 332)	(0)	169 264	54 709	205	54 914	224 178
GRAND TOTAL		215 909	(36 332)	(0)	179 577	56 159	227	56 386	235 963

5.3. IMPLEMENTATION OF COMMITMENT APPROPRIATIONS

5.3.1. Implementation of commitment appropriations - Title A-1

EUR '000

		Commitments made				Appropriations carried over to 2019				Appropriations lapsing				
		Total approp. availab.	from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
A-1100	Staff in active employment and costs linked to employees	3 316	3 047	–	–	3 047	92%	–	–	–	269	–	–	269
A-1101	Family allowances	374	316	–	–	316	85%	–	–	–	58	–	–	58
A-1102	Transfer and expatriation allowance	428	412	–	–	412	96%	–	–	–	16	–	–	16
A-1110	Contract agents	636	576	–	–	576	91%	–	–	–	60	–	–	60
A-1111	Seconded national experts	31	30	–	–	30	97%	–	–	–	1	–	–	1
A-1130	Insurance against sickness	104	104	–	–	104	100%	–	–	–	–	–	–	–
A-1131	Insurance against accidents & occupational disease	15	12	–	–	12	78%	–	–	–	3	–	–	3
A-1132	Unemployment insurance for temporary staff	40	40	–	–	40	100%	–	–	–	0	–	–	0
A-1140	Birth and death allowance	10	0	–	–	0	4%	–	–	–	10	–	–	10
A-1141	Annual travel costs	59	44	–	–	44	75%	–	–	–	15	–	–	15
A-1144	Fixed local travel allowances	3	–	–	–	–	0%	–	–	–	3	–	–	3
A-1172	Cost of organizing traineeships within IMI	32	2	–	–	2	6%	–	–	–	30	–	–	30
A-1177	Other services rendered	22	22	–	–	22	100%	–	–	–	–	–	–	–
A-1178	PMO fees	67	57	–	–	57	85%	–	–	–	10	–	–	10
A-1181	Travelling expenses (taking up duty)	6	1	–	–	1	17%	–	–	–	5	–	–	5
A-1182	Installation allowance	43	10	–	–	10	22%	–	–	–	33	–	–	33
A-1184	Temporary daily allowance	10	4	–	–	4	41%	–	–	–	6	–	–	6

	Total approp. availab.	from final adopt. budget	Commitments made		Total	%	Appropriations carried over to 2019			Appropriations lapsing			
			from carry-overs	from assign. revenue			Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
A-1190 Weightings (correction coefficients)	2	2	–	–	2	83%	–	–	–	0	–	–	0
Total chapter A-11	5 198	4 680	–	–	4 680	90%	–	–	–	518	–	–	518
A-1200 Miscellaneous expenditure on staff recruitment	20	14	–	–	14	70%	–	–	–	6	–	–	6
Total chapter A-12	20	14	–	–	14	70%	–	–	–	6	–	–	6
A-1300 Mission expenses	121	98	–	–	98	81%	1	–	1	22	–	–	22
Total chapter A-13	121	98	–	–	98	81%	1	–	1	22	–	–	22
A-1401 Socio-medical structure	81	81	–	–	81	100%	–	–	–	0	–	–	0
A-1410 Other trainings	90	39	–	–	39	43%	–	–	–	51	–	–	51
A-1430 Medical service	18	18	–	–	18	100%	–	–	–	–	–	–	–
A-1440 Trainings covered by the Service level agreement	36	36	–	–	36	100%	–	–	–	–	–	–	–
A-1490 Other interventions	372	349	–	–	349	94%	–	–	–	23	–	–	23
Total chapter A-14	597	522	–	–	522	88%	–	–	–	74	–	–	74
A-1700 Entertainment and representation expenses	40	27	–	–	27	67%	–	–	–	13	–	–	13
Total chapter A-17	40	27	–	–	27	67%	–	–	–	13	–	–	13
Total Title A-1	5 976	5 341	–	–	5 341	89%	1	–	1	634	–	–	634

5.3.2. Implementation of commitment appropriations - Title A-2

EUR '000

		Commitments made						Appropriations carried over to 2019			Appropriations lapsing			
		Total approp. availab.	from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
A-2000	Rentals	489	394	-	-	394	81%	9	-	9	86	-	-	86
A-2020	Water, gas, electricity, and charges	131	131	-	-	131	100%	-	-	-	0	-	-	0
A-2040	Furnishing of premises (works)	44	44	-	-	44	100%	-	-	-	-	-	-	-
A-2050	Security and surveillance	31	31	-	-	31	100%	-	-	-	-	-	-	-
Total chapter A-20		694	600	-	-	600	86%	9	-	9	86	-	-	86
A-2101	Hardware, infrastructure and related services	230	218	-	-	218	94%	12	-	12	0	-	-	0
A-2102	Software development, licenses and related services	494	459	-	-	459	93%	-	-	-	35	-	-	35
Total chapter A-21		724	676	-	-	676	93%	12	-	12	36	-	-	36
A-2200	Purchase	43	-	-	-	-	0%	-	-	-	43	-	-	43
A-2201	Rentals	1	-	-	-	-	0%	-	-	-	1	-	-	1
A-2202	Maintenance utilisation and repair	20	-	-	-	-	0%	-	-	-	20	-	-	20
Total chapter A-22		64	-	-	-	-	0%	-	-	-	64	-	-	64
A-2300	Stationery and office supply	40	31	-	-	31	78%	-	-	-	9	-	-	9
A-2350	Other operating expenditure	39	36	-	-	36	92%	-	-	-	3	-	-	3
A-2360	Library stocks purchase of books and subscriptions	44	28	-	-	28	64%	-	-	-	16	-	-	16
A-2370	Translation interpretation	26	2	-	-	2	6%	-	-	-	24	-	-	24
Total chapter A-23		149	97	-	-	97	65%	-	-	-	52	-	-	52
A-2400	Correspondence and communication expenses	67	36	-	-	36	54%	1	-	1	30	-	-	30
Total chapter A-24		67	36	-	-	36	54%	1	-	1	30	-	-	30
A-2500	Formal meetings	135	135	-	-	135	100%	0	-	0	-	-	-	-

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		Commitments made						Appropriations carried over to 2019			Appropriations lapsing			
		Total approp. availab.	from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
Total chapter A-25		135	135	–	–	135	100%	0	–	0	–	–	–	–
A-2600	Running costs in connection with operational activities	24	24	–	–	24	100%	–	–	–	–	–	–	–
A-2602	Workshops	167	167	–	–	167	100%	–	–	–	–	–	–	–
A-2603	Knowledge management	6	4	–	–	4	67%	–	–	–	2	–	–	2
Total chapter A-26		197	195	–	–	195	99%	–	–	–	2	–	–	2
A-2700	External communication	288	288	–	–	288	100%	–	–	–	–	–	–	–
A-2701	Events	365	343	–	–	343	94%	–	–	–	22	–	–	22
A-2702	Material	32	21	–	–	21	66%	–	–	–	11	–	–	11
Total chapter A-27		685	652	–	–	652	95%	–	–	–	33	–	–	33
A-2800	Ex-post audits	384	262	–	–	262	68%	–	–	–	122	–	–	122
A-2801	Studies, consultancy	249	115	–	–	115	46%	–	–	–	134	–	–	134
A-2802	Audits	56	56	–	–	56	100%	–	–	–	–	–	–	–
Total chapter A-28		689	433	–	–	433	63%	–	–	–	256	–	–	256
A-2900	Evaluation experts meetings	943	943	–	–	943	100%	–	–	–	–	–	–	–
A-2901	Evaluation facilities	12	12	–	–	12	100%	–	–	–	–	–	–	–
Total chapter A-29		955	955	–	–	955	100%	–	–	–	–	–	–	–
Total Title A-2		4 360	3 779	–	–	3 779	87%	22	–	22	559	–	–	559

5.3.3. Implementation of commitment appropriations - Title B0-3

EUR '000

		Commitments made						Appropriations carried over to 2019			Appropriations lapsing			
		Total approp. availab.	from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
B3-000	Implementing the research agenda of IMI JU	26	–	–	–	–	0%	–	–	–	–	26	–	26
B3-001	Call 1	25	–	–	3	3	11%	22	–	22	–	–	–	–
B3-003	Call 3	172	–	–	139	139	81%	34	–	34	–	–	–	–
B3-004	Call 4	8	–	–	8	8	100%	–	–	–	–	–	–	–
B3-020	IMI2 Implementing the research agenda of IMI JU	7	–	–	–	–	0%	–	–	–	–	7	–	7
B3-022	IMI2 Call 2	4	4	–	–	4	100%	–	–	–	0	–	–	0
B3-028	IMI2 Call 8	0	0	–	–	0	100%	–	–	–	–	–	–	–
B3-030	IMI2 Call 10	173 886	51 874	122 000	–	173 874	100%	–	–	–	12	–	–	12
B3-034	IMI2 Call 14	82 357	30 467	51 890	–	82 357	100%	–	–	–	–	–	–	–
B3-035	IMI2 Call 15	171 876	136 074	35 801	–	171 876	100%	–	–	–	–	–	–	–
B3-036	IMI2 Call 16	46 900	46 900	–	–	46 900	100%	–	–	–	–	–	–	–
Total chapter B3-0		475 260	265 319	209 691	149	475 160	100%	56	–	56	12	33	–	45
Total Title B0-3		475 260	265 319	209 691	149	475 160	100%	56	–	56	12	33	–	45
GRAND TOTAL		485 596	274 439	209 691	149	484 280	100%	78	–	78	1 205	33	–	1 238

5.4. IMPLEMENTATION OF PAYMENT APPROPRIATIONS

5.4.1. Implementation of payment appropriations - Title A-1

EUR '000

	Total approp. availab.	from final adopt. budget	Payments made				Appropriations carried over to 2019				Appropriations lapsing			
			from carry-overs	from assign rev.	Total	%	Autom carry-overs	By decision	Assign rev.	Total	from final adopt. budget	from carry-overs	from assign rev.	Total
			3	4	5=2+3+4	6 = 5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
A-1100	Staff in active employment and costs linked to employees	3 316	3 047	-	-	3 047	92%	-	-	-	269	-	-	269
A-1101	Family allowances	374	316	-	-	316	85%	-	-	-	58	-	-	58
A-1102	Transfer and expatriation allowance	428	412	-	-	412	96%	-	-	-	16	-	-	16
A-1110	Contract agents	636	576	-	-	576	91%	-	-	-	60	-	-	60
A-1111	Seconded national experts	31	30	-	-	30	97%	-	-	-	1	-	-	1
A-1130	Insurance against sickness	104	104	-	-	104	100%	-	-	-	-	-	-	-
A-1131	Insurance against accidents & occupational disease	15	12	-	-	12	78%	-	-	-	3	-	-	3
A-1132	Unemployment insurance for temporary staff	40	40	-	-	40	100%	-	-	-	0	-	-	0
A-1140	Birth and death allowance	10	0	-	-	0	4%	-	-	-	10	-	-	10
A-1141	Annual travel costs	59	44	-	-	44	75%	-	-	-	15	-	-	15
A-1144	Fixed local travel allowances	3	-	-	-	-	0%	-	-	-	3	-	-	3
A-1172	Cost of organizing traineeships within IMI	32	2	-	-	2	6%	-	-	-	30	-	-	30
A-1177	Other services rendered	22	22	-	-	22	100%	-	-	-	-	-	-	-
A-1178	PMO fees	67	57	-	-	57	85%	-	-	-	10	-	-	10
A-1181	Travelling expenses (taking up duty)	6	1	-	-	1	17%	-	-	-	5	-	-	5
A-1182	Installation allowance	43	10	-	-	10	22%	-	-	-	33	-	-	33
A-1184	Temporary daily allowance	10	4	-	-	4	41%	-	-	-	6	-	-	6
A-1190	Weightings (correction coefficients)	2	2	-	-	2	83%	-	-	-	0	-	-	0
Total chapter A-11		5 198	4 680	-	-	4 680	90%	-	-	-	518	-	-	518
A-1200	Miscellaneous expenditure on staff recruitment	34	3	11	-	14	41%	-	-	-	17	3	-	20

EUR '000

	Total approp. availab.	from final adopt. budget	Payments made				Appropriations carried over to 2019				Appropriations lapsing			
			from carry-overs	from assign rev.	Total	%	Autom carry-overs	By decision	Assign rev.	Total	from final adopt. budget	from carry-overs	from assign rev.	Total
			3	4	5=2+3+4	6 = 5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
1	2	3	4	5=2+3+4	6 = 5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13	
Total chapter A-12	34	3	11	-	14	41%	-	-	-	-	17	3	-	20
A-1300 Mission expenses	158	77	17	-	94	60%	-	1	1	43	20	-	63	
Total chapter A-13	158	77	17	-	94	60%	-	1	1	43	20	-	63	
A-1401 Socio-medical structure	81	81	-	-	81	100%	-	-	-	0	-	-	0	
A-1410 Other trainings	90	38	0	-	38	42%	-	-	-	52	-	-	52	
A-1430 Medical service	18	18	0	-	18	99%	-	-	-	0	-	-	0	
A-1440 Trainings covered by the Service level agreement	49	24	13	-	37	75%	-	-	-	12	-	-	12	
A-1490 Other interventions	382	324	10	-	334	87%	-	-	-	48	-	-	48	
Total chapter A-14	619	484	23	-	506	82%	-	-	-	113	-	-	113	
A-1700 Entertainment and representation expenses	40	21	0	-	21	53%	-	-	-	19	-	-	19	
Total chapter A-17	40	21	0	-	21	53%	-	-	-	19	-	-	19	
Total Title A-1	6 050	5 265	51	-	5 315	88%	-	1	1	710	23	-	733	

5.4.2. Implementation of payment appropriations - Title A-2

EUR '000

	Total approp. availab.	from final adopt. budget	Payments made				Appropriations carried over to 2019				Appropriations lapsing			
			from carry-overs	from assign rev.	Total	%	Autom carry-overs	By decision	Assign rev.	Total	from final adopt. budget	from carry-overs	from assign rev.	Total
			3	4	5=2+3+4	6 = 5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
1	2	3	4	5=2+3+4	6 = 5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13	
A-2000 Rentals	595	374	101	-	475	80%	-	9	9	106	5	-	111	
A-2020 Water, gas, electricity, and charges	132	130	1	-	131	99%	-	-	-	1	-	-	1	
A-2040 Furnishing of premises (works)	149	60	35	-	96	64%	-	-	-	27	26	-	53	
A-2050 Security and surveillance	31	6	-	-	6	19%	-	-	-	25	-	-	25	
Total chapter A-20	906	570	137	-	707	78%	-	9	9	159	31	-	191	

		Payments made						Appropriations carried over to 2019				Appropriations lapsing			
		Total approp. availab.	from final adopt. budget	from carry-overs	from assign rev.	Total	%	Autom carry-overs	By deci-sion	Assign rev.	Total	from final adopt. budget	from carry-overs	from assign rev.	Total
		1	2	3	4	5=2+3+4	6 = 5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
A-2101	Hardware, infrastructure and related services	506	93	82	-	175	35%		-	12	12	125	194	-	319
A-2102	Software development, licenses and related services	822	378	242	-	620	75%		-	-	-	116	86	-	202
Total chapter A-21		1 328	471	324	-	795	60%		-	12	12	241	279	-	521
A-2201	Rentals	1	-	-	-	-	0%		-	-	-	1	-	-	1
A-2202	Maintenance utilisation and repair	20	-	-	-	-	0%		-	-	-	20	-	-	20
Total chapter A-22		21	-	-	-	-	0%		-	-	-	21	-	-	21
A-2300	Stationery and office supply	42	28	2	-	30	72%		-	-	-	12	-	-	12
A-2350	Other operating expenditure	45	2	1	-	3	6%		-	-	-	37	5	-	42
A-2360	Library stocks purchase of books and subscriptions	44	28	-	-	28	64%		-	-	-	16	-	-	16
A-2370	Translation interpretation	26	2	-	-	2	6%		-	-	-	24	-	-	24
Total chapter A-23		157	60	3	-	62	40%		-	-	-	89	5	-	94
A-2400	Correspondence and communication expenses	110	12	6	-	17	16%		-	1	1	54	37	-	91
Total chapter A-24		110	12	6	-	17	16%		-	1	1	54	37	-	91
A-2500	Formal meetings	164	76	28	0	104	64%		-	-	-	59	-	-	59
Total chapter A-25		164	76	28	0	104	64%		-	-	-	59	-	-	59
A-2600	Running costs in connection with operational activities	37	12	6	-	18	49%		-	-	-	12	8	-	19
A-2602	Workshops	224	113	41	-	154	69%		-	-	-	54	16	-	70
A-2603	Knowledge management	10	-	-	-	-	0%		-	-	-	6	4	-	10
Total chapter A-26		271	126	47	-	172	64%		-	-	-	72	27	-	99
A-2700	External communication	363	221	75	-	296	82%		-	-	-	66	-	-	66
A-2701	Events	385	336	20	-	356	92%		-	-	-	29	-	-	29
A-2702	Material	39	18	6	-	24	63%		-	-	-	14	-	-	14
Total chapter A-27		786	576	101	-	676	86%		-	-	-	109	-	-	109
A-2800	Ex-post audits	661	55	217	-	272	41%		-	-	-	329	61	-	390
A-2801	Studies, consultancy	249	33	-	-	33	13%		-	-	-	216	-	-	216

EUR '000

	Total approp. availab.	Payments made					Appropriations carried over to 2019				Appropriations lapsing			
		from final adopt. budget	from carry-overs	from assign rev.	Total	%	Autom carry-overs	By deci-sion	Assign rev.	Total	from final adopt. budget	from carry-overs	from assign rev.	Total
		2	3	4	5=2+3+4	6 = 5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
A-2802 Audits	88	-	32	-	32	36%	-	-	-	-	56	-	-	56
Total chapter A-28	998	88	248	-	336	34%	-	-	-	-	601	61	-	661
A-2900 Evaluation experts meetings	983	933	40	-	973	99%	-	-	-	-	10	-	-	10
A-2901 Evaluation facilities	13	10	1	-	11	87%	-	-	-	-	2	-	-	2
Total chapter A-29	996	943	41	-	984	99%	-	-	-	-	12	-	-	12
Total Title A-2	5 735	2 920	935	0	3 855	67%	-	21	21	1 418	441	-	1 859	

5.4.3. Implementation of payment appropriations - Title B0-3

EUR '000

	Total approp. availab.	Payments made					Appropriations carried over to 2019				Appropriations lapsing			
		from final adopt. budget	from carry-overs	from assign rev.	Total	%	Autom carry-overs	By deci-sion	Assign rev.	Total	from final adopt. budget	from carry-overs	from assign rev.	Total
		2	3	4	5=2+3+4	6 = 5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
B3-000 Implementing the research agenda of IMI JU	26	-	-	-	-	0%	-	-	-	-	-	26	-	26
B3-001 Call 1	274	192	-	3	195	71%	-	22	22	57	-	-	57	
B3-002 Call 2	700	-	-	-	-	0%	-	-	-	700	-	-	700	
B3-003 Call 3	6 259	4 476	-	5	4 481	72%	-	167	167	1 611	-	-	1 611	
B3-004 Call 4	5 024	2 630	2 386	8	5 024	100%	-	-	-	-	-	-	-	
B3-005 Call 5	7 344	-	7 344	-	7 344	100%	-	-	-	-	-	-	-	
B3-006 Call 6	7 809	7 500	309	-	7 809	100%	-	-	-	-	-	-	-	
B3-007 Call 7	54	54	-	-	54	100%	-	-	-	0	-	-	0	
B3-008 Call 8	10 307	10 298	-	-	10 298	100%	-	-	-	8	-	-	8	

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		Payments made					Appropriations carried over to 2019				Appropriations lapsing				
		Total approp. availab.	from final adopt. budget	from carry-overs	from assign rev	Total	%	Autom carry-overs	By deci-sion	Assign rev.	Total	from final adopt. budget	from carry-overs	from assign rev.	Total
		1	2	3	4	5=2+3+4	6 = 5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
B3-009	Call 9	6 927	2 382	-	-	2 382	34%	-	-	-	4 545	-	-	4 545	
B3-010	Call 10	1 200	1 000	-	-	1 000	83%	-	-	-	200	-	-	200	
B3-011	Call 11	19 936	19 309	-	-	19 309	97%	-	-	-	627	-	-	627	
B3-013	ENSO 2013	991	295	696	-	991	100%	-	-	-	-	-	-	-	
B3-020	IMI2 Implementing the research agenda of IMI JU	201	-	-	-	-	0%	-	-	-	-	201	-	201	
B3-021	IMI2 Call 1	2 900	2 887	-	-	2 887	100%	-	-	-	13	-	-	13	
B3-022	IMI2 Call 2	20 300	7 571	9 392	-	16 962	84%	-	-	-	364	2 973	-	3 337	
B3-023	IMI2 Call 3	11 862	6 340	1 410	-	7 750	65%	-	-	-	1 340	2 773	-	4 112	
B3-024	IMI2 Call 4	174	61	-	-	61	35%	-	-	-	52	61	-	113	
B3-025	IMI2 Call 5	7 002	5 275	-	-	5 275	75%	-	-	-	1 727	-	-	1 727	
B3-026	IMI2 Call 6	6 360	4 900	-	-	4 900	77%	-	-	-	1 459	-	-	1 459	
B3-027	IMI2 Call 7	4 148	3 902	-	-	3 902	94%	-	-	-	246	-	-	246	
B3-028	IMI2 Call 8	13 203	9 501	1 326	-	10 828	82%	-	-	-	1 592	784	-	2 376	
B3-029	IMI2 Call 9	2 716	0	1 716	-	1 716	63%	-	-	-	1 000	-	-	1 000	
B3-030	IMI2 Call 10	58 008	56 576	-	-	56 576	98%	-	-	-	1 432	-	-	1 432	
B3-031	IMI2 Call 11	2 627	2 627	-	-	2 627	100%	-	-	-	-	-	-	-	
B3-032	IMI2 Call 12	27 828	4 514	17 464	-	21 978	79%	-	-	-	-	5 849	-	5 849	
Total chapter B3-0		224 178	152 290	42 043	16	194 348	87%	-	189	189	16 974	12 667	-	29 641	
Total Title B0-3		224 178	152 290	42 043	16	194 348	87%	-	189	189	16 974	12 667	-	29 641	
GRAND TOTAL		235 963	160 474	43 028	16	203 519	86%	-	211	211	19 103	13 131	-	32 233	

6. COMMITMENTS OUTSTANDING

6.1. Commitments outstanding – Title A-1

EUR '000

	Commitments outstanding at the end of prev. year				Commitments of the year				Total commitments outstanding at year-end	
	Comm. carried forward from prev. year	Decommit. Revaluation Cancellations	Payments	Total	Comm. made during the year	Payment	Cancel-lations	Commit. outstanding at year-end		
	1	2	3	4=1+2-3	5	6	7	8=5-6-7		9=4+8
A-1100	Staff in active employment and costs linked to employees	-	-	-	-	3 047	3 047	-	-	-
A-1101	Family allowances	-	-	-	-	316	316	-	-	-
A-1102	Transfer and expatriation allowance	-	-	-	-	412	412	-	-	-
A-1110	Contract agents	-	-	-	-	576	576	-	-	-
A-1111	Seconded national experts	-	-	-	-	30	30	-	-	-
A-1130	Insurance against sickness	-	-	-	-	104	104	-	-	-
A-1131	Insurance against accidents & occupational disease	-	-	-	-	12	12	-	-	-
A-1132	Unemployment insurance for temporary staff	-	-	-	-	40	40	-	-	-
A-1140	Birth and death allowance	-	-	-	-	0	0	-	-	-
A-1141	Annual travel costs	-	-	-	-	44	44	-	-	-
A-1172	Cost of organizing traineeships within IMI	-	-	-	-	2	2	-	-	-
A-1177	Other services rendered	-	-	-	-	22	22	-	-	-
A-1178	PMO fees	-	-	-	-	57	57	-	-	-
A-1181	Travelling expenses (taking up duty)	-	-	-	-	1	1	-	-	-
A-1182	Installation allowance	-	-	-	-	10	10	-	-	-
A-1184	Temporary daily allowance	-	-	-	-	4	4	-	-	-

EUR '000

	Commitments outstanding at the end of prev. year				Commitments of the year				Total commitments outstanding at year-end
	Comm. carried forward from prev. year	Decommit. Revaluation Cancellations	Payments	Total	Comm. made during the year	Payment	Cancel-lations	Commit. outstanding at year-end	
	1	2	3	4=1+2-3	5	6	7	8=5-6-7	
A-1190 Weightings (correction coefficients)	-	-	-	-	2	2	-	-	-
Total chapter A-11	-	-	-	-	4 680	4 680	-	-	-
A-1200 Miscellaneous expenditure on staff recruitment	14	(13)	1	-	14	13	-	1	1
Total chapter A-12	14	(13)	1	-	14	13	-	1	1
A-1300 Mission expenses	37	(28)	9	-	98	85	-	12	12
Total chapter A-13	37	(28)	9	-	98	85	-	12	12
A-1401 Socio-medical structure	-	-	-	-	81	81	-	-	-
A-1410 Other trainings	0	-	0	-	39	38	-	1	1
A-1430 Medical service	0	(0)	-	-	18	18	-	0	0
A-1440 Trainings covered by the Service level agreement	13	(2)	11	-	36	26	-	10	10
A-1490 Other interventions	10	(2)	8	-	349	325	-	23	23
Total chapter A-14	23	(3)	19	-	522	487	-	35	35
A-1700 Entertainment and representation expenses	0	(0)	-	-	27	21	-	6	6
Total chapter A-17	0	(0)	-	-	27	21	-	6	6
Total Title A-1	74	(45)	29	-	5 341	5 287	-	54	54

6.2. Commitments outstanding – Title A-2

		Commitments outstanding at the end of prev. year					Commitments of the year			EUR '000	
		Comm. carried forward from prev. year	Decommit. Revaluation Cancellations	Payments	Total	Comm. made during the year	Payment	Cancel-lations	Commit. outstanding at year-end	Total commitments outstanding at year-end	
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8	
A-2000	Rentals	106	(24)	82	–	394	393	–	2	2	
A-2020	Water, gas, electricity, and charges	1	(1)	–	–	131	131	–	–	–	
A-2040	Furnishing of premises (works)	62	(5)	57	–	44	39	–	5	5	
A-2050	Security and surveillance	–	–	–	–	31	6	–	25	25	
Total chapter A-20		168	(29)	139	–	600	568	–	32	32	
A-2101	Hardware, infrastructure and related services	276	(86)	132	57	218	43	–	175	232	
A-2102	Software development, licenses and related services	328	(17)	311	–	459	309	–	150	150	
Total chapter A-21		604	(103)	443	57	676	352	–	325	382	
A-2300	Stationery and office supply	2	–	2	–	31	28	–	3	3	
A-2350	Other operating expenditure	6	(6)	0	(0)	36	2	–	33	33	
A-2360	Library stocks purchase of books and subscriptions	–	–	–	–	28	28	–	–	–	
A-2370	Translation interpretation	–	–	–	–	2	2	–	–	–	
Total chapter A-23		8	(6)	2	(0)	97	61	–	36	36	
A-2400	Correspondence and communication expenses	43	(37)	6	(0)	36	11	–	25	25	
Total chapter A-24		43	(37)	6	(0)	36	11	–	25	25	
A-2500	Formal meetings	28	(19)	9	–	135	95	–	40	40	
Total chapter A-25		28	(19)	9	–	135	95	–	40	40	
A-2600	Running costs in connection with operational activities	13	(9)	4	–	24	14	–	10	10	

EUR '000

	Commitments outstanding at the end of prev. year				Commitments of the year				Total commitments outstanding at year-end
	Comm. carried forward from prev. year	Decommit. Revaluation Cancellations	Payments	Total	Comm. made during the year	Payment	Cancel-lations	Commit. outstanding at year-end	
	1	2	3	4=1+2-3	5	6	7	8=5-6-7	
A-2602 Workshops	57	(20)	37	-	167	118	-	50	50
A-2603 Knowledge management	4	(4)	-	-	4	-	-	4	4
Total chapter A-26	74	(33)	41	-	195	131	-	64	64
A-2700 External communication	75	(2)	73	-	288	223	-	65	65
A-2701 Events	20	(7)	12	-	343	343	-	-	-
A-2702 Material	6	(0)	6	-	21	18	-	3	3
Total chapter A-27	101	(9)	92	-	652	584	-	68	68
A-2800 Ex-post audits	277	(4)	272	1	262	-	-	262	263
A-2801 Studies, consultancy	-	-	-	-	115	33	-	82	82
A-2802 Audits	32	-	32	-	56	-	-	56	56
Total chapter A-28	309	(4)	303	1	433	33	-	400	401
A-2900 Evaluation experts meetings	40	-	40	-	943	933	-	10	10
A-2901 Evaluation facilities	1	-	1	-	12	10	-	2	2
Total chapter A-29	41	-	41	-	955	943	-	12	12
Total Title A-2	1 376	(241)	1 077	58	3 779	2 778	-	1 001	1 060

6.3. Commitments outstanding – Title B0-3

		Commitments outstanding at the end of prev. year				Commitments of the year				EUR '000
		Comm. carried forward from prev. year	Decommit. Revaluation Cancellations	Payments	Total	Comm. made during the year	Payment	Cancel-lations	Commit. outstanding at year-end	Total commitments outstanding at year-end
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
B3-001	Call 1	1 719	(1)	192	1 526	3	3	-	-	1 526
B3-002	Call 2	752	-	-	752	-	-	-	-	752
B3-003	Call 3	8 645	-	4 476	4 170	139	5	-	133	4 303
B3-004	Call 4	9 733	-	5 016	4 717	8	8	-	-	4 717
B3-005	Call 5	7 988	-	7 344	644	-	-	-	-	644
B3-006	Call 6	50 767	-	7 809	42 958	-	-	-	-	42 958
B3-007	Call 7	1 354	-	54	1 300	-	-	-	-	1 300
B3-008	Call 8	49 188	-	10 298	38 890	-	-	-	-	38 890
B3-009	Call 9	21 513	-	2 382	19 131	-	-	-	-	19 131
B3-010	Call 10	2 669	-	1 000	1 669	-	-	-	-	1 669
B3-011	Call 11	90 367	-	19 309	71 058	-	-	-	-	71 058
B3-013	ENSO 2013	1 393	-	991	402	-	-	-	-	402
B3-020	IMI2 Implementing the research agenda of IMI JU	2 132	(32)	-	2 100	-	-	-	-	2 100
B3-021	IMI2 Call 1	12 002	-	2 887	9 116	-	-	-	-	9 116
B3-022	IMI2 Call 2	44 461	-	16 959	27 503	4	4	-	-	27 503
B3-023	IMI2 Call 3	27 955	-	7 750	20 205	-	-	-	-	20 205
B3-024	IMI2 Call 4	113	-	61	52	-	-	-	-	52
B3-025	IMI2 Call 5	31 100	-	5 275	25 825	-	-	-	-	25 825
B3-026	IMI2 Call 6	29 834	-	4 900	24 934	-	-	-	-	24 934
B3-027	IMI2 Call 7	29 722	(0)	3 902	25 820	-	-	-	-	25 820
B3-028	IMI2 Call 8	64 928	(22 538)	10 828	31 562	0	-	-	0	31 562
B3-029	IMI2 Call 9	37 719	-	1 716	36 004	-	-	-	-	36 004
B3-030	IMI2 Call 10	-	-	-	-	173 874	56 576	-	117 298	117 298

		Commitments outstanding at the end of prev. year				Commitments of the year				EUR '000
		Comm. carried forward from prev. year	Decommit. Revaluation Cancellations	Payments	Total	Comm. made during the year	Payment	Cancel-lations	Commit. outstanding at year-end	Total commitments outstanding at year-end
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
B3-031	IMI2 Call 11	5 000	(1 716)	2 627	657	-	-	-	-	657
B3-032	IMI2 Call 12	64 077	-	21 978	42 099	-	-	-	-	42 099
B3-033	IMI2 Call 13	116 421	(116 421)	-	-	-	-	-	-	-
B3-034	IMI2 Call 14	-	-	-	-	82 357	-	-	82 357	82 357
B3-035	IMI2 Call 15	-	-	-	-	171 876	-	-	171 876	171 876
B3-036	IMI2 Call 16	-	-	-	-	46 900	-	-	46 900	46 900
Total chapter B3-0		711 554	(140 707)	137 753	433 093	475 160	56 595	-	418 564	851 658
Total Title B0-3		711 554	(140 707)	137 753	433 093	475 160	56 595	-	418 564	851 658
GRAND TOTAL		713 003	(140 993)	138 858	433 152	484 280	64 660	-	419 619	852 771

7. GLOSSARY

ABAC

This is the name given to the Commission's accounting system, which since 2005 has been enriched by accrual accounting rules. Apart from the cash-based budget accounts, the Commission produces accrual-based accounts which recognise revenue when earned, rather than when collected. Expenses are recognised when incurred rather than when paid. This contrasts with cash basis budgetary accounting that recognises transactions and other events only when cash is received or paid.

Accounting

The act of recording and reporting financial transactions, including the creation of the transaction, its recognition, processing, and summarisation in the financial statements.

Administrative appropriations

Administrative appropriations cover the running costs of the Institutions and entities (staff, buildings, office equipment).

Adjustment

Amending budget or transfer of funds from one budget item to another.

Adopted budget

Draft budget becomes the adopted budget as soon as approved by the Budgetary Authority. Cf. Budget.

Agencies

EU bodies having a distinct legal personality, and to whom budget implementing powers may be delegated under strict conditions. They are subject to a distinct discharge from the discharge authority.

Amending budget

Decision adopted during the budget year to amend (increase, decrease, transfer) aspects of the adopted budget of that year.

Annuality

The budgetary principle according to which expenditure and revenue is programmed and authorised for one year, starting on 1 January and ending on 31 December.

Appropriations

Budget funding. The budget forecasts both commitments (legal pledges to provide finance, provided that certain conditions are fulfilled) and payments (cash or bank transfers to the beneficiaries). Appropriations for commitments and payments often differ — differentiated appropriations — because multiannual programmes and projects are usually fully committed in the year they are decided and are paid over the years as the implementation of the programme and project progresses. Non-differentiated appropriations apply to administrative expenditure, for agricultural market support and direct payments and commitment appropriations equal payment appropriations.

Assigned revenue External/Internal

Dedicated revenue received to finance specific items of expenditure. Main sources of external assigned revenue are financial contributions from third countries to programmes financed by the Union. Main sources of internal assigned revenue is revenue from third parties in respect of goods, services or work supplied at their request; (c) revenue arising from the repayment of amounts wrongly paid and revenue from the sale of publications and films, including those on an electronic medium. The complete list of items constituting assigned revenue is given in the Financial Regulation Art. 21.

Authorising Officer (AO)

The AO is responsible in each institution for authorising revenue and expenditure operations in accordance with the principles of sound financial management and for ensuring that the requirements of legality and regularity are complied with.

Budget

Annual financial plan, drawn up according to budgetary principles, that provides forecasts and authorises, for each financial year, an estimate of future costs and revenue and expenditures and their detailed description and justification, the latter included in budgetary remarks.

Budget result

The difference between income received and amounts paid, including adjustments for carry-overs, cancellations and exchange rate differences.

For agencies, the resulting amount will have to be reimbursed to the funding authority as provided in the Financial Regulation for agencies.

Budget implementation

Consumption of the budget through expenditure and revenue operations.

Budget item / Budget line / Budget position

As far as the budget structure is concerned, revenue and expenditure are shown in the budget in accordance with a binding nomenclature, which reflects the nature and purpose of each item, as imposed by the budgetary authority. The individual headings (title, chapter, article or item) provide a formal description of the nomenclature.

Budgetary authority

Institutions with decisional powers on budgetary matters: for the EU institutions, the European Parliament and the Council of Ministers.

For the agencies and joint undertakings, their board is the budgetary authority.

Budgetary commitment

A budgetary commitment is a reservation of appropriations to cover for subsequent expenses.

Cancellation of appropriations

Unused appropriations that may no longer be used.

Carryover of appropriations

Exception to the principle of annuality in so far as appropriations that could not be used in a given budget year may, under strict conditions, be exceptionally carried over for use during the following year.

Commitment appropriations

Commitment appropriations cover the total cost of legal obligations (contracts, grant agreements/decisions) that could be signed in the current financial year. Financial Regulation Art. 7: Commitment appropriations cover the total cost in the current financial year of legal obligations (contracts, grant agreements/decisions) entered into for operations extending over more than one year.

De-commitment

Cancellation of a reservation of appropriations.

Differentiated appropriations

Differentiated appropriations are used to finance multiannual operations; they cover, for the current financial year, the total cost of the legal obligations entered into for operations whose implementation extends over more than one financial year. Financial Regulation Art. 7: Differentiated appropriations are entered for multiannual operations. They consist of commitment appropriations and payment appropriations.

Earmarked revenue

Revenue earmarked for a specific purpose, such as income from foundations, subsidies, gifts and bequests, including the earmarked revenue specific to each institution. (Cf. Assigned revenue)

Economic result

Impact on the balance sheet of expenditure and revenue based on accrual accounting rules.

Entitlements established

Entitlements are recovery orders that the European Union must establish for collecting income.

Exchange rate difference

The difference resulting from currency exchange rates applied to the transactions concerning countries outside the euro area, or from the revaluation of assets and liabilities in foreign currency at the closure.

Expenditure

Term used to describe spending the budget from all types of funds sources.

Financial regulation (FR)

Adopted through the ordinary legislative procedure after consulting the European Court of Auditors, this regulation lays down the rules for the establishment and implementation of the general budget of the European Union.

For reference, regulation (EU, Euratom) 2018/1046 on the financial rules applicable to the general budget of the Union.

Funds Source

Type of appropriations (e.g. C1, C2, etc.)

Grants

Direct financial contributions, by way of donation, from the budget in order to finance either an action intended to help achieve an objective part of an EU policy or the functioning of a body, which pursues an aim of general European interest or has an objective forming part of an EU policy.

Implementation

Cf. Budget implementation

Income

Cf. Revenue

Joint Undertakings (JUs)

A legal EU-body established under the Treaty on the Functioning of the European Union. The term can be used to describe any collaborative structure proposed for the "efficient execution of Union research, technological development and demonstration programmes".

Lapsing appropriations

Unused appropriations to be cancelled at the end of the financial year. Lapsing means the cancellation of all or part of the authorisation to make expenditures and/or incur liabilities, which is represented by an appropriation.

Only for joint undertakings, as specified in their Financial Rules, any unused appropriations may be entered in the estimate of revenue and expenditure of up to the following three financial years (the so-called "N+3" rule). Hence, lapsing appropriations for JUs could be reactivated until financial year "N+3".

Legal base (basic act)

The legal base or basis is, as a general rule, a law based on an article in the Treaty on the Functioning of the European Union giving competence to the Community for a specific policy area and setting out the conditions for fulfilling that competence including budget implementation. Certain articles from the treaty authorise the Commission to undertake certain actions, which imply spending, without there being a further legal act.

Legal commitment

A legal commitment establishes a legal obligation towards third parties.

Non-differentiated appropriations

Non-differentiated appropriations are for operations of an annual nature. (Financial Regulation Art. 9). In the EU-Budget non-differentiated appropriations apply to administrative expenditure, for agricultural market support and direct payments.

Operational appropriations

Operational appropriations finance the different policies, mainly in the form of grants or procurement.

Outstanding commitment

Legal commitments having not fully given rise to liquidation by payments. Cf. RAL.

Outturn

Cf. Budget result

Payment

A payment is a cash disbursement to honour legal obligations.

Payment appropriations

Payment appropriations cover expenditure due in the current year, arising from legal commitments entered in the current year and/or earlier years (Financial Regulation Art. 7).

RAL

Sum of outstanding commitments. Outstanding commitments (or RAL, from the French 'reste à liquider') are defined as the amount of appropriations committed that have not yet been paid. They stem directly from the existence of multiannual programmes and the dissociation between commitment and payment appropriations. (Cf. Outstanding commitments)

Recovery

The recovery order is the procedure by which the Authorising officer (AO) registers an entitlement by the Commission in order to retrieve the amount, which is due. The entitlement is the right that the Commission has to claim the sum, which is due by a debtor, usually a beneficiary.

Result

Cf. Outturn

Revenue

Term used to describe income from all sources financing the budget.

Rules of application

Detailed rules for the implementation of the financial regulation. They are set out in a Commission regulation adopted after consulting all institutions and cannot alter the financial regulation upon which they depend.

Surplus

Positive difference between revenue and expenditure (Cf. Budget result) which has to be returned to the funding authority as provided in the Financial Regulation.

Transfer

Transfers between budget lines imply the relocation of appropriations from one budget line to another, in the course of the financial year, and thereby they constitute an exception to the budgetary principle of specification. However they are expressly authorised by the Treaty on the Functioning of the European Union under the conditions laid down in the Financial Regulation. The Financial Regulation identifies different types of transfers depending on whether they are between or within budget titles, chapters, articles or headings and require different levels of authorization.