

Annex 1: Statement of the Resources Director

I declare that in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission⁶, I have reported my advice and recommendations to the Director-General on the overall state of internal control in the DG.

I hereby certify that the information provided in Part 2 and 3.1 of the present AAR and in its annexes 2 to 5 is, to the best of my knowledge, accurate and exhaustive.

Brussels, 31 March 2011

signed

Alain SCRIBAN

⁶ SEC(2003)59 of 21.01.2003

Annex 2: Human and Financial Resources

Human and Financial resources by ABB activity

Code ABB Activity	ABB Activity	Human Resources by ABB activity		
		Establishment Plan posts	External Personnel	Total
26 01 40	Security	140	22	162
26 01 50	Personnel policy and management	373	108	481
26 01 51	European Schools	7	1	8
26 AWBL-25	Administrative support and management. for DG	75	22	97
26 AWBL-27	Policy strategy and coordination for DG	76	28	104
	Total	671	181	852

Situation on 31/12/2010

IMPLEMENTATION OF THE GLOBAL ENVELOPE

BUDGET LINES CONCERNED: 26 01 02 11 00 01 TO 26 01 02 11 00 06
(based on ABAC)

(IN EUROS)		APPROPRIATIONS 2010 (C1,C4 and C5)				APPROPRIATIONS carried over (C8)	
BUDGET LINE	BUDGET LINE DESCRIPTION	AVAILABLE APPROPRIATIONS 2010	COMMITMENTS 2010	PAYMENTS 2010	RAL 2010	APPROPRIATIONS CARRIED OVER FROM 2009	% IMPLEMENTATION ON APPROPRIATIONS CARRIED OVER FROM 2009
26.010211.00	Header line	5,843.53	0.00	0.00	0.00		
26.010211.00.01.10	Mission expenses	2,236,905.00	2,189,170.00	1,718,908.59	470,261.41	589,247.88	60%
26.010211.00.01.30	Representation expenses	7,000.00	2,500.00	1,366.58	1,133.42	1,173.29	15%
26.010211.00.02.20	Meeting costs	42,000.00	35,000.00	12,342.13	22,657.87	11,839.11	35%
26.010211.00.02.40	Conference costs	41,400.00	31,656.27	21,917.90	9,738.37	10,926.71	23%
26.010211.00.03	Meetings of committees	0.00	0.00	0.00	0.00	0.00	
26.010211.00.04	Studies and consultations	99,970.00	97,487.03	18,838.03	78,649.00	243,705.00	96%
26.010211.00.05	Development of management and information systems	5,230,958.48	5,230,820.70	2,085,028.17	3,145,792.53	3,407,171.06	100%
26.010211.00.06	Further training and management training	252,245.50	241,745.50	196,898.62	44,846.88	112,794.10	94%
	TOTAL	7,916,322.51	7,828,379.50	4,055,300.02	3,773,079.48	4,376,857.15	94%

The payments on C1+C4+C5 appropriations reach 52% of the committed amount, this is due to two factors: commitments are entered into until the last days of the year and projects decided in the beginning of the year, as the budget becomes available, are often only ready to start in the second half of the year.

But as one can see from the second part of the table (C8), the payments on RAL are very high indeed (94%) and almost no appropriations are lost.

Please note that for budget line 26.010211.00.05 an amount of 27,545.00 was carried over from 2009 C5 RAL.

Annex 3 Financial Reports - DG HR - Financial Year 2010**Table 1 : Commitments****Table 2 : Payments****Table 3 : Commitments to be settled****Table 4 : Balance Sheet****Table 5 : Economic Outturn Account****Table 6 : Average Payment Time Limits****Table 7 : Income****Table 8 : Recovery of undue Payments****Table 9 : Ageing Balance of Recovery Orders****Table 10 : Waivers of Recovery Orders****Table 11 : Negotiated Procedures (excluding Building Contracts)****Table 12 : Summary of Contracts (excluding Building Contracts)****Table 13 : Building Contracts****Table 14 : Contracts declared Secret**

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

Additional comments

Comment relating to table 8:

The total of 2010 recovery orders in table 8 does not match with the total of 2010 recovery orders in table 7 since the recovery orders without a recovery context are not included in table 8.

Recovery context (RC) related to the credit note (SI2.144684 - 6.411,90 €) was wrongly booked, the credit note should have been created with the RC "N/A".

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2010 (in Mio €)				
Chapter		Commitment appropriations authorised *	Commitments made	%
		1	2	3=2/1
Title 01 : Economic and financial affairs				
01 01	Administrative expenditure of 'Economic and financial affairs' policy area	0,08	0,08	100,00 %
Total Title 01		0,08	0,08	100,00 %
Title 02 : Enterprise				
02 01	Administrative expenditure of 'Enterprise' policy area	0,13	0,13	100,00 %
Total Title 02		0,13	0,13	100,00 %
Title 03 : Competition				
03 01	Administrative expenditure of 'Competition' policy area	0,16	0,16	100,00 %
Total Title 03		0,16	0,16	100,00 %
Title 04 : Employment and social affairs				
04 01	Administrative expenditure of 'Employment and social affairs' policy area	0,44	0,44	100,00 %
Total Title 04		0,44	0,44	100,00 %
Title 05 : Agriculture and rural development				
05 01	Administrative expenditure of 'Agriculture and rural development' policy area	0,35	0,35	100,00 %
Total Title 05		0,35	0,35	100,00 %
Title 06 : Energy and transport				
06 01	Administrative expenditure of 'Energy and transport' policy area	0,34	0,34	100,00 %
Total Title 06		0,34	0,34	100,00 %
Title 07 : Environment				
07 01	Administrative expenditure of 'Environment' policy area	0,80	0,80	100,00 %
Total Title 07		0,80	0,80	100,00 %
Title 09 : Information society and media				
09 01	Administrative expenditure of 'Information society and media' policy area	0,32	0,32	100,00 %
Total Title 09		0,32	0,32	100,00 %
Title 11 : Maritime affairs and Fisheries				
11 01	Administrative expenditure of 'Maritime affairs and Fisheries' policy area	0,23	0,23	100,00 %
Total Title 11		0,23	0,23	100,00 %
Title 12 : Internal market				
12 01	Administrative expenditure of 'Internal market' policy area	0,72	0,72	100,00 %
Total Title 12		0,72	0,72	100,00 %
Title 13 : Regional policy				
13 01	Administrative expenditure of 'Regional policy' policy area	0,48	0,48	100,00 %
Total Title 13		0,48	0,48	100,00 %
Title 14 : Taxation and customs union				
14 01	Administrative expenditure of 'Taxation and customs union' policy area	0,34	0,34	100,00 %
Total Title 14		0,34	0,34	100,00 %
Title 15 : Education and culture				
15 01	Administrative expenditure of 'Education and culture' policy area	1,23	1,23	100,00 %

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

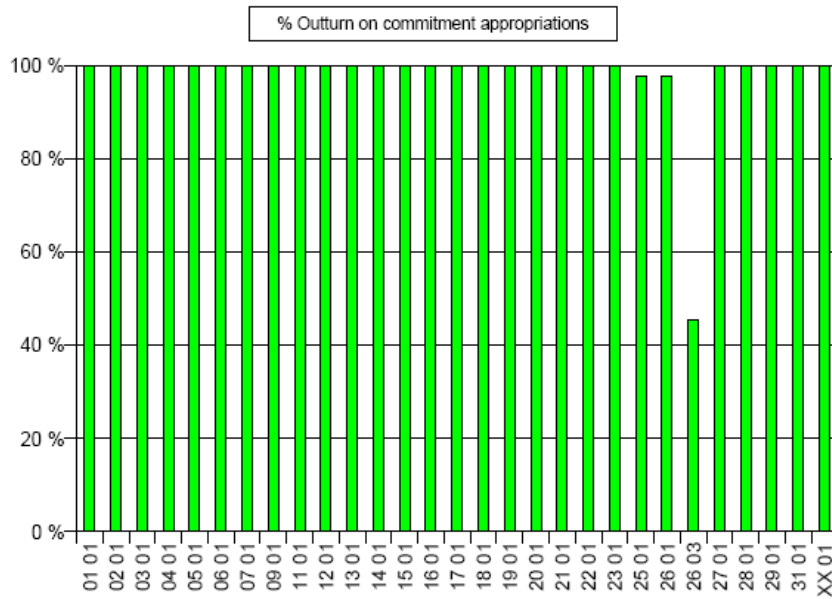
Total Title 15		1,23	1,23	100,00 %
Title 16 : Communication				
16 01	Administrative expenditure of `Communication¿ policy area	0,79	0,79	100,00 %
Total Title 16		0,79	0,79	100,00 %
Title 17 : Health and consumer protection				
17 01	Administrative expenditure of `Health and consumer protection¿ policy area	0,69	0,69	100,00 %
Total Title 17		0,69	0,69	100,00 %
Title 18 : Area of freedom, security and justice				
18 01	Administrative expenditure of `Area of freedom, security and justice¿ policy area	0,46	0,46	100,00 %
Total Title 18		0,46	0,46	100,00 %
Title 19 : External relations				
19 01	Administrative expenditure of `External relations¿ policy area	0,32	0,32	99,99 %
Total Title 19		0,32	0,32	99,99 %
Title 20 : Trade				
20 01	Administrative expenditure of `Trade¿ policy area	0,29	0,29	100,00 %
Total Title 20		0,29	0,29	100,00 %
Title 21 : Development and relations with African, Caribbean and Pacific (ACP) States				
21 01	Administrative expenditure of `Development and relations with ACP States¿ policy area	0,42	0,42	100,00 %
Total Title 21		0,42	0,42	100,00 %
Title 22 : Enlargement				
22 01	Administrative expenditure of `Enlargement¿ policy area	0,37	0,37	100,00 %
Total Title 22		0,37	0,37	100,00 %
Title 23 : Humanitarian aid				
23 01	Administrative expenditure of `Humanitarian aid¿ policy area	0,48	0,48	100,00 %
Total Title 23		0,48	0,48	100,00 %
Title 25 : Commission¿s policy coordination and legal advice				
25 01	Administrative expenditure of `Commission¿s policy coordination and legal advice¿ policy area	1,21	1,19	97,70 %
Total Title 25		1,21	1,19	97,70 %
Title 26 : Commission¿s administration				
26 01	Administrative expenditure of `Commission¿s administration¿ policy area	241,36	235,92	97,75 %
26 03	Services to public administrations, businesses and citizens	2,00	0,91	45,37 %
Total Title 26		243,37	236,83	97,32 %
Title 27 : Budget				
27 01	Administrative expenditure of `Budget¿ policy area	0,18	0,18	100,00 %
Total Title 27		0,18	0,18	100,00 %
Title 28 : Audit				
28 01	Administrative expenditure of `Audit¿ policy area	0,09	0,09	100,00 %
Total Title 28		0,09	0,09	100,00 %
Title 29 : Statistics				
29 01	Administrative expenditure of `Statistics¿ policy area	0,79	0,79	100,00 %
Total Title 29		0,79	0,79	100,00 %
Title 31 : Language services				

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

31 01	Administrative expenditure of 'Language services' policy area	1,57	1,57	100,00 %
Total Title 31		1,57	1,57	100,00 %
Title XX : Administrative expenditure allocated to policy areas				
XX 01	Administrative expenditure allocated to policy areas	0,25	0,25	100,00 %
Total Title XX		0,25	0,25	100,00 %
Total DG HR		256,92	250,36	97,45 %

* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).



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Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2010 (in Mio €)				
Chapter		Payment appropriations authorised *	Payments made	%
		1	2	3=2/1
Title 01 : Economic and financial affairs				
01 01	Administrative expenditure of 'Economic and financial affairs' policy area	0,12	0,06	51,82 %
Total Title 01		0,12	0,06	51,82 %
Title 02 : Enterprise				
02 01	Administrative expenditure of 'Enterprise' policy area	0,21	0,15	69,43 %
Total Title 02		0,21	0,15	69,43 %
Title 03 : Competition				
03 01	Administrative expenditure of 'Competition' policy area	0,21	0,14	66,60 %
Total Title 03		0,21	0,14	66,60 %
Title 04 : Employment and social affairs				
04 01	Administrative expenditure of 'Employment and social affairs' policy area	0,65	0,38	59,43 %
Total Title 04		0,65	0,38	59,43 %
Title 05 : Agriculture and rural development				
05 01	Administrative expenditure of 'Agriculture and rural development' policy area	0,48	0,34	70,42 %
Total Title 05		0,48	0,34	70,42 %
Title 06 : Energy and transport				
06 01	Administrative expenditure of 'Energy and transport' policy area	0,57	0,27	46,96 %
Total Title 06		0,57	0,27	46,96 %
Title 07 : Environment				
07 01	Administrative expenditure of 'Environment' policy area	0,97	0,69	71,38 %
Total Title 07		0,97	0,69	71,38 %
Title 09 : Information society and media				
09 01	Administrative expenditure of 'Information society and media' policy area	0,45	0,33	73,87 %
Total Title 09		0,45	0,33	73,87 %
Title 11 : Maritime affairs and Fisheries				
11 01	Administrative expenditure of 'Maritime affairs and Fisheries' policy area	0,29	0,22	74,76 %
Total Title 11		0,29	0,22	74,76 %
Title 12 : Internal market				
12 01	Administrative expenditure of 'Internal market' policy area	0,91	0,61	67,84 %
Total Title 12		0,91	0,61	67,84 %
Title 13 : Regional policy				
13 01	Administrative expenditure of 'Regional policy' policy area	0,69	0,49	71,80 %
Total Title 13		0,69	0,49	71,80 %
Title 14 : Taxation and customs union				
14 01	Administrative expenditure of 'Taxation and customs union' policy area	0,44	0,31	70,16 %
Total Title 14		0,44	0,31	70,16 %
Title 15 : Education and culture				
15 01	Administrative expenditure of 'Education and culture' policy area	1,45	1,16	79,94 %
Total Title 15		1,45	1,16	79,94 %

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Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

Title 16 : Communication				
16 01	Administrative expenditure of `Communication¿ policy area	1,03	0,84	81,56 %
Total Title 16		1,03	0,84	81,56 %
Title 17 : Health and consumer protection				
17 01	Administrative expenditure of `Health and consumer protection¿ policy area	0,87	0,60	69,37 %
Total Title 17		0,87	0,60	69,37 %
Title 18 : Area of freedom, security and justice				
18 01	Administrative expenditure of `Area of freedom, security and justice¿ policy area	0,55	0,33	60,41 %
Total Title 18		0,55	0,33	60,41 %
Title 19 : External relations				
19 01	Administrative expenditure of `External relations¿ policy area	0,45	0,23	51,50 %
Total Title 19		0,45	0,23	51,50 %
Title 20 : Trade				
20 01	Administrative expenditure of `Trade¿ policy area	0,37	0,23	62,17 %
Total Title 20		0,37	0,23	62,17 %
Title 21 : Development and relations with African, Caribbean and Pacific (ACP) States				
21 01	Administrative expenditure of `Development and relations with ACP States¿ policy area	0,56	0,39	70,03 %
Total Title 21		0,56	0,39	70,03 %
Title 22 : Enlargement				
22 01	Administrative expenditure of `Enlargement¿ policy area	0,44	0,37	83,51 %
Total Title 22		0,44	0,37	83,51 %
Title 23 : Humanitarian aid				
23 01	Administrative expenditure of `Humanitarian aid¿ policy area	0,57	0,43	75,63 %
Total Title 23		0,57	0,43	75,63 %
Title 25 : Commission¿s policy coordination and legal advice				
25 01	Administrative expenditure of `Commission¿s policy coordination and legal advice¿ policy area	1,53	1,08	70,38 %
Total Title 25		1,53	1,08	70,38 %
Title 26 : Commission's administration				
26 01	Administrative expenditure of `Commission¿s administration¿ policy area	270,82	227,93	84,16 %
26 03	Services to public administrations, businesses and citizens	1,75	0,54	30,56 %
Total Title 26		272,57	228,47	83,82 %
Title 27 : Budget				
27 01	Administrative expenditure of `Budget¿ policy area	0,23	0,16	69,78 %
Total Title 27		0,23	0,16	69,78 %
Title 28 : Audit				
28 01	Administrative expenditure of `Audit¿ policy area	0,10	0,04	42,17 %
Total Title 28		0,10	0,04	42,17 %
Title 29 : Statistics				
29 01	Administrative expenditure of `Statistics¿ policy area	1,08	0,73	67,31 %
Total Title 29		1,08	0,73	67,31 %
Title 31 : Language services				
31 01	Administrative expenditure of `Language services¿ policy area	1,91	1,45	76,00 %
Total Title 31		1,91	1,45	76,00 %

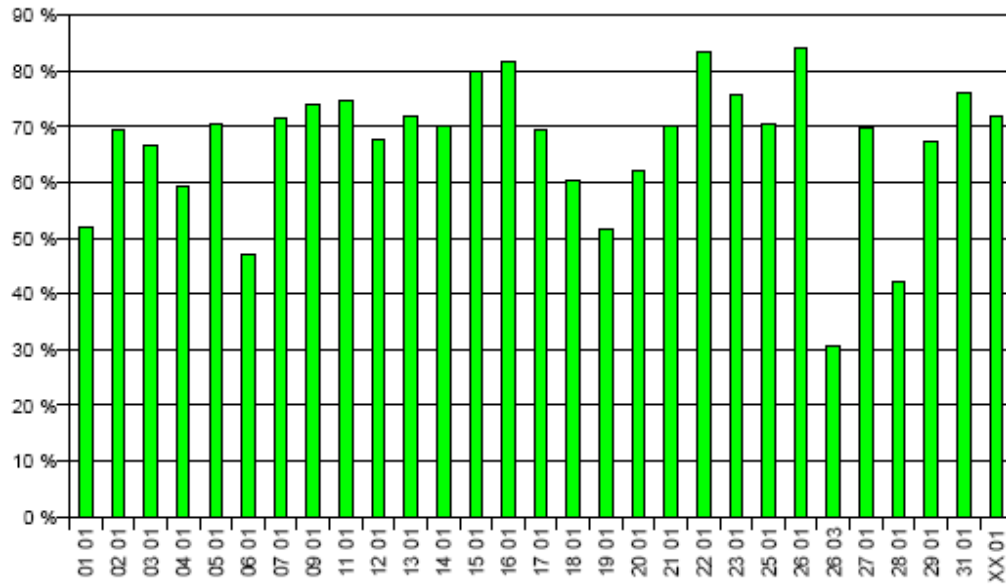
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Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

Title XX : Administrative expenditure allocated to policy areas				
XX 01	Administrative expenditure allocated to policy areas	0,36	0,26	72,02 %
Total Title XX		0,36	0,26	72,02 %
Total DG HR		290,08	240,77	83,01 %

* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).

% Outturn on payment appropriations



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Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2010 (in Mio €)								
Chapter		2010 Commitments to be settled				Commitments to be settled from financial years previous to 2010	Total of Commitments to be settled at end of financial year 2010 (Incl. corrections)	Total of Commitments to be settled at end of financial year 2009 (Incl. corrections)
		Commitments 2010	Payments 2010	RAL 2010	% to be settled			
		1	2	3=1-2	4=1-2/1	5	6=3+5	7
Title 01 : Economic and financial affairs								
01 01	Administrative expenditure of 'Economic and financial affairs' policy area	0,08	0,05	0,03	40,51 %	0,00	0,03	0,04
Total Title 01		0,08	0,05	0,03	40,51 %	0,00	0,03	0,04
Title 02 : Enterprise								
02 01	Administrative expenditure of 'Enterprise' policy area	0,13	0,09	0,04	31,55 %	0,00	0,04	0,08
Total Title 02		0,13	0,09	0,04	31,55 %	0,00	0,04	0,08
Title 03 : Competition								
03 01	Administrative expenditure of 'Competition' policy area	0,16	0,11	0,05	31,92 %	0,00	0,05	0,04
Total Title 03		0,16	0,11	0,05	31,92 %	0,00	0,05	0,04
Title 04 : Employment and social affairs								
04 01	Administrative expenditure of 'Employment and social affairs' policy area	0,44	0,26	0,17	39,67 %	0,00	0,17	0,21
Total Title 04		0,44	0,26	0,17	39,67 %	0,00	0,17	0,21
Title 05 : Agriculture and rural development								
05 01	Administrative expenditure of 'Agriculture and rural development' policy area	0,35	0,27	0,08	22,36 %	0,00	0,08	0,13
Total Title 05		0,35	0,27	0,08	22,36 %	0,00	0,08	0,13
Title 06 : Energy and transport								
06 01	Administrative expenditure of 'Energy and transport' policy area	0,34	0,20	0,14	40,68 %	0,00	0,14	0,24
Total Title 06		0,34	0,20	0,14	40,68 %	0,00	0,14	0,24
Title 07 : Environment								
07 01	Administrative expenditure of 'Environment' policy area	0,80	0,57	0,23	29,04 %	0,00	0,23	0,17
Total Title 07		0,80	0,57	0,23	29,04 %	0,00	0,23	0,17
Title 09 : Information society and media								
09 01	Administrative expenditure of 'Information society and media' policy area	0,32	0,22	0,09	29,50 %	0,00	0,09	0,13
Total Title 09		0,32	0,22	0,09	29,50 %	0,00	0,09	0,13
Title 11 : Maritime affairs and Fisheries								
11 01	Administrative expenditure of 'Maritime affairs and Fisheries' policy area	0,23	0,17	0,06	26,45 %	0,00	0,06	0,05
Total Title 11		0,23	0,17	0,06	26,45 %	0,00	0,06	0,05
Title 12 : Internal market								
12 01	Administrative expenditure of 'Internal market' policy area	0,72	0,53	0,19	25,98 %	0,00	0,19	0,18
Total Title 12		0,72	0,53	0,19	25,98 %	0,00	0,19	0,18
Title 13 : Regional policy								
13 01	Administrative expenditure of 'Regional policy' policy area	0,48	0,38	0,11	21,80 %	0,00	0,11	0,21
Total Title 13		0,48	0,38	0,11	21,80 %	0,00	0,11	0,21
Title 14 : Taxation and customs union								
14 01	Administrative expenditure of 'Taxation and customs union' policy area	0,34	0,27	0,07	21,07 %	0,00	0,07	0,09
Total Title 14		0,34	0,27	0,07	21,07 %	0,00	0,07	0,09
Title 15 : Education and culture								
15 01	Administrative expenditure of 'Education and culture' policy area	1,23	0,99	0,24	19,44 %	0,00	0,24	0,22
Total Title 15		1,23	0,99	0,24	19,44 %	0,00	0,24	0,22
Title 16 : Communication								
16 01	Administrative expenditure of 'Communication' policy area	0,79	0,65	0,15	18,46 %	0,00	0,15	0,23
Total Title 16		0,79	0,65	0,15	18,46 %	0,00	0,15	0,23
Title 17 : Health and consumer protection								

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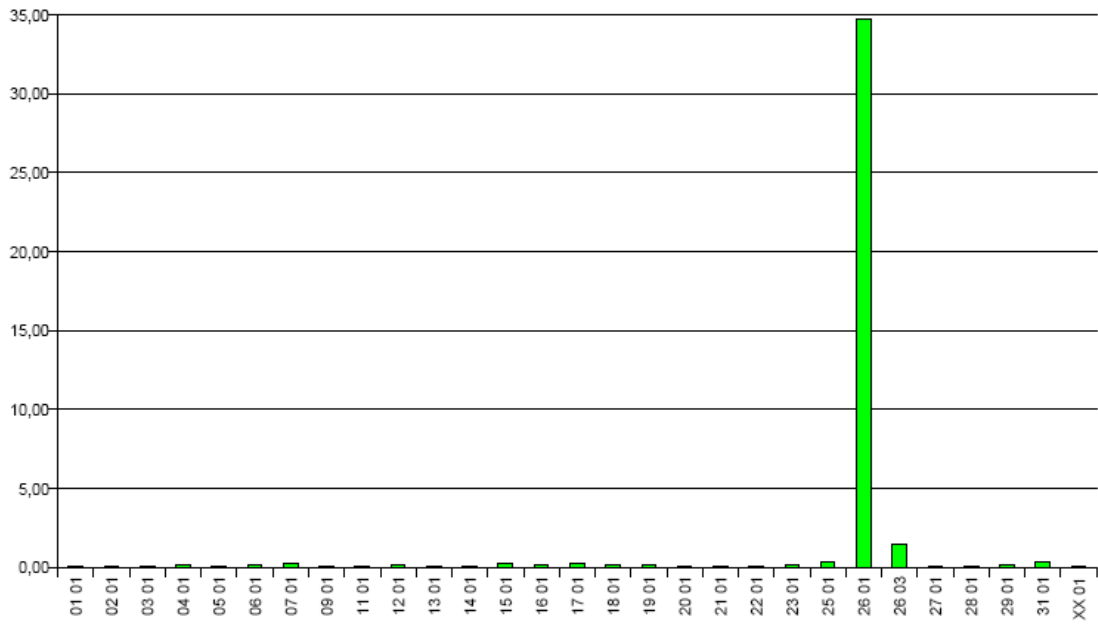
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17 01	Administrative expenditure of 'Health and consumer protection' policy area	0,69	0,47	0,22	31,79 %	0,00	0,22	0,17
Total Title 17		0,69	0,47	0,22	31,79 %	0,00	0,22	0,17
Title 18 : Area of freedom, security and justice								
18 01	Administrative expenditure of 'Area of freedom, security and justice' policy area	0,46	0,26	0,20	44,11 %	0,00	0,20	0,09
Total Title 18		0,46	0,26	0,20	44,11 %	0,00	0,20	0,09
Title 19 : External relations								
19 01	Administrative expenditure of 'External relations' policy area	0,32	0,15	0,18	54,46 %	0,00	0,18	0,12
Total Title 19		0,32	0,15	0,18	54,46 %	0,00	0,18	0,12
Title 20 : Trade								
20 01	Administrative expenditure of 'Trade' policy area	0,29	0,18	0,11	36,89 %	0,00	0,11	0,08
Total Title 20		0,29	0,18	0,11	36,89 %	0,00	0,11	0,08
Title 21 : Development and relations with African, Caribbean and Pacific (ACP) States								
21 01	Administrative expenditure of 'Development and relations with ACP States' policy area	0,42	0,32	0,11	25,38 %	0,00	0,11	0,14
Total Title 21		0,42	0,32	0,11	25,38 %	0,00	0,11	0,14
Title 22 : Enlargement								
22 01	Administrative expenditure of 'Enlargement' policy area	0,37	0,31	0,06	16,55 %	0,00	0,06	0,08
Total Title 22		0,37	0,31	0,06	16,55 %	0,00	0,06	0,08
Title 23 : Humanitarian aid								
23 01	Administrative expenditure of 'Humanitarian aid' policy area	0,48	0,35	0,13	26,49 %	0,00	0,13	0,10
Total Title 23		0,48	0,35	0,13	26,49 %	0,00	0,13	0,10
Title 25 : Commission's policy coordination and legal advice								
25 01	Administrative expenditure of 'Commission's policy coordination and legal advice' policy area	1,19	0,86	0,32	27,24 %	0,00	0,32	0,31
Total Title 25		1,19	0,86	0,32	27,24 %	0,00	0,32	0,31
Title 26 : Commission's administration								
26 01	Administrative expenditure of 'Commission's administration' policy area	235,92	201,18	34,74	14,73 %	0,00	34,74	29,45
26 03	Services to public administrations, businesses and citizens	0,91	0,00	0,91	100,00 %	0,58	1,49	1,33
Total Title 26		236,83	201,18	35,65	15,05 %	0,58	36,23	30,78
Title 27 : Budget								
27 01	Administrative expenditure of 'Budget' policy area	0,18	0,13	0,05	27,34 %	0,00	0,05	0,05
Total Title 27		0,18	0,13	0,05	27,34 %	0,00	0,05	0,05
Title 28 : Audit								
28 01	Administrative expenditure of 'Audit' policy area	0,09	0,04	0,05	58,53 %	0,00	0,05	0,01
Total Title 28		0,09	0,04	0,05	58,53 %	0,00	0,05	0,01
Title 29 : Statistics								
29 01	Administrative expenditure of 'Statistics' policy area	0,79	0,60	0,19	23,60 %	0,00	0,19	0,29
Total Title 29		0,79	0,60	0,19	23,60 %	0,00	0,19	0,29
Title 31 : Language services								
31 01	Administrative expenditure of 'Language services' policy area	1,57	1,23	0,34	21,77 %	0,00	0,34	0,34
Total Title 31		1,57	1,23	0,34	21,77 %	0,00	0,34	0,34
Title XX : Administrative expenditure allocated to policy areas								
XX 01	Administrative expenditure allocated to policy areas	0,25	0,16	0,09	37,02 %	0,00	0,09	0,11
Total Title XX		0,25	0,16	0,09	37,02 %	0,00	0,09	0,11
Total DG HR		250,36	211,01	39,35	15,72 %	0,58	39,94	34,71

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex
Report

Breakdown of Commitments remaining to be settled (in Mio EUR)



Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

TABLE 4 : BALANCE SHEET HR

BALANCE SHEET	2010	2009
A.I. NON CURRENT ASSETS	65.721,00	
A.I.1. Intangible Assets	65.721,00	
A.II. CURRENT ASSETS	43.309.025,81	38.495.008,93
A.II.2. Short-term Pre-Financing	0,00	0,00
A.II.3. Short-term Receivables	43.309.025,81	38.495.008,93
ASSETS	43.374.746,81	38.495.008,93
P.III. CURRENT LIABILITIES	-70.546.480,59	-61.276.650,47
P.III.4. Accounts Payable	-70.546.480,59	-61.276.650,47
LIABILITIES	-70.546.480,59	-61.276.650,47
NET ASSETS (ASSETS less LIABILITIES)	-27.171.733,78	-22.781.641,54
P.I.2. Accumulated Surplus / Deficit	0,00	0,00
Non-allocated central (surplus)/deficit*	27.237.454,78	22.781.641,54
TOTAL	0,00	0,00

* This figure is a balancing amount presented here so as to reflect the fact that the accumulated result of the Commission is not attributed to each DG

It should be noted that the balance sheet and economic outturn account presented in Annex 3 to this Annual Activity Report, represent only the (contingent) assets, (contingent) liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and economic outturn account they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

TABLE 5 : ECONOMIC OUTTURN ACCOUNT HR

ECONOMIC OUTTURN ACCOUNT	2010	2009
II.1 SURPLUS/ DEF. FROM OPERATING ACTIVT	233.094.255,38	225.265.621,41
II.1.1. OPERATING REVENUES	-5.412.811,06	-7.743.923,16
II.1.1.1. Other operating revenue	-5.412.811,06	-7.743.923,16
II.1.2. OPERATING EXPENSES	238.507.066,44	233.009.544,57
II.1.2.1. Administrative Expenses	238.507.359,06	233.009.817,67
II.1.2.2. Operating Expenses	-292,62	-273,10
II.2. SURPLUS/DEF. NON OPERATING ACTIVIT	1.686,21	2.399,08
II.2. FINANCIAL OPERATIONS	1.686,21	2.399,08
II.2.2. Financial expenses	1.686,21	2.399,08
ECONOMIC OUTTURN ACCOUNT	233.095.941,59	225.268.020,49

It should be noted that the balance sheet and economic outturn account presented in Annex 3 to this Annual Activity Report, represent only the (contingent) assets, (contingent) liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and economic outturn account they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

TABLE 6: AVERAGE PAYMENT TIME LIMITS FOR 2010 - DG HR

Legal Times							
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
8	58				58	100,00 %	9,00
15	59	59	100,00 %	9,00			
30	14668	9961	67,91 %	18,14	4707	32,09 %	42,74
45	2180	1956	89,72 %	17,20	224	10,28 %	64,38
50	2	1	50,00 %	28,00	1	50,00 %	54,00
60	84	74	88,10 %	30,46	10	11,90 %	69,50

Total Number of Payments	17051	12051	70,68 %		5000	29,32 %	
Average Payment Time	25,46			18,02			43,37

Target Times							
Target Payment Time (Days)	Total Number of Payments	Nbr of Payments within Target Time	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
8	58				58	100,00 %	9,00
15	59	59	100,00 %	9,00			
30	16934	11644	68,76 %	17,46	5290	31,24 %	43,43

Total Number of Payments	17051	11703	68,64 %		5348	31,36 %	
Average Payment Time	25,46			17,41			43,06

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
3	39	767	4,50 %	17051	39.228.888,76	16,78 %	233.816.762,19

Late Interest paid in 2010			
DG	GL Account	Description	Amount (Eur)
DG HR	65010100	Interest on late payment of charges New FR	1 686,21
			1 686,21

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2010

Chapter	Revenue and income recognized			Revenue and income cashed from			Outstanding balance	
	Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total		
	1	2	3=1+2	4	5	6=4+5	7=3-6	
Title 5: REVENUE ACCRUING FROM THE ADMINISTRATIVE OPERATION OF THE INSTITUTION								
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTION	6.012.974,27	574.309,23	6.587.283,50	5.490.753,59	574.309,23	6.065.062,82	522.220,68
	Total Title 5	6.012.974,27	574.309,23	6.587.283,50	5.490.753,59	574.309,23	6.065.062,82	522.220,68
Total DG HR		6.012.974,27	574.309,23	6.587.283,50	5.490.753,59	574.309,23	6.065.062,82	522.220,68

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

**TABLE 8 : RECOVERY OF UNDUE PAYMENTS
(Number of Recovery Contexts and corresponding Transaction Amount)**

RECOVERY ORDERS ISSUED IN 2010 Year of Origin (commitment)	No error / irregularity		TOTALS	
	Nbr	RO Amount	Nbr	RO Amount
2008	2	2.208,00	2	2.208,00
2009	52	809.267,62	52	809.267,62
2010	77	1.946.212,16	77	1.946.212,16
No Link	198	2.114.109,78	198	2.114.109,78
	329	4.871.797,56	329	4.871.797,56

EXPENSES

	Nbr	Amount
INCOME LINES IN INVOICES	0	

	Nbr	Non-Eligible Amount
NON ELIGIBLE AMOUNT IN COST CLAIMS	0	

	Error		No error / irregularity	
	Nbr	Credit Note Amount	Nbr	Credit Note Amount
CREDIT NOTES	1	-6.411,90	216	-1.857.455,27

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors. The provisional closure will be based on the recovery context situation at 28/02/2011.

Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2010 FOR HR

Year of Origin	Number at 01/01/2010	Number at 31/12/2010	Evolution	Open Amount (Eur) at 01/01/2010	Open Amount (Eur) at 31/12/2010	Evolution
2009	51		-100,00 %	574.309,23		-100,00 %
2010		48			522.220,68	
Totals	51	48	-5,88 %	574.309,23	522.220,68	-9,07 %

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

TABLE 10 : RECOVERY ORDER WAIVERS IN 2010 >= EUR 100.000						
	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments

Total DG HR	
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Number of RO waivers	0
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J u s t i f i c a t i o n s :

No data to be reported

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

Annex 3 Financial Reports - DG HR
Report printed on 30/03/2011

TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG HR - YEAR 2010

Contracts > € 60.000

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Art. 126 1a	1	3.008.000,00
Art. 126 1b	3	408.800,00
Total	4	3.416.800,00

TABLE 12 : SUMMARY OF PROCEDURES OF DG HR EXCLUDING BUILDING CONTRACTS

Internal procedures > € 60,000		2009		2010	
Contract Class	Count	Amount (€)	Count	Amount (€)	
Service	2	217.525,00	9	19.810.800,00	
Supply	1	1.469.000,00	1	123.501,00	
Works			3	1.016.878,72	
TOTAL	3	1.686.525,00	13	20.951.179,72	
Procedure Type	Count	Amount (€)	Count	Amount (€)	
Negotiated Procedure without publication of a contract notice Art. 126 IR	1	141.000,00	4	3.416.800,00	
Restricted Procedure(Art. 122.2 IR)	1	1.469.000,00	6	16.517.501,00	
Restricted Procedure involving a call for expressions of interest (AMI) (Art. 128 IR)			3	1.016.878,72	
Payment against invoices (Art. 129.4 IR)	1	76.525,00			
TOTAL	3	1.686.525,00	13	20.951.179,72	

External procedures > € 10,000
Contract Class
TOTAL
Procedure Type
TOTAL

Additional comments

Due to the change of the DG name from ADMIN to HR on 1/1/2010, the figures relating to 2009 are not correct. Please refer to the 2009 AAR (table 13).

TABLE 13 : BUILDING CONTRACTS

Total number of contracts :	0
Total amount :	

Legal base	Contract Number	Contractor Name	Description	Amount (€)
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No data to be reported

TABLE 14 : CONTRACTS DECLARED SECRET

Total Number of Contracts :	0
Total amount :	

Legal base	Contract Number	Contractor Name	Type of contract	Description	Amount (€)
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No data to be reported

Annex 4: Materiality criteria

In the analysis leading to the decision whether to issue reservations or not, DG HR used the following criteria:

- for financial cases, the threshold of 2% of the total volume of the activity concerned;
- for other cases, the fact whether a serious breach had occurred vis-à-vis an internal control standard;
- and more generally, whether the Commission's reputation was at stake.

Annex 5: Internal Control Status for Budget Implementation

European Schools

1. Inherent nature and characteristics	
<p>Summary <i>DG HR represents the European School system vis-à-vis the EU's budgetary authority. Based on a request formulated by the Board of Governors of the European Schools, DG HR is responsible for the Commission requesting the Community contribution in its DB. Once the EU budget procedure is finished, DG HR becomes responsible for paying the 4 instalments of the contribution to each school.</i></p> <p>Key inherent risks insofar they impact on reasonable assurance (including limit and extent of its responsibilities and those of other stakeholders) <i>The Board's request is regulated by the Financial regulation of the European Schools, is the result of a series of contradictory meetings with the Management Boards of the individual schools and is finally examined and prepared by the Board's Budgetary Committee.</i> <i>There are no financial risks involved in this activity. In fact, the last instalment is paid on a forecast of the needs and any operational surplus is entered as revenue into the schools' accounting system, and taken into account for next years coverage.</i></p> <p>Management mode <i>Direct centralised</i></p> <p>Key figures 2007: 127,4 M€ 2008: 144.1 M€ 2009: 151.6 M€ 2010: 154.2 M€ (2011: 166.5 M€)</p>	
2. Management and control systems	
Planning and controls	<i>The expenditure planning process involves a hierarchy of bodies outside the Commission's budgetary perimeter, and the result of this process is then submitted to the EU budgetary process.</i>
Communication and information	<i>The documents in the preparatory process are examined by the delegations of all Member States and the ensuing budget request is covered by the budgetary communication and information process.</i>
Detective and corrective controls: performance monitoring, and verification of payments and key milestones	<i>The actual payments to the European Schools are of two types: 3 instalments are fixed parts of the budget as laid down in the Financial Regulation of the European Schools (3/12, 3/12 and 4/12 respectively); the 4th instalment depends on the actual needs, supported by accounting and planning documents.</i>
Preventive and corrective controls and audit: desk reviews, on-the-spot audits carried out either ex ante or ex-post	<i>The new Financial Regulation of the European Schools has created the function of internal audit as from the 1st of July 2007, and the Board has asked the IAS to provide an auditor for at least three years (in 2010, it was decided to prolong for one year), which was agreed by the IAS.</i>
3. Feedback which enables control activities to be optimised	
Verification that processes are working as designed	<i>The Commission, through DG HR, is member of the Board and its Budgetary Committee, and of the individual schools' Boards.</i>
Monitoring of performance of independent bodies, 3 rd party auditors, externally contracted auditors	<i>The Commission, through DG HR, is member of the Board and its Budgetary Committee, and of the individual schools' Boards.</i>
IAC, IAS, ECA recommendations on the functioning of the system and their follow up	<i>The ECA has formulated observations and recommendations directly to the Board of Governors and to the Bureau of the Secretary General of the European Schools, who are responsible for the follow-up.</i>
High level management reporting and its role in identifying problem issues	<i>The Commission, through DG HR, is member of the Board and its Budgetary Committee, and of the individual schools' Boards.</i>

Public procurement

1. Inherent nature and characteristics									
<p>Summary <i>DG HR buys services mainly in the areas of interim staff, general and language training and security. Smaller contract concern recruitment and assessment services, medical equipment and medical and social services. The contractors are medium to large companies, often with offices in Brussels and Luxembourg.</i></p> <p>Key inherent risks insofar they impact on reasonable assurance (including limit and extent of its responsibilities and those of other stakeholders) <i>Procurement is a highly regulated and specialised field, requiring advanced expertise. For the guards contract, the competition is limited to a few large and local players, with previous contracts having been concluded with very few of them. There is consequently a risk of dependency. The economic value of these contracts is very high and the potential for fraud is as a matter of consequence not to be excluded.</i></p> <p>Management mode <i>Direct centralised</i></p> <p>Key figures (2010)</p> <table> <tr> <td><i>Interim staff</i></td> <td><i>9.4 M€ (authorised appropriations XX 01 02 01 02)</i></td> </tr> <tr> <td><i>General training</i></td> <td><i>16.6 M€ (actual expenditure)</i></td> </tr> <tr> <td><i>Language training</i></td> <td><i>3.9 M€ (actual expenditure)</i></td> </tr> <tr> <td><i>Security</i></td> <td><i>43.2 M€ (actual expenditure on installations and guards)</i></td> </tr> </table>		<i>Interim staff</i>	<i>9.4 M€ (authorised appropriations XX 01 02 01 02)</i>	<i>General training</i>	<i>16.6 M€ (actual expenditure)</i>	<i>Language training</i>	<i>3.9 M€ (actual expenditure)</i>	<i>Security</i>	<i>43.2 M€ (actual expenditure on installations and guards)</i>
<i>Interim staff</i>	<i>9.4 M€ (authorised appropriations XX 01 02 01 02)</i>								
<i>General training</i>	<i>16.6 M€ (actual expenditure)</i>								
<i>Language training</i>	<i>3.9 M€ (actual expenditure)</i>								
<i>Security</i>	<i>43.2 M€ (actual expenditure on installations and guards)</i>								
2. Management and control systems									
Planning and selection process of contractors	<p><i>Procurement is planned to renew the contractual frameworks of expiring contracts.</i></p> <p><i>Since 1.1.2008, for all markets above 60,000 €, a separate unit, with no operational responsibility but with expert staff on rules and regulations, carries out the procedure.</i></p> <p><i>For every such procurement, the awarding authority (always at director level) nominates an opening commission and an evaluation committee. All members sign a declaration of absence of conflict of interest.</i></p> <p><i>All offers are locked away in a central office and evaluated there.</i></p> <p><i>All procurement reports, containing the award proposal, are submitted to a multi-service committee (GAMA – Groupe d'Analyse des Marchés Administratifs – see section 2.3.1). The GAMA examines the files on a risk-weighted sampling basis (at least 25% of all files are effectively examined). Both the AOD and the chairman of GAMA can arbitrarily request a file to be examined.</i></p> <p><i>Before signature, EWS is consulted.</i></p>								
Communication and information	<p><i>All markets above the directive's threshold are announced in the OJEU.</i></p> <p><i>Unsuccessful tenderers are informed about the reason for exclusion.</i></p> <p><i>Before signing contracts, the mandatory stand-still period is scrupulously observed.</i></p>								
Detective and corrective controls: performance monitoring, and verification of payments and key milestones	<p><i>An internal threshold for commitments and payments has been set at 100,000 €: above this amount, all transactions must be signed by at least a director.</i></p> <p><i>Every member of staff who is AOS (signing "Passed for Payment") is defined as occupying a sensitive post, with the exception of those having no margin of manoeuvre in their financial decisions. This list is examined twice a year and then discussed with the AOD, including measures to be taken.</i></p>								
Preventive and corrective controls and audit: desk reviews, on-the-spot audits carried out either ex ante or ex-post.	<p><i>The unit responsible for over-the-threshold procurement files is also responsible for support to the units for smaller files. Detailed information and model documents are available in the intranet.</i></p>								

3. Feedback which enables control activities to be optimised	
Verification that processes are working as designed	<p><i>The GAMA checks the procedural aspects of each file it examines.</i></p> <p><i>A system of ex-post controls has been set up, checking between 10 and 15 % of all commitments, drawn on a risk-weighted and amount-related basis.</i></p> <p><i>Large commitments, corresponding to large and risky procurement files, are thus very likely to be controlled.</i></p> <p><i>The hierarchy can select further files for control on an arbitrary basis.</i></p>
Monitoring of performance of independent bodies, 3 rd party auditors, externally contracted auditors	<p><i>Not applicable for the interim staff contract.</i></p> <p><i>For the training contracts, a system of course evaluation has been set up and automated.</i></p> <p><i>For the security contract, a system of regular and spot checks has been set up.</i></p>
IAC, IAS, ECA recommendations on the functioning of the system and their follow up	<p><i>Not applicable</i></p> <p><i>The IAC has observer status in GAMA.</i></p>
High level management reporting and its role in identifying problem issues	<p><i>The AOD receives the minutes of the monthly GAMA meetings and the annual report.</i></p>