



Innovative Medicines Initiative

**ANNUAL ACCOUNTS
OF
THE INNOVATIVE MEDICINE INITIATIVE
JOINT UNDERTAKING
FOR THE YEAR 2010**

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

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the Innovative Medicine Initiative Joint Undertaking in accordance with art 61 of the Financial Regulation.

I have obtained from the authorising officer, who certified its reliability, all the information necessary for the production of the accounts that show the Innovative Medicine Initiative Joint Undertaking'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 Innovative Medicine Initiative Joint Undertaking in all material aspects.



Khâm LÊ

Accounting Officer

of The Innovative Medicine Initiative Joint Undertaking

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" The Innovative Medicines Initiative is a unique Public-Private Partnership (PPP) between the pharmaceutical industry represented by the European Federation of Pharmaceutical Industries and Associations (EFPIA) and the European Union represented by the European Commission. "

The Innovative Medicines Initiative Joint Undertaking (IMI JU) was set up by Council Regulation (EC) N° 73/2008 of December 2007, for a period up to 31 December 2017.

On 16 November 2009, the IMI JU had the operational capacity to implement its budget and therefore became autonomous. Until this date, the European Commission (EC) was responsible for the establishment and the initial operations of the IMI JU in collaboration with the other Founding Member, the " European Federation of Pharmaceutical Industries and Associations" (EFPIA), in accordance with Article 16 of the Council regulation establishing the IMI JU.

The year 2010 was IMI JU's first full year of activities.

1. FINANCIAL STATEMENTS

1.1. Balance sheet

Heading	Description	Reporting period 2010	Comparison Period (Nov-Dec 09)
I. NON-CURRENT ASSETS		34.725.685,34	0,00
Long - term pre-financing		34.704.183,27	0,00
Tangible fixed assets	Computer hardware	21.502,07	0,00
	Computer hardware	28.440,09	0,00
	Depreciation	-6.938,02	0,00
II. CURRENT ASSETS		70.870.344,49	81.703.611,46
Cash & Cash equivalents		70.731.066,75	81.650.776,02
	Cash at banks	70.731.612,03	81.655.045,82
	Cash transit (in)	0,00	711.167,90
		70.731.612,03	80.943.877,92
	Cash transit (out)	-545,28	-4.269,80
Short - term receivables		139.277,74	52.835,44
	Accrued income	129.096,02	51.067,35
	Advances on missions	5.243,70	0,00
	Advances on salaries	4.638,02	1.768,09
	Staff	300,00	0,00
TOTAL ASSETS		105.596.029,83	81.703.611,46
III. NET ASSETS		-80.368.941,68	-81.195.990,70
Members Contributions	EU & EFPIA Contribution	-108.754.197,40	-81.817.897,40
Accumulated contributions used in previous years		621.906,70	0,00
Contributions from members used during the year		27.763.349,02	621.906,70
TOTAL NET ASSETS		-80.368.941,68	-81.195.990,70

Heading	Description	Reporting period 2010	Comparison Period (Nov-Dec 09)
IV. NON-CURRENT LIABILITIES		0,00	-3.547,19
Long term provision		0,00	-3.547,19
V. CURRENT LIABILITIES		-25.227.088,15	-504.073,57
Accounts Payables		-3.964,86	-14.685,23
	<i>Consolidate entities</i>	-1.785,00	-3.082,00
	<i>Suppliers</i>	-6.277,12	-113.491,35
	<i>Verification - invoices</i>	4.097,26	101.888,12
Sundry payables	<i>Taxes, salaries and social security</i>	-49.577,93	-33.885,28
	Payables-Staff	0,00	-604,41
	Pension contribution	-18.362,62	-12.366,64
	Sickness insurance	-8.287,72	-5.352,05
	Taxes	-18.371,53	-12.593,28
	Accident insurance	-1.316,47	-849,93
	Unemployment insurance for T.A.	-3.239,59	-2.118,97
Other accounts payables		-25.173.545,36	-455.503,06
	<i>Estimated "in-kind contribution" from EFPIA</i>	-14.160.447,00	0,00
	<i>Cost claims to be validated (eligibility to be confirmed)</i>	-10.626.285,00	0,00
	<i>Accrued charges</i>	-386.813,36	-455.503,06
TOTAL LIABILITIES		-25.227.088,15	-507.620,76

1.2. Economic outturn account

Heading	Description	Reporting period 2010	Comparison Period (Nov-Dec 09)
I. OPERATING REVENUES		44.164,01	0,00
Miscellaneous income		44.164,01	0,00
II. ADMINISTRATIVE & OPERATIONAL EXPENSES		-28.404.492,41	-672.958,13
Administrative Expenses		-3.083.378,38	-672.958,13
	<i>Experts & Related Expenses</i>	-341.077,98	
	<i>Fixed Assets related expenses</i>	-6.938,02	
	<i>Other administrative expenses</i>	-529.109,27	-522.759,94
	<i>Other administrative expenses with Consolidated entities</i>	-60.654,68	-3.082,00
	<i>Rental expenses</i>	-302.819,65	
	<i>Staff expenses</i>	-1.842.778,78	-147.116,19
		0,00	
Operational Expenses		-25.321.114,03	0,00
DEFICIT FROM OPERATING ACTIVITIES		-28.360.328,40	-672.958,13
III. FINANCIAL REVENUE		601.515,31	51.067,35
Interest Revenue		601.515,31	51.067,35
IV. FINANCIAL EXPENSES		-4.535,93	-15,92
Interest Expense		-4.148,78	0,00
Other Financial expenses		-387,15	-15,92
SURPLUS FROM NON-OPERATING ACTIVITIES		596.979,38	51.051,43
CONTRIBUTION FROM MEMBERS USED DURING THE YEAR		-27.763.349,02	-621.906,70

2. ACCOUNTING RULES

The financial statements comply with the accountancy provisions adopted by the Accountant of the European Commission in accordance with the General Financial Regulation art. 133 and 185, and the Financial Rules of the Innovative Medicines Initiative joint Undertaking, especially section 3, article 44.

➤ Tangible and intangible fixed assets.

Tangible and intangible fixed assets are evaluated at their purchased costs in euro (or if necessary, in foreign currency converted into euro with the exchange rate in force at the time of the purchase). The booking value of an asset is considered as being equal to its purchase price or production costs, including negative or positive revaluation amounts.

According to article 210 of the Implementation rules and article 90 of the Financial regulation, "All items acquired whose purchase price or production cost is EUR 420 or more, with a period of use greater than one year, and which are not consumables shall be entered in the inventory and recorded in the fixed assets accounts."

The ancillary costs are included in the asset value or recognised as a distinct asset if they will generate a future economic advantage. Any repair or maintenance is entered in charge in the book year when it occurs. The depreciation is calculated according to the straight-line method on a monthly basis in order to distribute the cost during the lifetime of the asset.

The assets might be subject to adjustment at the annual accounts closure date, and EU Accounting rule Nr 6 foresees that detailed internal and external costs linked to internally developed intangible assets should be tracked and disclosed in the annual accounts.

Depreciation table (Standard rates).

Asset type	Depreciation rate, consolidation manual
<u>Intangible fixed assets</u>	
Software for personal computers and servers	25%
<u>Tangible fixed assets</u>	
<u>Land</u>	0%
<u>Buildings</u>	4%
<u>Plant and equipment</u>	
Lifting and mechanical handling equipment for public works, prospecting and mining	12,5%
Control and transmission devices, motors, compression, vacuum and pumping equipment	12,5%
Equipment for the supply and treatment of electric power	12,5%, 25%
Specific electric equipment	25%
<u>Furniture and vehicles</u>	
Office, laboratory and workshop furniture	10%
Electrical office equipment, printing and mailing equipment	25%
Print shop and post room equipment	12,5%
Equipment and decorations for garden, kitchen, canteen, restaurant, crèche and school	12,5%
Motorised outdoor equipment	25%
Furniture for restaurant/cafeteria/bar area	10%, 12,5%
Cash registers and card acceptor devices	25%
Antiques, artistic works, collectors' items	0%
Transport equipment (vehicles and accessories)	25%
<u>Computer hardware</u>	
Computers, servers, accessories, data transfer equipment, printers, screens	25%
Copying equipment, digitising and scanning equipment	25%

Other fixtures and fittings	
Telecommunications equipment	25%
Audiovisual equipment	25%
Computer, scientific and general books, documentation	
Computer books, CDs, DVDs	33%
Scientific books, general books, CDs, DVDs	25%
Health, safety and protective equipment, medical equipment,	12,5%
Fre-fighting equipment, equipment for surveillance and security services	

➤ **Receivables.**

Receivables are evaluated at their liquidated value.

No provision for doubtful account is established for transactions between European institutions and bodies (consolidated entities).

➤ **Provision**

IMI JU makes provisions when there is a legal and justified obligation which results from a past transaction and if there is a probability that its own resources have to be consumed to settle this transaction. However, the provision amount should be estimated in a reasonable and reliable way.

➤ **Contribution of founding members**

According to the note of the Accounting Officer of the Commission, subsidies and contributions that the Joint Undertaking receives from the European Union and other members are considered as investments. They will be consolidated in the books of European Union by using "Equity method". This view is also evidenced by the Commission decision SEC (2007) 607/2 and confirmed by EC accounting rule nr 1.

➤ **Revenues and expenses**

Revenues and expenses are entered in accordance with the principles of accrual basis accounting.

➤ **Financial revenues and expenses.**

According to Article 11 of the statutes of IMI Joint Undertaking, "any financial interests yielded by the contributions paid by its Members shall be considered to be revenue of the IMI Joint Undertaking.

➤ **Contingent liabilities and contingent assets**

A contingent asset is a possible right that arises from past events and whose 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 Agency.

A contingent liability is:

- a possible obligation, that arises from past events, and whose 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 Joint Undertaking or
- a present obligation that arises from past events but is not recognized either because it is unlikely that the Agency will use its own resources to settle the obligation or because the value of the obligation cannot be measured with sufficient reliability.

3. NOTES ON FINANCIAL STATEMENTS 2010

3.1 Fixed assets

Fixed assets bought for 28.440,09 EUR related to "Computer, Hardware", are booked in year 2010 and depreciated yearly by 25% of their historical value.

3.2 Long term pre-financing

IMI JU has awarded a total amount of 34.704.183,27 EUR as pre-financing to 14 beneficiaries all over Europe for 15 long term scientific projects which addressed the three strategic pillars: Predictivity of Efficacy Evaluation, Predictivity of Safety Evaluation, Education and Training.

The initial budget for this 1st Call included a maximum financial contribution from the European Commission to the IMI JU of € 122.7 millions and 'in kind' contributions estimated at € 172 million by the research based companies that are members of EFPIA.

3.3 Current Assets

Current assets are mainly constituted of Cash in bank amounted to 70.731.066,75 EUR and miscellaneous advances to member staffs.

An amount of 129.096,02 EUR is also booked as bank interest income for 4th quarter of 2010, but cashed in January 2011.

3.4 Contributions and Provisions

A net assets of 80.368.941,68 EUR is booked in year 2010, as the total of contributions from Joint Undertaking founding members and the results of activities during the years 2009 and 2010.

As of end 2010, the cumulated cash contribution received from its members amounts to 108.754.197,40 EUR :

Year	Cash received from the Commission		Cash received from EFPIA	Total from the Commission and EFPIA
	Administrative	Operational	Administrative	
2009	2.391.933,31	78.643.200,00	711.167,90	81.746.301,21
	71.596,19	(contribution through pre-financing to IMI's suppliers)		71.596,19
2010	4.305.840,00	20.504.000,00	2.126.460,00	26.936.300,00
Total	6.769.369,50	99.147.200,00	2.837.627,90	108.754.197,40

Above table presents contributions from founding members that IMI JU received and booked since the date of autonomy. Contributions before this date are detailed in part "4.9 Conclusion".

3.5 Current liabilities

➤ Long term provision

Long-term provision booked last year for an amount of 3.547,19 EUR is cancelled in year 2010, after the positive decision of European Court of Justice on salary indexation for staff members.

➤ Accounts payables

Accounts payables of IMI JU as of Dec 2010 comprise a short-term debt of 1.785 EUR with "Centre for translation", payables to vendors of 6.277,12 EUR and "invoices to be validated" for an amount of 4.097,26 EUR.

➤ Sundry payables

Sundry payables, mainly constitute of taxes, different insurances related to salary, in favour of staff members.

➤ Other accounts payables and contingent liabilities.

According to accrual accounting principles, an amount of 386.813,36 EUR is booked as accrual charges relating to "invoices to be received (charges of year 2010, but invoices received in 2011), accrual for expert costs occurred in 2010, for missions of staff during year 2010 not yet settled, and for holidays 2010 that staff members have not yet taken during the same year.

Accrual should be booked also, regarding operational expenses:

- 14.160.447 EUR as an estimated amount for the "in-kind" contribution of EFPIA through several projects launched during year 2010;

- 10.626,285 EUR as total amount of cost claims received from beneficiaries during year 2010, but not yet validated or paid as of 31 December 2010.

The fifteen projects of Call 1, launched in 2010 are listed below, with the corresponding contribution in cash from IMI JU, pre-financing paid, corresponding budget for year 2010 splitting in cash contribution of IMI JU and the "in-kind" one of EFPIA.

N°	CALL1 Projects	IMI JU contribution EUR	Date of IMI signature	Pre-financing paid	Cost claims for year 2010	Budget IMI contribution 2010	Budget EFPIA in kind	IMI Actual/Budget	Estimated "in kind" contribution	Contingent Liabilities
	2	3	4	5	6	7	8	9 = 6 / 7	10 = 8 * 9	11 = 3 - 5 - 6
1	PHARMA TRAIN	3.510.300	11/02/2010	1.123.296	534.382	1.053.090	942.986	51%	478.511	1.852.622
2	SAFE-T	13.901.971	3/03/2010	4.448.631	507.646	2.147.430	2.981.027	24%	704.706	8.945.694
3	PROTECT	11.009.715	11/02/2010	3.523.109	1.142.465	2.425.218	1.972.650	47%	929.271	6.344.141
4	NEWMEDS	8.211.206	11/02/2010	2.627.586	1.397.847	1.872.226	3.461.164	75%	2.584.184	4.185.773
5	PROactive	6.767.597	15/03/2010	2.165.631	927.473	1.250.110	1.282.574	74%	951.558	3.674.493
6	EU2P	3.479.725	11/02/2010	1.113.512	748.801	843.067	862.428	89%	765.997	1.617.412
7	EUROPAIN	5.999.344	14/01/2010	1.919.790	845.979	1.355.460	3.185.783	62%	1.988.333	3.233.575
8	U-BIOPRED	8.976.474	23/06/2010	2.872.472	494.383	1.983.844	2.378.141	25%	592.644	5.609.619
9	EMTRAIN	4.000.000	11/02/2010	914.286	255.881	985.258	531.809	26%	138.116	2.829.833
10	SUMMIT	13.999.979	15/03/2010	4.479.993	1.483.856	4.000.000	1.998.440	37%	741.349	8.036.130
11	MARCAR	6.049.578	3/03/2010	1.935.865	811.821	1.340.675	1.764.532	61%	1.068.480	3.301.892
12	E-TOX	4.737.991	21/01/2010	1.516.157	666.327	1.062.452	2.467.936	63%	1.547.790	2.555.507
13	PHARMA-COG	9.658.388	21/01/2010	3.090.683	891.000	3.210.448	3.388.083	28%	940.299	5.676.705
14	SafeScIMET	2.216.405	11/02/2010	709.250	452.806	556.150	895.638	81%	729.210	1.054.349
15	IMIDIA	7.074.760	9/02/2010	2.263.923						4 810 837
	Total:	109.593.433,00		34.704.183,27	11.160.667,00	23.032.338,00	27.170.205		14.160.447	63.728.583

Cost claims to be validated: The amount of 534.382 (Pharma Train project) was already validated and paid during year 2010.

Therefore, an accrual of 10.626.285 EUR (= 11.160.667 – 534.382) should be done for the remaining 14 cost claims.

Estimated in-kind contribution: The "in-kind" contribution for year 2010 is estimated on the basis of the percentage of actual "amount claimed" compared with corresponding amount budgeted.

Contingent liabilities: a total amount of 63.728.583 is disclosed as estimated long-term liability, difference between total IMI JU contribution for 15 projects and total amount paid and accrued as of 31 December 2010.

In November 2010, the five Joint Undertakings signed a "usufruct" contract for the renting of new premises at 56-60 Avenue de la Toison d'Or Brussels, from 1 January 2011 up to 31 December 2017.

The long term liability for IMI JU related to this contract is estimated at 2.478.076 EUR, taking into account charges, rebuilding costs and the price indexation of 2%.

3.6 Statement of Changes in Net assets

Net assets	Reserves		Accumulated Surplus / Deficit	Members' contribution used during the year	Net assets (total)
	Fair value reserve	Other reserves			
Balance as of 31 December 2009			81.817.897,40	-621.906,70	81.195.990,70
Changes in accounting policies 1)					0,00
Balance as of 1 January 2010 (if restated)	0,00	0,00	81.817.897,40	-621.906,70	81.195.990,70
Cash contribution from members			26.936.300,00		26.936.300,00
Fair value movements					0,00
Allocation of the Members' contribution used			-621.906,70	621.906,70	0,00
Members' contribution used in the year				-27.763.349,07	-27.763.349,07
Balance as of 31 December 2010	0,00	0,00	108.132.290,70	-27.763.349,07	80.368.941,63

As of 31st December 2010, with cash at banks of 70.731.612,03 EUR, the total net assets of IMI JU is 80.368.941,63 EUR, resulting from the total cash contribution from members of 108.754.197,40 EUR less amounts used in 2009 (621.906,70 EUR) and in 2010 (27.763.349,02 EUR).

3.7 Economic outturn account.

IMI JU ended the year 2010 with an accounting result of – 27.763.349, 02 EUR.

➤ Administrative expenses

Administrative expenses amounted to 3.083.378,38 EUR comprises mainly of staff salary expenses (1.842.778,78 EUR), experts reimbursement (341.077,98 EUR), renting fees (302.819,65 EUR) and other administrative expenses (529.109,27 EUR).

➤ Operational expenses

Operational expenses amounted to 25.321.114 03 EUR is constituted of a payment of 534.382 EUR in 2010 for a cost claim from University of Basel regarding Pharmatrain project, and several accruals taking in account the "in-kind" contribution (14.160.447 EUR), cost claims related to year 2010 (10.626.285 EUR) and invoices which charges occurred in the same year.

➤ Miscellaneous and financial income

We can not omit that cash at bank has generated in 2010 a bank interest income of 601.515,31 EUR. The amount of 44.164,01 EUR represents several reimbursements from other Joint Undertakings for expenses regarding using of S-TESTA and from staff members for parking fees in the premises of COV2.

3.8 Cash Flow.

	2010	2009
Cash Flows from ordinary activities		
Surplus/(deficit) from ordinary activities	-27.763.349,07	-621.906,70
Operating activities		
Adjustments		
Amortization (intangible fixed assets) +	0,00	
Depreciation (tangible fixed assets) +	6.938,02	
Increase/(decrease) in Provisions for risks and liabilities	-3.547,19	
Increase/(decrease) in Value reduction for doubtful debts	0,00	
(Increase)/decrease in Stock	0,00	
(Increase)/decrease in Long term Pre-financing	-34.704.183,27	
(Increase)/decrease in Short term Pre-financing	0,00	
(Increase)/decrease in Long term Receivables	0,00	
(Increase)/decrease in Short term Receivables	-71.732,40	
(Increase)/decrease in Receivables related to consolidated EU entities	0,00	
Increase/(decrease) in Other Long term liabilities	0,00	
Increase/(decrease) in Accounts payable	24.709.601,73	
Increase/(decrease) in Liabilities related to consolidated EU entities	-1.297,00	
Extraordinary items		
Net Cash Flow from operating activities	-37.827.569,18	-621.906,70
Cash Flows from investing activities		
Increase of tangible and intangible fixed assets (-)	-28.440,09	
Proceeds from tangible and intangible fixed assets (+)		
Net cash flow from investing activities	-28.440,09	0,00
Cash flow from financing activities		
Contribution from founding members	26.936.300,00	
Cash flow from financing activities	26.936.300,00	0,00
Increase/(decrease) in Employee benefits	0,00	
Net increase/(decrease) in cash and cash equivalents	-10.919.709,27	-621.906,70
Cash and cash equivalents at the beginning of the period	81.650.776,02	
Cash and cash equivalents at the end of the period	70.731.066,75	81.650.776,02

During the year 2010, Cash of IMI JU decreased by almost 11 millions EUR as a result of:

- payments of pre-financing to grant beneficiaries that amounted to 34 millions EUR,
- payments of administrative costs (staff salary included) of 3 millions EUR,
- and new contributions from founding members of 26 millions EUR

4. REPORT ON BUDGETARY AND FINANCIAL MANAGEMENT FINANCIAL YEAR 2010, ACCOMPANYING THE INNOVATIVE MEDICINES INITIATIVE JOINT UNDERTAKING'S ACCOUNTS (ART.41 OF IMI JU'S FR)

4.1. Budgetary principles

The budget of IMI JU has been established in compliance with the principles of unity, budget accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency as set out in the IMI JU Financial Rules.

4.2. Management information systems

The IMI JU used the following software during 2010:

- ABAC – budgetary accounting system
- SAP R/3– accounting system and execution of payments
- BUSINESS OBJECT – a financial reporting tool with the support of DB BUDG (a licence has been bought for 2011)
- ALTRAN – Submission tool for applicants to IMI JU's grants

These information systems allow for the efficient management of the appropriations allocated to the IMI JU and respect the principles of the financial rules.

The workflow system in ABAC allows the Authorising Officer (or AO by sub-delegation) to ensure that the “four eyes” principle has been observed for each transaction.

4.3. Budget

The budget of the IMI JU is divided in three titles.

- Title I covers staff expenditure such as salaries, training and costs associated to recruitment procedures and staff well-being.
- Title II covers the costs associated to the functioning of the IMI JU such as infrastructure, equipment and IT needs.
- Title III covers the IMI JU's operational activities.

4.4. Procurement

➤ Procurement procedure in IMI JU Financial Rules

The IMI JU adopted in 2010 the “IMI Guidelines for low-value procurement procedures”. These Guidelines will facilitate IMI JU's compliance with the General Guide for Public Procurement of the European Commission and reflects the Public Procurement threshold levels set in IMI JU's financial rules for Procurement Procedures.

During the year under review, IMI JU also had two high value Procurement Procedures leading to Framework contracts published in the Official Journal: one for the IT Infrastructure and another for Ex-Post Audits. These procedures were launched jointly with other Joint Undertakings.

Moreover, in 2010, IMI JU launched procurement procedures for the development of the corporate website, for the organisation of communication events held during the year, and for the purchase of office furniture in the new premises (White Atrium).

The first ex-post publicity was carried out in October 2010 and the second publicity is foreseen for Q1 2011.

➤ *The Kallas Procedure*

On 17 January 2011 the staff of IMI JU moved to a new office in the White Atrium building in central Brussels (Place Louise), following the finalisation of this so called 'Kallas Procedure'. The new office is based on an 'activity based floor planning' (partly open landscape).

This Kallas procedure was a long process that required the intensive involvement of the Joint Undertaking in the collaboration with EC, other (joint undertakings (JTI-JUs), the Office for Infrastructure and Logistics in Brussels (OIB), the owner of the building and architects. The following milestones were achieved during the two-year procedure:

- The finalisation of the first stage on 26 October 2009 and the selection of three potential buildings (out of 27 proposals) to enter the second stage of the negotiations. The first stage was fully driven by the EC and involved the participation of JTI- JUs. An EFPIA representative also attended as an observer.
- The negotiation stage two with the three shortlisted candidates was concluded by 27 April 2010. The nominated evaluation committee, comprising of representatives from both the EC and the JTI-JUs met all candidates in multiple negotiation meetings and during site visits. A full technical analysis of each building was done together with specialists from OIB.
- The negotiations with the selected candidate (BEOS, White Atrium) were finalised on 27 July 2010. The proposed contract was submitted for the approval of the Governing Boards of the JTI-JUs. The JTI-JUs' Governing Boards decisions were taken during the period July-August 2010.
- In September 2010, the JTI-JU's submitted the dossier to the Budgetary Authority (that is, the Council and the Parliament) for their opinion. Different arrangements were made for the presentation of the dossier by the JTI-JUs: for the Council, IMI and FCH presented the dossier while for the Parliamentary hearing, Eniac and Artemis were present. At both hearings the members of the budgetary committee asked questions directly to the JTI-JU Directors. The Budgetary Authority had no objections to the JTI-JUs proposals.
- The contract with the owner of the White Atrium Building (BEOS Louise) was signed by the JTI-JU Directors on 17 December 2010.

4.5. Revenue

The IMI JU budget of 107.150.584 EUR for 2010 was approved by the Budgetary Authority (the European Parliament and Council). IMI JU's revenue for the year was 26.936.300 EUR after the transfer from DG RTD and the payment from EFPIA to IMI JU.

The IMI JU asked and received 24.809.840 EUR from the Commission and 2.126.460 EUR from EFPIA. This represents 25% of the budget for running costs (for EFPIA).

During the year, IMI JU has also closely followed up on the cash needs in order to make proper use of the credits granted by the European Parliament and Council and EFPIA.

4.6. Expenditure

4.6.1. TITLE I

4.6.1.1. Chapter 11 – Staff in active employment

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
3 805 140	1 871 677	1 868 177	1 420 000	299 146	288 368
	49.19%	49.10%		22%	21%

The IMI JU employed 22 staff members by the end of 2010, 19 Temporary Agents and 3 Contractual Agents. Within this chapter all costs concerning; taxes, insurances, pensions, taxes and allowances are included.

4.6.1.2. Chapter 12 – Expenditures to Staff recruitments

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
144.000	17.196	15.196	30.000	20.212	9.434
	11.94%	10.55%		67,37%	31.44%

The recruitment of the second batch of staff members (Temporary Agents) of the IMI JU started in April 2010 and was mostly concluded during 2010. The recruitment included the engagement of staff to fill the posts of Internal Audit Manager, Scientific Manager, Communications and Events Manager, Financial Manager, IT Manager, Operations and Internal Control Manager and two Administrative Assistants. For these positions IMI JU received 1,045 applications of which 90 were invited to the first interview and 32 were short-listed for the second interview.

During 2010, IMI JU also recruited six contractual agent positions. 3 of these recruits are still in employment.

4.6.1.3. Chapter 13 – Missions and travel

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
101.260	56.260	35.227	50.000	803	803
	55.56%	34.79%		0.016%	0.016%

Chapter 13 covers the costs incurred by the Joint Undertaking's staff for the missions carried out during 2010 (daily allowances and travel costs). In total, there were 91 administrative missions and the claims were first forwarded to PMO for calculation and control and then reimbursed by IMI JU.

4.6.1.4. Chapter 14 – Socio-medical infrastructure and other interventions

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
60.756	20.000	0	20.000	0	0
	32.92%	0%		0%	0%

Chapter 14 covers payments related the annual medical service, staff training as well as interim services. IMI JU has signed (service level agreements (SLAs) with DG HR for annual medical visits and for training courses.

4.6.1.5. Chapter 17 – Entertainment and representation expenses

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
20.252	1.754	754	10.000	0	0
	8.66%	3.72%		0%	0 %

This Chapter related to the Joint Undertaking's concerning entertainment and representation. Representation cost linked to evaluation or formal meetings are charges to their respective Chapter (Chapter 25 and Chapter 29).

4.6.2. TITLE II

4.6.2.1. Chapter 20 – Rental of buildings and associated costs

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
911.340	504.715	112.281	N/A	N/A	N/A
	55.38%	12.32 %			

Chapter 20 covers the renting cost of the IMI JU's premises and all associated expenditures (heating, cleaning, security and other expenditure on buildings). The IMI JU concluded in 2009 an SLA (Service Level Agreement) with REA (Research Executive Agency) for the temporary office, Covent Garden COV2. The low percentage of executed payments is linked to the new office; rent, furniture and the move. These commitments were done late in Q4. The rent for Q3-Q4 2010 (around 185 000€) will be invoiced by REA in mid-2011.

4.6.2.2. Chapter 21 – IT Data processing

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
664.806	561.964	42.133	100.000	25.603	27.619
	84.83%	6.34 %		26%	27 %

Chapter 21 covers the expenses related to the purchase and maintenance of IT data processing equipment and software. This Chapter also includes costs related to ABAC which is not operational without the sTESTA (secured connection for both ABAC and other applications). IMI JU is contractually responsible for sTESTA with the four other JTI-JUs being invoiced in line with the agreement made in 2009. The payments received from the JTI-JUs (4x10.140,8=40.563,52€) have been deducted for the payment execution. A budget transfer was also done in December 2010 in order to increase the appropriation with 280.018 EUR and to cover the foreseen commitments for the setting up of IMI JUs IT infrastructure in White Atrium. The budget was transferred from Chapter 26 – 'running costs in connection with operational activities' (refer to further point 3.4.2 on budget transfer)

4.6.2.3. Chapter 22 – Movable property and associated costs

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
101.260	6.917	1.957	20.000	25.000	0
	6.83%	1.93%		125%	0%

Chapter 22 covers equipment for documentation storage, archiving and mail handling, hiring of fax machines, photocopiers. During the period when IMI JU was located in the temporary office, DG RTD covered the rental of IT infrastructure for IMI JU and the other 4 JTI-JUs with DG RTD taking the budget appropriation from the 2009 funds. As it was initially foreseen that the JTI-JUs would move from Covent Garden during Q3, the contracts conclude by DG RTD to support the setting up of the JTI-JU ended in October 2010. Therefore, this execution refers only to the two months of 2010.

4.6.2.4. Chapter 23 – Current administrative expenditures

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
159.319	84.733	5.883	20.000	470	470
	53.18%	3.69%		2%	2%

Chapter 23 covers stationery and office supplies, library and books, translation services, meetings in general and miscellaneous expenditures such bank fees, insurance etc. Office supplies and stationery are mostly ordered through an SLA with OIB and will be invoiced in 2011. The budget was increased due to the calculation of fees for translation service which totalled 56.400 EUR. The commitment for the obligatory translation before publication of the annual activity report and annual accounts for 2010 has been made.

4.6.2.5. Chapter 24 – Postal expenses and Telecommunications

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
81.008	53.818	422	30.000	0	0
	66.44%	0.52%		0%	0%

Chapter 24 is related to expenditure on postal and delivery expenses, subscription expenses, cost of communication (telephone, internet, videoconferencing, data transmission,...) and all related equipment (purchase, maintenance). During the time when IMI JU was based in the temporary office, DG RTD covered the rental of IT infrastructure for the JTI-JUs from budget appropriation taken in 2009. This support contract ended in October 2010. This execution refers, therefore, only to the last two months of 2010.

4.6.2.6. Chapter 25 – Expenditures on formal meetings and other meetings with associated costs

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
364.536	54.536	45.951	30.000	90.000	0
	14.96%	12.61%		100%	0%

Chapter 25 covers formal meetings and expenses for experts invited to formal meetings organised by IMI JU (if entitled to reimbursement). Formal meetings include those of the Governing Board, the Scientific Committee and the State Representative Group (SRG) as well as working groups created by the IMI Governing Board. The low budget execution is due to meetings being held in IMI's office in Brussels without any additional expenses being incurred.

4.6.2.7. Chapter 26 – Running costs in connection with operational activities

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
948.303	108.036	97.191	30.000	90.000	0
	11.39%	10.25%		100%	0%

Chapter 26 covers running costs for the setting up and functioning of IMI JU as well as workshops, meetings and events targeting IMI projects. During 2010, four budget transfers were done from Chapter 26 with a total amount of 347.825 EUR. The initial the budget was 1.296.128 EUR (refer to point 1.4.2 on budget transfer).

4.6.2.8. Chapter 27 – Information, Communication and Publishing

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
506.300	306.126	246.786	650.000	29.281	29.281
	60.46%	48.74%		0.45%	0.45%

Chapter 27 covers communication and information activities, namely the IMI Stakeholder forum held on 14-15 June 2010, the Open Information Day held on 22 October 2010 and other external communication activities.

Chapter 28 – Studies

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
30.000	30.000	24.000	0	0	0
	100%	80%		0%	0%

Chapter 28 is intended to cover the studies commissioned by IMI JU. In 2010 IMI JU launched a negotiated procedure for a consultancy study concerning HR and organisational issues. The initial budget appropriation was 20.252 EUR and after a budget transfer of 9.748 EUR the new appropriation reached 30.000 EUR (refers to point 1.4.2 on budget transfer).

Chapter 29 – Experts contracts, meetings and evaluations

2010			2009		
Appropriations	Commitments	Payments	Appropriations	Commitments	Payments
607.560	471.611	320.638	0	316.048	377.841
	77,62%	52.77%		49%	58%

Chapter 29 covers the experts' contracts and evaluation costs. In 2010, IMI JU handled 103 payments of reimbursement to experts contracted for the two stage evaluation process of Call 2. The evaluations were held at the facilities available in Covent Garden.

4.6.3. TITLE III

4.6.3.1. Chapter 30 – Operational activities (differentiated budget lines)

Commitment appropriation 2010		Commitment appropriation 2009	
Appropriations	Commitments	Appropriations	Commitments
98.644.744	0%	78.643.200	78.643.200
	0%		100%

Payment appropriation 2010		Payment appropriation 2009	
Appropriations	Payments	Appropriations	Payments
20.504.000	20.504.000	78.643.200	0
	100%		0%

Chapter 30 covers all the expenses linked to the Research Agenda of IMI JU. In 2010, Call 3 was published 22 October 2010 with foreseen Global Commitment (level 1) in Q1 of 2011.

Two pre-financings were paid to each project from Call 1. In total 33 payments and one cost claim were executed in 2010. The Joint Undertaking first used the payment appropriation of 2010 (C1) and then utilised the funds carried over from appropriation from 2009 (C2).

Carried-over from 2009 on C2 of current financial year

Commitment Appropriations		
Appropriations	Commitments	Comments
2 096 872	2 096 872	New budget Call 2; 80 740 072
	100%	
Payment Appropriations		
Appropriations	Payments	Comments
78 643 200	14 738 038	18 Pre-financings and one cost claim for Call 1
	18.74%	

4.7. TABLES

4.7.1. Budget outturn account

	2010
Revenue	
Commission subsidy DG RTD	24.809.840
EFPIA subsidy for running costs	2.126.460
Total revenue (a)	26.936.300
Expenditure	
Personnel expenses – Budget Title I	
Payments	1.919.353
Administrative expenses – Budget Title II	
Payments	1.227.054
Operational expenses – Budget Title III	
Payments	20.504.000
Carry-overs C2	14.738.037
Total expenditure (b)	38.388.445
Outturn for the financial year (a-b)	-11.452.145
Cancellation of unused carry-overs	421.201
Balance of the outturn account for the financial year	-11.030.944

4.7.2. Budgetary transfers

During 2010, no budget transfer was done between the Titles.

The authorised budget transfers were local transfers; eight transfers were executed within the Chapters to specific nature of each action and there was no change to the voted budget. Four transfers were done within the Title but between Chapters and these led to the following budget changes:

- Title 1, Chapter 11 was deducted with (-) 103.496 EUR and transferred to Chapter 12 for recruitment expenditures.
- Title 2, Chapter 26 was decreased 4 times for a total of (-) 347.825 EUR (new budget 948.303€) with transfers being made to following chapters;
 1. Chapter 23 - current administrative expenditures increased with (+) 56.400 EUR for translation services new budget 159.319 EUR.
 2. Chapter 23 - current administrative expenditures increased with (+) 1.659 EUR for subscriptions new budget 11.919 EUR
 3. Chapter 28, studies increased with (+) 9.748 EUR for a consultant services new budget 30.000 EUR
 4. Chapter 21, IT data processing increased with (+)280.018 EUR with new budget 664.806 EUR

4.7.2.1. *Report on C1 Current year*

Running costs	Non Differentiated (PA equal CA)	Committed	Not used	Paid	To be carry-forward (RAL)	To be carry-over EC to Title 3 C2
Title I	4.131.408,00	1.966.886,58	2.164.521,42	1.919.353,19	21.033,39	1.082.260,71
Title II	4.374.432,00	2.182.455,09	2.191.976,91	897.241,87	1.261.931,72	1.095.988,46
Total I & II	8.505.840,00	4.149.341,67	4.356.498,33	2.816.595,06	1.282.965,11	2.178.249,17

Research Title III	Differentiated appropriation	Committed	Not used	Paid	To be carry-forward (RAL)	Carry-over GB decision (Art 10 IMI FR)
Commitments	98.644.744,00	0	98.644.744,00	n/a	0	98.644.744,00
Payments	20.504.000,00	n/a	0	20.504.000,00	n/a	

4.7.2.2. *Report on C8 from previous year (s)*

	Carry-forward RAL from 2009	Paid	To be cancelled
Title II	751.013,68	329.812,56	421.201,00
Title III Call 1 (2008)	109.593.433,00	See C2 table	n/a
Title III Call 1 (2008)*	16.039.097,00	n/a	n/a
Title III Call 2 (2009)	78.643.200,00	n/a	n/a
TOTAL	205.026.743,68	329.812,56	421.201,00

*The amount of 16.039.097 EUR is the currently available appropriation on C8. The IMI JU's Governing Board at the launch of Call 3 approved a budget of 114.683.841 EUR which contained 98.644.744 EUR (2010-C1) and 16.039.097 EUR (2008-C8). These two groups of appropriation will be moved to C2 after decision of the Governing Board regarding the carry-over launched through a written procedure in January 2011 (Art 10 of IMI's Financial Rules).

C8 Payments done in 2010 are from commitments done in 2009 and are only expenditures within Title 2. In 2010 the Joint Undertaking paid expenses for Chapter 20 (rent), Chapter 21 (IT Data processing), Chapter 25 (formal meetings) Chapter 27 (external communication) and Chapter 26 for operational activities (during the set-up period of IMI JU). The cancelled appropriation refers to de-commitments done at the end 2010.

4.7.2.3. Report on C2

	Carry-forward Commitment	Carry-forward Payment	Paid	Committed	Balance
Title III Call2 (2009)	n/a	78.643.200,00	14.738.037,79	n/a	63.905.162,21
Title III Call2 C2 (2010)	2.096.872,00	n/a	n/a	2.096.872,00	0
TOTAL	2.096.872,00	78.643.200,00	14.738.037,79	2.096.872,00	63.905.162,21

The budget line C2 are used for both payment and commitment appropriation carried over based on a Governing Board decision.

4.8. Activities

4.8.1. Title 1 and Title - 2 Running Costs

➤ Revenue and budget execution conciliation

IMI JU has received payment of 40.563,52 EUR from the other JTI-JUs for the sTESTA which has been allocated as follows:

- For payments linked to 2010 commitment, an amount of 20.281,50 EUR has been deducted from payments C1 Chapter 21
- For payments linked to commitment 2009, an amount of 20.281,50 EUR has been deducted from payments C8 Chapter 26

IMI JU has received from staff members their share of (6) parking fees in Covent Garden amounting to 3.000 EUR. These have been deducted from the payment execution of Chapter 20.

➤ Management

During the year, IMI JU handled 800 financial files; payments, provisional and individual commitments, recovery orders and management of budget appropriations.

In total, 37 administrative commitments have been transferred to the financial year 2011 out of one commitment for mission expenditures to be finalised before end-March 2011.

➤ Result

IMI JU paid in total 3.146.407,62 EUR out of 2.816.595,06 EUR from C1 (current budget) and 329.812,56 EUR from C8 (commitments done in 2009).

In line with Art 10 & 11 of IMI's Financial Rules, the unspent appropriation from the 50% EC contribution may be moved to Title 3 after a decision by the Governing Board. For 2010, a request for a transfer of 2.178.249 EUR to Operational activities was submitted IMI JU Governing Board in January 2011. With following clarification:

- The yearly EFTA contribution shall be included in the European Commission contribution and not declared in addition. In the closure of the financial year 2010, IMI JU needed to consider the contribution 50/50 from European Commission and EFPIA with result that the carried over appropriation of 2 178 249€ is 52 920 EUR lower then if IMI JU could calculate the EFTA contribution "on top" European Commission's contribution. From 2011, in both Draft Budget and Preliminary Draft Budget 2012 the EFTA contribution is included in the budget to avoid further discrepancies in the future.

4.8.2. Title 3 - Operational Activities

The operational pre-financing paid to the Joint Undertaking's 15 grant agreements (Call 1) amounted to 34.704.183 EUR, two late interest payments (PHARMA COG and E-TOX) for 3.472,79 EUR and one interim payment of 534.382 EUR was also executed to the project PHARMA TRAIN, in total IMI JU paid 35.242.037,79 EUR to our grant beneficiaries.

The budget lines under Title 3 are differentiated. Commitment appropriations are multi-annual and payment appropriations are annually requested. In line with the EC Financial Regulation and due to the fixed set-up of ABAC system, surplus payment appropriations are cancelled at the end of the current financial year. However, IMI JU's Financial Rules Art 10 (Title 3) allows the joint undertaking to transfer surplus appropriations (both commitments and payment appropriations) for up to three financial years. Due to the technical constraints of ABAC following EC Financial Rules, the only solution given by DG BUDG to implement this rule was to use the fund source C2 for the carry-over actions.

The IMI JU Governing Board approved by a written procedure in Q1 2011 the balance carried over from 2009 to 2010 for payment appropriations 78.643.200 EUR and the transfer of 2.096.872 EUR of unused budget appropriations from Title 1 and Title 2 – Running cost (EC contribution Art 11 Council Regulation) to Title 3 - IMI Research agenda.

➤ Call 1

IMI JU concluded 15 Grant Agreements in Q1-Q2 for Call 1. The first pre-financing payments were made from the 2010 payment appropriation (20.504.000€) and after exhausting these appropriations, 14.200.183 EUR was paid from the balance carried over from 2009 (C2) of 78.643.200 EUR. One payment for the cost claim of 534.382 EUR made to PHAMRA TRAIN was also paid from C2.

➤ Call 2

The global commitment made by EC in Q4 2009 (78.643.200€) was increased by the 2.096.872 EUR carried over from 2009 (C2). After the Stage 2 evaluation of Call 2, the Governing Board agreed to use the extra available appropriations (2.096.872€) for Call 2 and the global commitment was, therefore, increased to 80.740.072 EUR.

In December 2010, 5 individual budgetary commitments were posted against the global commitment. The Grant Agreements will be signed in Q1 2011 and this will be followed by pre-financing payments.

4.8.3. EFPIA

On the basis of the financial agreement between IMI and EFPIA and the request submitted by IMI, EFPIA makes an advance payment based on the annual adopted budget.

In general, any contribution which is not used by the end of the financial year as well as any amount that is overpaid or underpaid is carried forward to the budget of the following financial year.

The positive or negative balance of EFPIA's contribution is adjusted in the first instalment of the following financial year.

The draft budget plan of the 2011 budget included an estimation of the positive balance carried forward at the beginning of the year. The exact amounts are presented below:

Year	EFPIA	50% of payments executed in 2009 (C1)	50% Payments executed 2010 for 2009 (C8)	50% of payments executed in 2010 (C1)	Balance
2008	171.947,04	n/a	n/a	n/a	n/a
2009	539.220,90	397.989,50	164.906,28		-23.583,88
2010	2.126.460,00			1.408.297,53	+718.162.47
Carry-over to 2011					694.578,59

4.9. Conclusion

Reconciliation of the accrual based result with the budget result

ECONOMIC OUTTURN 2010	-27.763.349,02
Miscellaneous operations in SAP (reverse Pre-Financing 2009)	-62.100,00
Accruals reversal 2009	-407.579,83
Accruals 2010	25.173.534,05
Pre-financing	-34.704.183,27
Assets	-28.440,09
Depreciation of tangible assets	6.938,02
Bank interest	-601.515,80
Contributions from owners	26.936.300,00
Other	-1.748,97
Cancellation of unused carry-overs	421.201,00
Total:	-11.030.943,91
BUDGET OUTTURN 2010	-11.030.943,91

Summary of share of accumulated administrative expenditure of IMI JU (2008-2010)

	2008	2009	2010	Total
EC	171.947,04	397.989,50	1.573.209,81	2.143.140,31
EFPIA	171.947,04	397.989,50	1.573.209,81	2.143.140,31
IMI Expenditures	343.894,08	795.979	3.146.407,62	4.286.280,62

IMI JU's founding members contribute equally to the running costs of the Executive Office. The table shows the expenditures incurred and charged to IMI JU.

Expenses of IMI JU, before the date of autonomy (16 November 2009) were supported by the European Commission for 343.948,08 EUR in 2008, reported in DG RTD's AAR 2008. For financial year 2009 European Commission paid 668 942 EUR of the total expenses reported in 2009 IMI's annual accounts (795 979 EUR). The remaining amount of 127 037 EUR was paid from IMI JU's bank account.

EFPIA has been paid before autonomy for the ALTRAN submission tool and the venue for the Press Event held on 14 September 2009, these expenditures have not been charges in 2009's reports of IMI JU.

5. ANNEXES

5.1 Statements of Expenditures

A) Budget amendments and budget available for implementation

	Budget line description	Initial budget 2010 (1)	Adopted amendments (2)	Final adopted budget 2010 (3)=(1)+(2)	Transfers adopted by the Executive Director (4)	Final 2010 budget (5)=(3)+(4)	Carry over from 2009 (6)	Final budget available for implementation (7)=(5)+(6)
TITLE 1	STAFF							
1100	Staff in active employment and costs linked to employment	2.402.697	N/A	2.402.697	-136.996	2.265.701	N/A	2.265.701
1101	Family Allowances	288.496	N/A	288.496		288.496	N/A	288.496
1102	Transfer and expatriation allowance	362.840	N/A	362.840		362.840	N/A	362.840
1110	Contract Agents and auxiliary	63.960	N/A	63.960	110.000	173.960	N/A	173.960
1130	Insurance against sickness	80.288	N/A	80.288		80.288	N/A	80.288
1131	Insurance against accidents and occupational disease	16.366	N/A	16.366		16.366	N/A	16.366
1132	Unemployment insurance for temporary staff	29.761	N/A	29.761	20.000	49.761	N/A	49.761
1140	Birth and death allowance	733	N/A	733		733	N/A	733
1141	Annual travel costs from the place of employment to the place of origin	41.649	N/A	41.649		41.649	N/A	41.649
1147	Allowances for shift work or standby duty at the official's place of work	733	N/A	733		733	N/A	733
1178	External services (PMO fees, ...)	26.094	N/A	26.094	3.500	29.594	N/A	29.594
1180	Sundry recruitment expenses	20.419	N/A	20.419		20.419	N/A	20.419
1181	Travelling expenses	6.832	N/A	6.832		6.832	N/A	6.832
1182	Installation allowance	31.227	N/A	31.227		31.227	N/A	31.227
1183	Moving expenses	27.985	N/A	27.985		27.985	N/A	27.985
1184	Temporary daily allowance	17.833	N/A	17.833		17.833	N/A	17.833

1190	Weightings	490.723	N/A	490.723	-100.000	390.723		390.723
1200	Miscellaneous expenditure on staff recruitment and transfer	40.504	N/A	40.504	103.496	144.000	N/A	144.000
1300	Mission expenses duty travel expenses and other ancillary expenditure	101.260	N/A	101.260		101.260	N/A	101.260
1430	Medical service	10.000	N/A	10.000		10.000	N/A	10.000
1440	Internal training	30.756	N/A	30.756		30.756	N/A	30.756
1490	Other interventions	20.000	N/A	20.000		20.000	N/A	20.000
1700	Entertainment and representation expenses	20.252	N/A	20.252		20.252	N/A	20.252
TITLE 2	EXPENDITURES FOR RUNNING ACTIVITIES							
2000	Rentals	711.340	N/A	711.340	-50.000	661.340	N/A	661.340
2040	Furnishing of premises		N/A		200.000	200.000	N/A	200.000
2090	Other expenditure on buildings	200.000	N/A	200.000	-150.000	50.000	N/A	50.000
2101	Data-processing equipment		N/A		238.247	238.247	N/A	238.247
2102	Software development and purchase	384.788	N/A	384.788	-61.668	323.120	N/A	323.120
2103	Other expenses		N/A		103.439	103.439	N/A	103.439
2200	Purchase	51.260	N/A	51.260		51.260	N/A	51.260
2201	Rentals		N/A		10.000	10.000	N/A	10.000
2202	Maintenance, utilisation and repairs		N/A		10.000	10.000	N/A	10.000
2203	Other office equipment	50.000	N/A	50.000	-20.000	30.000	N/A	30.000
2300	Stationery and office supplies	90.000	N/A	90.000		90.000	N/A	90.000
2360	Library stocks purchase of books and subscriptions	10.260	N/A	10.260	1.659	11.919	N/A	11.919
2370	Translation, interpretation	1.000	N/A	1.000	56.400	57.400	N/A	57.400
2400	Correspondence and communication expenses	81.008	N/A	81.008		81.008	N/A	81.008
2500	Meetings formal	364.536	N/A	364.536		364.536	N/A	364.536
2600	Running costs in Connection with operational activities, function of IMI and cost of evaluation	1.296.128	N/A	1.296.128	-347.825	948.303	N/A	948.303
2700	Communications and cost related to Communication	506.300	N/A	506.300		506.300	N/A	506.300
2800	Studies	20.252	N/A	20.252	9.748	30.000	N/A	30.000
2900	Expert contracts and meetings	607.560	N/A	607.560		607.560	N/A	607.560
TITLE 3	OPERATIONAL ACTIVITIES							
3000	Implementing the research agenda of IMI JU	98.644.744	N/A	98.644.744	0	98.644.744	N/A	98.644.744

**B) Implementation of the statement of expenditure
Implementation of the budget in commitment appropriations**

TITLE 1	Budget line description	Final budget available for impl.	Final implementation 2010	% implementation
	STAFF			
1100	Staff in active employment and costs linked to employment	2.265.701	1.366.191	60,30%
1101	Family Allowances	288.496	113.050	39,19%
1102	Transfer and expatriation allowance	362.840	112.289	30,95%
1110	Contract Agents and auxiliary	173.960	146.169	84,02%
1130	Insurance against sickness	80.288	46.272	57,63%
1131	Insurance against accidents and occupational disease	16.366	9.662	59,04%
1132	Unemployment insurance for temporary staff	49.761	31.506	63,31%
1140	Birth and death allowance	733	0	0,00%
1141	Annual travel costs from the place of employment to the place of origin	41.649	1.178	2,83%
1147	Allowances for shift work or standby duty at the official's place of work	733	0	0,00%
1178	External services (PMO fees, ...)	29.594	24.050	81,27%
1180	Sundry recruitment expenses	20.419	2.422	11,86%
1181	Travelling expenses	6.832	4.209	61,61%
1182	Installation allowance	31.227	0	0,00%
1183	Moving expenses	27.985	10.709	38,27%
1184	Temporary daily allowance	17.833	471	2,64%
1190	Weightings	390.723	0	0,00%
1200	Miscellaneous expenditure on staff recruitment and transfer	144.000	15.196	10,55%
1300	Mission expenses duty travel expenses and other ancillary expenditure	101.260	35.227	34,79%
1430	Medical service	10.000	0	0,00%
1440	Internal training	30.756	0	0,00%
1490	Other interventions	20.000	0	0,00%
1700	Entertainment and representation expenses	20.252	754	3,72%
TITLE 2	EXPENDITURES FOR RUNNING ACTIVITIES			

2000	Rentals	661.340	294.213	44,49%
2040	Furnishing of premises	200.000	181.999	91,00%
2090	Other expenditure on buildings	50.000	28.503	57,01%
2101	Data-processing equipment	238.247	210.394	88,31%
2102	Software development and purchase	323.120	248.130	76,79%
2103	Other expenses	103.439	103.439	100,00%
2200	Purchase	51.260	2.705	5,28%
2201	Rentals	10.000	536	5,36%
2202	Maintenance, utilisation and repairs	10.000	3.676	36,76%
2203	Other office equipment	30.000	0	0,00%
2300	Stationery and office supplies	90.000	15.414	17,13%
2360	Library stocks purchase of books, subscriptions	11.919	11.919	100,00%
2370	Translation, interpretation	57.400	57.400	100,00%
2400	Correspondence and communication expenses	81.008	53.818	66,44%
2500	Meetings formal	364.536	54.536	14,96%
2600	Running costs in Connection with operational activities, function of IMI and cost of evaluation	948.303	108.036	11,39%
2700	Communications and cost related to Communication	506.300	306.126	60,46%
2800	Studies	30.000	30.000	100,00%
2900	Expert contracts and meetings	607.560	471.611	77,62%
TITLE 3	OPERATIONAL ACTIVITIES			
3000	Implementing the research agenda of IMI JU	98.644.744	0	0,00%

5.2 Statements of Revenues

A) Changes in the budgeted revenue estimates

Budget line description	Commitment appropriations			Payment appropriations		
	Initial budget 2010 (1)	Adopted amendments (2)	Final adopted budget 2010 (3)=(1)+(2)	Initial budget 2010 (4)	Adopted amendments (5)	Final adopted budget 2010 (6)=(4)+(5)
EC Contribution	102.950.584,00	0,00	102.950.584,00	24.809.840,00	0,00	24.809.840,00
EFPIA Contribution	4.200.000,00	0,00	4.200.000,00	4.200.000,00	0,00	4.200.000,00
TOTAL	107.150.584,00	0,00	107.150.584,00	29.009.840,00	0,00	29.009.840,00

B) Implementation of the statement of revenue

Budget line description	Commitment appropriations			Payment appropriations		
	Final adopted budget 2010 (1)	Carry over from 2009 (2)	Commitment appropriations available for implementation (3)=(1)+(2)	Final adopted budget 2010 (4)	Revenue actually cashed (5)	Carry over from 2009 C2 (6)
EC Contribution	102.950.584,00	2.096.872,00	102.950.584,00	102.950.584,00	24.809.840,00	78.643.200,00
EFPIA Contribution	4.200.000,00	0,00	4.200.000,00	4.200.000,00	2.126.460,00	0,00
TOTAL	107.150.584,00	2.096.872,00	107.150.584,00	107.150.584,00	26.936.300,00	78.643.200,00
						Commitment appropriations available for implementation (7)=(4)+(5)+(6)
						105.047.456,00
						4.200.000,00
						109.247.456,00

5.3 Budget implementation by funds source with RAL

Budget line	Description	Commitment appropriation	Committed	% Committed	Payment Appropriation	Paid	% Paid	RAL
TITLE 1 C1								
Chapter 11		3.805.140	1.871.677	49,19%	3.805.140	1.868.177	49,10%	
1100	STAFF IN ACTIVE EMPL	2.265.701	1.366.191	60,30%	2.265.701	1.366.191	60,30%	N/A
1101	FAMILY ALLOWANCES	288.496	113.050	39,19%	288.496	113.050	39,19%	N/A
1102	TRANSFER & EXPATRIATION	362.840	112.289	30,95%	362.840	112.289	30,95%	N/A
1110	CONTRACT AGENTS AND	173.960	146.169	84,02%	173.960	146.169	84,02%	N/A
1130	SICKNESS INSURANCE	80.288	46.272	57,63%	80.288	46.272	57,63%	N/A
1131	ACCIDENTS INSURANCE	16.366	9.662	59,04%	16.366	9.662	59,04%	N/A
1132	UNEMPLOYMENT							
1132	INSURANCE	49.761	31.506	63,31%	49.761	31.506	63,31%	N/A
1140	BIRTH & DEATH ALLOCATION	733	0	0,00%	733	0	0,00%	N/A
1141	ANNUAL TRAVEL COSTS	41.649	1.178	2,83%	41.649	1.178	2,83%	N/A
1147	ALLOWANCES STANDBY DUTY	733	0	0,00%	733	0	0,00%	N/A
1178	EXTERNAL SERVICES (PMO)	29.594	27.550	93,09%	29.594	24.050	81,27%	N/A
1180	SUNDRY RECRUITMENT EXP.	20.419	2.422	11,86%	20.419	2.422	11,86%	N/A
1181	TRAVELLING EXPENSES	6.832	4.209	61,61%	6.832	4.209	61,61%	N/A
1182	INSTALLATION ALLOWANCE	31.227	0	0,00%	31.227	0	0,00%	N/A
1183	MOVING EXPENSES	27.985	10.709	38,27%	27.985	10.709	38,27%	N/A
1184	TEMPORARY D-ALLOWANCE	17.833	471	2,64%	17.833	471	2,64%	N/A
1190	WEIGHTINGS (CORRECTION)	390.723	0	0,00%	390.723	0	0,00%	N/A
1191	SALARIES ADAPTATION	0	0		0	0		0
Chapter 12		144.000	17.196	11,94%	144.000	15.196	10,55%	N/A
1200	RECRUITMENT EXPENDITURES	144.000	17.196	11,94%	144.000	15.196	10,55%	N/A
Chapter 13		101.260	56.260	55,56%	101.260	35.227	34,79%	21.033
1300	MISSION EXPENSES	101.260	56.260	55,56%	101.260	35.227	34,79%	21.033
Chapter 14		60.756	20.000	32,92%	60.756	0	0,00%	N/A
1430	MEDICAL SERVICE	10.000	0	0,00%	10.000	0	0,00%	N/A
1440	INTERNAL TRAINING	30.756	0	0,00%	30.756	0	0,00%	N/A
1490	OTHER INTERV. & SERVICES	20.000	20.000	100,00%	20.000	0	0,00%	N/A
Chapter 17		20.252	1.754	8,66%	20.252	754	3,72%	N/A
1700	REPRESENTATIONS	20.252	1.754	8,66%	20.252	754	3,72%	N/A

Budget line	Description	Summary Title 1	4.131.408 Commitment appropriation	1.966.887 Committed	47,61% % Committed	4.131.408 Payment Appropriation	1.919.353 Paid	46,46% % Paid	21.033 RAL
TITLE 2 C1									
Chapter 20 (Building)			911.340	504.715	55,38%	911.340	112.281	12,32%	389.434
2000	RENTALS		661.340	294.213	44,49%	661.340	97.557	14,75%	196.656
2040	FURNISHING OF PREMISES		200.000	181.999	91,00%	200.000	0	0,00%	181.999
2090	OTHER EXP. ON BUILDINGS		50.000	28.503	57,01%	50.000	17.724	29,44%	10.779
	Parking revenue						-3.000		
Chapter 21 (IT)			664.806	561.964	84,53%	664.806	42.133	6,34%	499.549
2101	DATA-PROCESSING EQUIP.		238.247	210.394	88,31%	238.247	8.380	3,52%	202.014
2102	SOFTWARE DEVELOPMENT		323.120	248.130	76,79%	323.120	33.120	10,25%	215.010
2103	OTHER EXPENSES (sTESTA)		103.439	103.439	100,00%	103.439	20.914	20,22%	82.525
	sTESTA paid JU's 2010						-20.282		
Chapter 22 (Movable property)			101.260	6.917	6,83%	101.260	1.957	1,93%	4.960
2200	PURCHASE		51.260	2.705	5,28%	51.260	1.636	3,19%	1.069
2201	RENTALS		10.000	536	5,36%	10.000	321	3,21%	214
2202	MAINTENANCE UTILISED		10.000	3.676	36,76%	10.000	0	0,00%	3.676
2203	OTHER OFFICE EQUIPMENT		30.000	0	0,00%	30.000	0	0,00%	
Chapter 23 (Office expenses)			159.319	84.733	53,18%	159.319	5.883	3,69%	78.850
2300	STATIONERY AND OFFICE		90.000	15.414	17,13%	90.000	414	0,46%	15.000
2360	LIBRARY & SUBSCRIPTIONS		11.919	11.919	100,00%	11.919	29	0,24%	11.890
2370	TRANSLATIONS		57.400	57.400	100,00%	57.400	5.440	9,48%	51.960
Chapter 24 (Telecommunication)			81.008	53.818	66,44%	81.008	422	0,52%	53.396
2400	TELECOMMUNICATION		81.008	53.818	66,44%	81.008	422	0,52%	53.396
Chapter 25 (Formal meetings)			364.536	54.536	14,96%	364.536	45.951	12,61%	8.585
	EXPENDITURE ON FORMAL								
2500	MEETINGS		364.536	54.536	14,96%	364.536	45.951	12,61%	8.585
Chapter 26 (Admin. Costs & RD)			948.303	108.036	11,39%	948.303	97.191	10,25%	10.845
	RUNNING COSTS IN CON.								
2600	R&D		948.303	108.036	11,39%	948.303	141.129	10,00%	10.845
	Payments C1 instead of C8 corrected to C8						-43.938		
Chapter 27 (Communication)			506.300	306.126	60,46%	506.300	246.786	48,74%	59.340
	COMMUNICATION, INFO &								
2700	PUBL		506.300	306.126	60,46%	506.300	246.786	48,74%	59.340
Chapter 28 (Studies)			30.000	30.000	100,00%	30.000	24.000	80,00%	6.000
2800	STUDIES		30.000	30.000	100,00%	30.000	24.000	80,00%	6.000
Chapter 29 (Experts and related fees)			607.560	471.611	77,62%	607.560	320.638	52,77%	150.973
	EXPERT								
2900	CONTRACT/MEETING		607.560	471.611	77,62%	607.560	320.638	52,77%	150.973

Budget line	Summary Title 2	4.374.432	2.182.455	49,89%	4.374.432	897.242	20,51%	1.261.932
	TOTAL 2010	8.505.840	4.149.342	48,78%	8.505.840	2.816.595	33,11%	1.282.965
	Description	Commitment appropriation	Committed	% Committed	Payment Appropriation	Paid	% Paid	RAL
TITLE 2 C8								
2000	RENTALS	140.900	140.900	N/A	140.900	140.900	100,00%	N/A
2101	DATA-PROCESSING EQUIP.	25.604	23.650	N/A	25.604	23.650	92,37%	N/A
2500	EXPENDITURE ON FORMAL MEETINGS	90.000	74.142	N/A	90.000	74.142	82,38%	N/A
2600	RUNNING COSTS IN CON. R&D	72.694	43.938	N/A	-	43.938	100,00%	N/A
2700	sTESTA paid JU's for 2009 COMMUNICATION, INFO & PUBL	105.768	39.458	N/A	105.768	-20.282	N/A	N/A
2900	EXPERT CONTRACT/MEETINGS	316.048	28.007	N/A	316.048	28.007	8,86%	N/A
SUM C8 Title 2		751.014	350.094	-	678.320	329.813	48,62%	N/A
TITLE 3 C1								
Chapter 31		0	0		0	0		0
3000	IMPLEMENTING THE R&D	98.644.744	0	0,00%	20.504.000	20.504.000	100,00%	N/A
TITLE 3 C2								
3000	IMPLEMENTING THE R&D	2.096.872	2.096.872	100,00%	78.643.200	14.738.038	18,74%	2.096.872
SUM C1 and C2 Title 3		100.741.616	2.096.872	-	119.651.200	35.242.038	29,45%	2.096.872
TITLE 3 C8								
3000	IMPLEMENTING THE R&D	125.632.530	109.593.433	N/A	-	35.242.038	-	74.351.395
3002	EFFICACY	53.843.200	53.843.200	N/A	-	-	-	53.843.200
3003	KNOWLEDGE MANAGEMENT	24.800.000	24.800.000	N/A	-	-	-	24.800.000
SUM C8 Title 3		204.275.730	190.333.505	-	-	35.242.038	-	155.091.467

5.4 Open commitments

Description	Open commitments from 2009 (1)	Open commitments from 2010 (2)	Total open commitments (3)=(1)+(2)
Title 1 Staff	0	21.033	21.033
Title 2 Expenditure for running activities	0	1.261.932	1.261.932
Total Title 1 & 2	0	1.282.965	1.282.965
Title 3 Operational - research			
Call 1	109.593.433	0	109.593.433
Call 2	78.643.200	2.096.872	80.740.072
Total Title 3	188.236.633	2.096.872	190.333.505
IMI Total	188.236.633	3.379.837	191.616.470

5.5 Carried over of payment appropriations (special for IMI JU – not cancelled)

Description	Unused appropriations (1)	Appropriations carried over to 2011 (2)	Cancelled appropriations* (3)=(1)-(2)
Title 1 Staff			
	2.164.521	1.082.261	1.082.261
Title 2 Expenditure for running activities	2.191.977	1.095.988	1.095.988
Total Title 1 & 2	4.356.498	2.178.249	2.178.249
Title 3 Operational - research C1 Call 3			
	98.644.744	98.644.744	98.644.744
Carried over from C1 on C8	16.039.097	16.039.097	16.039.097
Total Title 3	114.683.841	114.683.841	114.683.841
IMI total	119.040.339	116.862.090	116.862.090

* Cancelled appropriations were re-entered to IMIs budget 2011 on C2 after Governing Board decision