



FINAL ANNUAL ACCOUNTS OF THE TRANSLATION CENTRE 2021

CT/CA-007/2022EN

In accordance with Article 101 of the Financial Regulation of the Translation Centre,
These accounts have been prepared and signed by Victor Contineanu, the Accounting Officer of the Translation Centre for the Bodies of the European
Union.

Date: 01/06/2022

Signature:

COMPONENTS OF THE ANNUAL ACCOUNTS

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FINANCIAL STATEMENTS OF THE TRANSLATION CENTRE

A.1 Balance sheet

in EUR

	ASSETS	Note	31.12.2021	31.12.2020	% change
A.	NON-CURRENT ASSETS		1 653 018.33	346 693.00	376.80%
	INTANGIBLE FIXED ASSETS	1	1 219 676.33	33 840.00	3504.24%
	Computer software		19 717.00	33 840.00	-41.73%
	Computer software in progress		1 199 959.33	0	n/a
	TANGIBLE FIXED ASSETS	2	433 342.00	312 853.00	38.51%
	Computer hardware		227 809.00	131 192.00	73.65%
	Furniture and vehicles		78 899.00	21 319.00	270.09%
	Plant, machinery and equipment		5 277.00	9002	-41.38%
	Other fixtures and fittings		121 357.00	151 340.00	-19.81%
B.	CURRENT ASSETS		34 346 886.13	31 180 738.68	10.15%
	STOCKS		713 000.00	674 000.00	5.79%
	Work in progress	3	713 000.00	674 000.00	5.79%
	SHORT-TERM RECEIVABLES		10 759 091.97	4 306 743.75	149.82%
	VAT paid and other recoverable from the Member States	4	13 396.66	942.59	1321.26%
	Accounts receivable from EU institutions & bodies	5	230 387.71	99 588.66	131.34%
	Accrued income from EU institutions & bodies	5	3 659 704.74	3 490 187.04	4.86%
	Other accrued revenues	5	0.00	315910.84	-100.00%
	Deffered expenses	6	226 112.80	289 313.74	-21.85%
	Term deposits due within three months and one year	8	6 530 700.17	1 753.84	372265.79%
	Sundry receivables	7	98 789.89	109 047.04	-9.41%
	CASH AND CASH EQUIVALENTS	8	22 874 794.16	26 199 994.93	-12.69%
	TOTAL		35 999 904.46	31 527 431.68	14.19%

	LIABILITIES	Note	31.12.2021	31.12.2020	% change
A.	CURRENT LIABILITIES		5 145 879.19	3 980 722.06	29.27%
	ACCOUNTS PAYABLE		5 145 879.19	3 980 722.06	29.27%
	Accrued expenses	9	2 211 200.00	1 772 694.98	24.74%
	Suppliers	10	401 741.56	765 490.13	-47.52%
	Pre-financing received	11	2 496 844.41	1 419 870.12	75.85%
	Other liabilities	12	36 093.22	22 666.83	59.23%
B.	NET ASSETS/LIABILITIES		30 854 025.27	27 546 709.62	12.01%
	Reserves	13	16 529 466.33	16 529 466.33	0.00%
	Accumulated result for previous financial years		11 017 243.29	9 971 240.43	10.49%
	Economic outturn for the financial year		3 307 315.65	1 046 002.86	216.19%
	TOTAL		35 999 904.46	31 527 431.68	14.19%

A.2 Statement of financial performance

in EUR

	Note	2021	2020	% change
OPERATING REVENUE		45 497 324.58	43 346 780.18	4.96%
TOTAL REVENUE FROM OPERATIONS		44 922 395.04	43 071 422.05	4.30%
Translations	14	43 556 984.45	40 931 149.73	6.42%
Interinstitutional cooperation – IATE database	15	634 357.62	628 652.89	0.91%
Terminology	16	76 050.00	1 245 150.00	-93.89%
Term lists	17	234 776.00	191 917.00	22.33%
Subtitling	18	160 228.00	65 764.00	143.64%
Other	19	259 999.00	8 788.50	2858.40%
OTHER OPERATING REVENUE		574 929.54	275 358.13	108.79%
Sale of fixed assets		0.00	0.00	
Grant for rent from Luxembourg Government*	20	170 000.00	243 250.00	-30.11%
Miscellaneous revenue	21	404 929.54	451 108.13	-10.24%
Movements in work in progress	3	0.00	-419 000.00	-100.00%
OPERATING EXPENSES		42 188 587.19	42 299 175.80	-0.26%
Staff expenses	22	24 252 438.28	23 747 213.41	2.13%
Administrative expenses	23	7 533 017.72	8 520 339.21	-11.59%
Operational expenses	24	10 403 131.19	10 031 623.18	3.70%
SURPLUS FROM OPERATING ACTIVITIES		3 308 737.39	1 047 604.38	215.84%
FINANCIAL OPERATIONS REVENUE		1.44	186.40	-99.23%
Bank interest		0.00	0.00	
Exchange-rate gain		1.44	186.40	-99.23%
FINANCIAL EXPENSES		1 423.18	1 787.92	-20.40%
Bank charges		1 437.61	1365.8	5.26%
Exchange-rate loss		-14.43	422.12	-103.42%
SURPLUS FROM NON-OPERATING ACTIVITIES		-1 421.74	-1 601.52	-11.23%
SURPLUS FROM ORDINARY ACTIVITIES		3 307 315.65	1 046 002.86	216.19%
SURPLUS/DEFICIT FROM EXTRAORDINARY ACTIVITIES		0.00	0.00	
ECONOMIC OUTTURN FOR THE YEAR		3 307 315.65	1 046 002.86	216.19%

*Non-exchange transaction.

A.3 Statement of changes in net assets/liabilities

in Euro

	Note	Reserves*		Accumulated surplus/deficit	Economic outturn for the year	Total net assets/liabilities
		Capital	Reserves			
Movements in reserves		0.00	0.00	0.00	0.00	0.00
Allocation of the economic outturn 2019		0.00	0.00	-3 081 676.24	3 081 676.24	0.00
Economic outturn for the year		0.00	0.00		1 046 002.86	1 046 002.86
Situation as at 31 December 2020		0.00	16 529 466.33	9 971 240.43	1 046 002.86	27 546 709.62
Movements in reserves		0.00	0.00	0.00	0.00	0.00
Allocation of the economic outturn 2020		0.00	0.00	1 046 002.86	-1 046 002.86	0.00
Economic outturn for the year		0.00			3 307 315.65	3 307 315.65
Situation as at 31 December 2021		0.00	16 529 466.33	11 017 243.29	3 307 315.65	30 854 025.27

* Article 67(a) of the Centre's Financial Regulation provides for a permanent pre-financing fund that guarantees financing for the proper functioning of the Centre until invoiced amounts have been received from clients. In accordance with Article 57(a) of the Regulation laying down detailed rules for the implementation of the Centre's Financial Regulation, the amount of this fund may not be less than four twelfths of the appropriations for the financial year.

The statutory reserves (i.e. the permanent pre-financing fund) recognised under accounting rules in the financial statements should be distinguished from the budgetary reserves (i.e. the reserves for stability pricing and for exceptional investments) as listed in Chapter B.5 'Budget outturn' that do not fulfil the criteria for reserves in general accounting.

A.4 Cash flow statement

in Euro

	2021	2020
CASH FLOWS ASSOCIATED WITH THE BUSINESS		
Outturn from normal business	3 307 315.65	1 046 002.86
+ Depreciation	156 508.38	158 092.60
+/- Provision for risks and charges	0.00	0.00
+/- Welfare benefits	0.00	0.00
+/- Variation in stocks	-39 000.00	419 000.00
+/- Variation in operating amounts receivable	76 598.11	-1 007 690.37
+/- Variation in operating debts	1 165 157.13	1 159 739.86
+/- Variation in other amounts receivable associated with the business	0.00	0.00
+/(Profit)/Loss on sales of installations, equipment and immovable property	0.00	0.00
NET CASH FLOWS RESULTING FROM THE BUSINESS	4 666 579.27	1 775 144.95
CASH FLOWS ASSOCIATED WITH LOANS AND BORROWING		
+/- Financial assets (own funds)	0.00	0.00
+/- Financial assets (borrowed funds)	0.00	0.00
+/- Financial liabilities (funds originating from a credit)	0.00	0.00
NET CASH FLOWS RESULTING FROM LOANS AND BORROWING	0.00	0.00
CASH FLOWS ASSOCIATED WITH INVESTMENT OPERATIONS		
- Acquisitions of fixed assets	-1 462 833.71	-135 120.60
- Term deposits	-6 528 946.33	14 515 874.46
+ Transfers of fixed assets	0.00	0.00
+ Reduction of financial assets	0.00	0.00
+/- Variation in amounts receivable and debts on fixed assets	0.00	0.00
+ Dividends paid	0.00	0.00
NET CASH FLOWS ASSOCIATED WITH INVESTMENT TRANSACTIONS	-7 991 780.04	14 380 753.86
CASH FLOWS ASSOCIATED WITH FINANCING TRANSACTIONS		
+/- Financial liabilities	0.00	0.00
+/- Long-term liabilities	0.00	0.00
- Reimbursement to clients by bank transfer	0.00	0.00
NET CASH FLOWS ASSOCIATED WITH FINANCING TRANSACTIONS	0.00	0.00
CASH VARIATION	-3 325 200.77	16 155 898.81
Cash at the start	26 199 994.93	10 044 096.12
Cash at the end	22 874 794.16	26 199 994.93

A.5 Notes to the financial statements

1. DESCRIPTION OF THE BUSINESS

The mission of the Translation Centre for the Bodies of the European Union is to provide translation services to the other decentralised EU agencies and assist those EU institutions and bodies that have their own translation services in times of peaks in workload. In addition, it participates in the work of the Interinstitutional Committee for Translation and Interpretation (ICTI), which works to promote collaboration based on the rules of subsidiarity and to achieve economies of scale in the translation field.

2. LEGAL FORM

The Centre was formally established in 1994 by Council Regulation (EC) No 2965/94 of 28 November 1994, as amended by Council Regulation (EC) No 1645/2003 of 18 June 2003.

The Centre is an agency governed by European public law with legal personality. It has its own financial resources constituted by the payments from the agencies, bodies, offices and institutions in exchange for services provided.

3. BASIS OF PRESENTATION

The annual accounts have been prepared on the basis of the Centre's accounting records, and are presented in compliance with the requirements of the Centre's Financial Regulation, as well as the accounting rules and methods adopted by the Commission's accounting officer.

The financial year begins on 1 January 2021 and ends on 31 December 2021.

The accounts are in euro.

4. ACCOUNTING PRINCIPLES

The Centre's financial statements are drawn up in accordance with the generally accepted accounting principles as specified in the Centre's Financial Regulation (Article 95), namely:

- (a) fair presentation
- (b) accrual basis
- (c) going concern
- (d) consistency of presentation
- (e) aggregation
- (f) offsetting
- (g) comparative information.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Intangible fixed assets

Intangible fixed assets include assets with an estimated useful life greater than one year and an acquisition cost greater than EUR 420 per item.

Purchased intangible fixed assets are stated at cost, less accumulated depreciation and any recognised impairment losses.

The cost of fixed asset improvements exceeding EUR 420 increases the acquisition cost of the related fixed asset.

Amortisation of intangible fixed assets is recorded on a monthly straight-line basis over their estimated useful lives, in accordance with accounting rule No 6 'Intangible fixed assets'. Intangible fixed assets consist mainly of software that is depreciated over four years.

5.2 Intangible fixed assets developed internally

Internally developed intangible fixed assets comprise software specifically developed for the Centre with an estimated useful life greater than one year and an acquisition cost greater than EUR 150 000, built in-house or tendered to external contractors.

No intangible asset arising from research (or from the research phase of an internal project) is recognised as an asset, but as an expense when incurred.

An internal or external IT development project in the development phase is assessed as to whether it complies with the recognition criteria for an asset and whether the expenditure incurred relating to the project should be recognised as an intangible asset. The following specific conditions have to be met in order to demonstrate that the asset will generate probable future economic benefit or service potential at the end of the project:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the Centre's intention to complete the intangible asset and use or sell it;
- how the intangible asset will generate future economic benefits or service potential;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

At the end of the development phase, the project is expected to meet the definition of an asset.

Amortisation of intangible fixed assets developed internally is recorded on a monthly straight-line basis over their estimated useful lives, in accordance with accounting rule No 6 'Intangible fixed assets'.

5.3 Tangible fixed assets

Tangible fixed assets include assets with an estimated useful life greater than one year and an acquisition cost greater than EUR 420 per item.

Purchased tangible fixed assets are stated at cost, less accumulated depreciation and any recognised impairment losses.

The cost of fixed asset improvements exceeding EUR 420 increases the acquisition cost of the related fixed asset.

Repairs and maintenance are charged to the expenses during the financial period in which they are incurred.

Depreciation is charged so as to write off the cost of tangible fixed assets, other than land and assets under construction, over their estimated useful lives, based on a monthly straight-line basis, using the depreciation rate given in the table below as defined by the European Commission.

Table of depreciation rates

Type of inventory	Straight-line depreciation rate
<i>Computer equipment</i>	25.00%
<i>Kitchens – Cafeterias – Nurseries</i>	
Small electrical equipment	25.00%
Cash registers	25.00%
Large kitchen equipment	12.50%
Specialist furniture for kitchens, cafeterias	12.50%
Specialist furniture for nurseries	25.00%
PLANT, MACHINERY AND TOOLS	
<i>Telecommunications and audio-visual equipment</i>	
Telephone and fax machines	
Headphones, earphones, microphones	25.00%
Cameras	25.00%
Videos	25.00%
Tape recorders and dictating equipment	25.00%
Projectors (slide and overhead)	25.00%
Photographic equipment	25.00%
Projection screens	25.00%
Televisions, radios, monitors (not including computers)	25.00%
<i>Technical equipment</i>	
Printers, mail security, building tools	12.50%
Measuring or laboratory equipment	25.00%
<i>Other plant, machinery and tools</i>	12.50%
<i>Movable shelving, partitions, false floors, false ceilings and wiring</i>	25.00%
<i>Vehicles</i>	25.00%
<i>Furniture</i>	10.00%
<i>Buildings</i>	4.00%
<i>Land</i>	Not applicable

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the net book value of the asset at the sale date, and is recognised through the profit and loss account.

5.4 Low-value fixed assets

When durable goods are of a low value, they can be considered as being consumed in the financial year of their commissioning and are therefore accounted for under expenses and not under fixed assets. At present, the amount for low-value goods is EUR 420. Above this unit value, the goods always have to be recorded as fixed assets.

5.5 Stocks

Stocks consist of work in progress made up of units for translation services (translation, modification, revision, editing, term lists, terminology) which are at an intermediate stage of the translation process at the end of the year.

The work in progress is valued at the lower of sale price or production cost, which is calculated by adding together direct and indirect costs associated with the volume of the translation services at different stages of completeness.

The difference in the value of the work in progress between 2020 and 2021 is recorded under operating revenue in the statement of financial performance, under the heading "Miscellaneous revenue".

5.6 Short-term receivables

Receivables are booked at their nominal value and are subsequently reduced by the appropriate provisions for doubtful and bad amounts. A write-down for impairment of receivables is established when there is objective evidence that the Centre will not be able to collect all the amounts due according to the original terms of the receivables.

The receivables for December translations invoiced in January of the following year are recognised as accrued income. This income is included in the revenues of the statement of financial performance. For further details, see Note 5 of Chapter A.5.6. 'Additional information'.

The Centre applies a treasury management policy that allows cash to be placed in term deposits in banks. Term deposits of more than three months are recognised as receivables rather than cash equivalents.

5.7 Cash and cash equivalents

The Centre's treasury is managed by the accounting officer via current accounts, savings accounts and term deposits of less than three months which are held in euro at the Banque et Caisse d'Épargne de l'État and BGL BNP Paribas. Cash deposits and withdrawals are accounted for on the value date shown on the bank statements.

5.8 Accounts payable

Accounts payable are booked at their nominal value. Accounts payable represent a short-term liability to suppliers for goods delivered and services provided to the Centre before year-end, irrespective of whether or not the invoice has been received by the Centre.

Accounts payable also include the liability for unused holidays. The accrued liability for unused holidays is calculated based on the number of days of unused holidays by staff at year-end and their individual salary.

5.9 Provisions for risks and charges

A provision is a present obligation arising from a past event, but there is uncertainty about timing and future outflow of resources for settling the obligation. The probability of an outflow is likely and can be reliably estimated. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision should be reversed as revenue. The reversal into revenues is accounted for only if it occurs in a different reporting period from that in which the provision was recognised. If this is the case, the initial creation of the provision is reversed.

A provision is used only for expenditure for which the provision was originally recognised. The existing provision is then used and expenses are charged against it.

5.10 Reserves – Permanent pre-financing fund

Article 67(a) of the Centre's Financial Regulation provides for a permanent pre-financing fund that guarantees financing for the proper functioning of the Centre until invoiced amounts have been received from clients. In accordance with Article 57(a) of the Regulation laying down detailed rules for the implementation of the Centre's Financial Regulation, the amount of this fund may not be less than four twelfths of the appropriations for the financial year.

5.11 Revenue

Revenue from translations and other revenue for the year are recognised in the accounts when the corresponding services have been rendered and accepted by clients, net of discounts, regardless of when the corresponding collection of payments is made.

Interest income is accounted for on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Non-exchange transactions are those where an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange. Revenue from non-exchange transactions is measured at the amount of the increase in net assets recognised by the Centre. An example of non-exchange transactions is the financial contribution for rent received by the Centre from the Luxembourg government, as described in Note 20 of Chapter A.5.6. 'Additional information'.

5.12 Expenses

Expenses for the year are entered into the account once the services or goods have been received at the Centre, regardless of when the payment is made.

5.13 Transactions and balances denominated in foreign currencies

Transactions denominated in foreign currencies during the year are converted into euro using the monthly exchange rate published by the European Commission, effective on the date of initiation of the payment order or recovery order relating to the transaction. Any exchange gains or losses made at the time of settlement of the transaction are considered as financial expenses or income in the statement of financial performance for the corresponding year.

At the balance sheet date, financial assets, current assets and liabilities denominated in a foreign currency are converted into euro using the effective exchange rate published by the European Commission as at that date. Any resulting foreign exchange rate gains and losses are recorded in the current year's financial expenses or income, as appropriate.

5.14 Ordinary income

Ordinary revenue and expenses arising from the Centre's core business and any event deriving from this business.

5.15 Extraordinary revenue and expenses

Extraordinary revenue and expenses arising from events or transactions that are clearly distinct from the Centre's ordinary activities, as well as revenue and expenses from events or transactions that are not expected to recur frequently or regularly.

5.16 Economic outturn for the year

The economic outturn for the year consists of revenue and expenses which have been included in the statement of financial performance during the accounting year. All revenue and expenses recognised during the financial year have to be included in the economic outturn for the year. The economic outturn for the year will be equal to the net sum of the ordinary and extraordinary activities for the financial year.

5.17 Use of estimates

The presentation of financial statements requires the Centre's management to make estimates and assumptions that affect the reported amounts of assets at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. The Centre's management believes that the estimates and assumptions used will not significantly differ from the actual outcomes in the following reporting periods.

5.18 Change in accounting methods, valuation, depreciation or accounting policies

The financial statements for the year ended 31 December 2021 were not restated to reflect any change in accounting methods, valuation, depreciation or accounting policies.

However, it should be noted that In 2020, the Accounting Officer of the Commission adopted the revised EU Accounting Rule 11 'Financial Instruments', which is mandatorily effective as of 1 January 2021. The revised EAR 11 is based on the new IPSAS 41 'Financial Instruments', the amended IPSAS 28 'Financial Instruments: Presentation' and the amended IPSAS 30 'Financial Instruments: Disclosures' which were issued in August 2018. It establishes the financial reporting principles for financial assets and financial liabilities. In accordance with the transition provisions of the revised EAR 11, the Centre accounts for any changes from the initial application, on 1 January 2021. The revised EAR 11 does not require the restatement of prior periods.

The adoption of the revised EU Accounting Rule 11 'Financial Instruments' requires disclosures on financial instruments and on how the Centre manages the risks arising from financial instruments.

The Centre's financial instruments are comprised mainly of cash, exchange receivables and payables. Financial instruments give rise to risks such as credit, liquidity and market risk (interest rate risk and foreign currency risk). Our analysis (see below) shows that the adoption of EU Accounting Rule 11 had no impact on retained earnings and has had no impact on the Centre's annual accounts:

Credit risk:

The main credit risks for the Centre relate to exchange receivables from fees and charges customers as well as cash balances.

For exchange receivables the risk (loss due to a debtor's non-payment or failure to meet a contractual obligation) is very low as all our customers are part of the EU system with pre-defined budgets allocated for payment of our services. In addition our exchange receivables are rigorously monitored and followed up with customers.

As regards cash balances all our cash (in Euro) is deposited with prime and high grade banks (see note 8) and therefore represent a very low risk.

Liquidity risk

Liquidity risk arises from ongoing financial obligations, including the settlement of payables. All payables have a contractual maturity of less than one year. Liquidity risk is managed by carefully monitoring actual cash flows and forecasting requirements. The Centre remains in a strong financial position with a healthy cash balance. Liquidity risk is considered very low.

Market risk

Interest rate risk

The Centre does not borrow money and is, therefore, not exposed to interest rate risk on borrowing. However, it is now difficult to avoid negative interest charges on bank balances. The Centre is actively working on solutions to limit the impact of these negative interest rates.

Foreign currency risk

As all of Centre's financial assets and financial liabilities are in Euro, the Centre is not exposed to foreign currency risk.

5.19 Cash flow statement

The cash flow statement is prepared using the indirect method. Cash equivalents include current liquid assets which are easily convertible into cash for an amount agreed in advance. Cash flows from operating, investment and financial activities presented in the cash flow table are not offset.

5.20 Segment reporting

Segment reporting concerns entities that have a distinguishable activity or group of activities for which it is appropriate to separately report financial information for the purpose of evaluating the entity's past performance in achieving its objectives and for making decisions about the future allocation of resources. In the context of the Centre, all the activities are considered to belong to one single activity and therefore the financial statements are presented as a single segment.

6. ADDITIONAL INFORMATION ON THE BALANCE SHEET, STATEMENT OF FINANCIAL PERFORMANCE AND CASH FLOW STATEMENT

Note 1: Intangible fixed assets

	in EUR		
	Computer software	Computer software in progress	Total
A. Purchase value			
Previous year-end	5 742 596.12	0.00	5 742 596.12
<u>Changes during the financial year</u>			
Acquisitions in the financial year	0.00	1 199 959.33	1 199 959.33
Disposals and withdrawals	-3 224 567.44	0.00	-3 224 567.44
Transfers between headings	0.00	0.00	0.00
<u>Year-end</u>	2 518 028.68	1 199 959.33	3 717 988.01
B. Amortisation and reductions in value			
Previous year-end	5 708 756.12	0.00	5 708 756.12
<u>Changes during the financial year</u>			
Depreciation for the financial year	14 123.00	0.00	14 123.00
Write-off of the residual value of disposed assets	-3 224 567.44	0.00	-3 224 567.44
<u>Year-end</u>	2 498 311.68	0.00	2 498 311.68
NET BOOK VALUE (A-B)	19 717.00	1 199 959.33	1 219 676.33

The main part of the intangible fixed assets represents the internally developed asset called the new eCdT, which is latest the Centre's program for the management of the translation workflow. This new platform, still under development at the end of 2021 is meant to replace the old eCdT and is necessary to accommodate new business needs, leverage the use of new technologies and change the business processes in order to gain efficiency and reduce costs. So far, the capitalised expenses comprise internal cost of EUR 530 500 and external development costs of EUR 669 459.33 for a total of EUR 1 199 959. Once the new platform will be become operational the total capitalised cost at that point will start to be amortized.

In 2021, the IT department undertook the decommissioning of various fully amortised and obsolete software, licences and hardware. Most of the software and items were nearly or more than 10 years old and no longer usable. The 9 most expensive software items alone accounted for EUR 2 783 000, or 86% of the total purchase value.

Totally amortised intangible fixed assets

The purchase value of intangible fixed assets in use, which were totally amortised on 31 December 2021, amounted to EUR 2 478 508 (EUR 5 671 418 in 2020).

Note 2: Tangible fixed assets

in EUR

	Computer hardware	Furniture and vehicles	Plant, machinery and equipment	Other tangible fixed assets	Total
A. Purchase value					
Previous year-end	3 224 931.60	297 315.29	17 056.00	505 730.36	4 045 033.25
<u>Changes during the financial year</u>					
Acquisitions	238 476.20	77 487.27		28 139.36	344 102.83
Disposals and withdrawals	-1 071 415.45	-2 462.96		-2 076.00	-1 075 954.41
Correction SAP vs ABAC	-69 969.62	-11 258.83			-81 228.45
<u>Year-end</u>	2 322 022.73	361 080.77	17 056.00	531 793.72	3 231 953.22
B. Depreciations and value adjustments					
Previous year-end	3 093 739.60	275 996.29	8 054.00	354 390.36	3 732 180.25
<u>Changes during the financial year</u>					
Depreciation for the financial year	71 889.58	8 648.44	3 725.00	58 122.36	142 385.38
Disposals and withdrawals	-1 071 415.45	-2 462.96		-2 076.00	-1 075 954.41
Write off of residual value					0.00
<u>Year-end</u>	2 094 213.73	282 181.77	11 779.00	410 436.72	2 798 611.22
NET BOOK VALUE (A-B)	227 809.00	78 899.00	5 277.00	121 357.00	433 342.00

The amount of equipment purchased in 2021 (EUR 262 874) concerns mainly IT purchases to ensure continuity of work. The large order for computer equipment (EUR 616 000) placed in 2021 to improve teleworking could not be delivered on time and will therefore be included in the inventory in 2022. The total purchase value of the 30 most expensive decommissioned hardware items was EUR 833 000 (77% of the total decommissioned amount in 2021).

Totally depreciated tangible fixed assets

The purchase value of fixed assets in use, which were totally depreciated on 31 December 2021, amounted to EUR 2 299 845 (EUR 3 313 490 in 2020).

Low-value tangible fixed assets

The Centre acquired various items that were charged directly to expenses and amounted to EUR 7 479 and EUR 8 243 for the years ended 31 December 2021 and 2020, respectively. These assets are low-value tangible assets with an estimated useful life greater than one year and an individual acquisition cost lower than EUR 420. Low-value tangible assets are not recorded under fixed assets but are charged through expense accounts.

Note 3: Work in progress

in EUR

Work in progress	2021	2020	% change
Work in progress (in EUR)	713 000.00	674 000.00	5.79%
Documents in progress (in pages)	59 876.81	56 007.92	6.91%
Term lists in progress (in terms)	1 487.00	1 550.00	-4.06%
Terminology in progress (in man/days)	36.00	0.00	n/a
Subtitling in progress (in minutes)	313	420.00	-25%

The financial valuation of the work in progress in 2021 is slightly higher than that of 2020 due approximately 3 800 pages more documents being processed at year-end.

Note 4: Recoverable VAT and other receivables from the Member States

As an EU body, the Centre benefits from VAT exemptions for the purchase of goods and services. In the case of the indirect exemption applied by the Portuguese tax authorities, the Centre has to claim back the VAT paid to its suppliers. The balance of the VAT receivable is the sum of all claims of reimbursement submitted to the Portuguese tax authorities in December 2021, despite a slight delay compared to last year, no claims are outside the deadline for recovery.

in EUR

VAT receivable from the Member States	2021	2020	% change
Nominal value of VAT claims	13 396.7	942.6	1321%
Net value of VAT receivable	13 396.7	942.6	1321%

The receivables from Member States are considered receivables from non-exchange transactions.

Credit risk disclosure

The long-term credit rating of Portugal is BBB (Fitch).

Note 5: Accounts receivable, accrued income from the EU institutions and bodies and other accrued revenues

in EUR

Clients	Accounts Receivable	Accrued income	Total
European Environment Agency (EEA)	0.0	81 124.5	81 124.5
European Training Foundation (ETF)	0.0	55 288.0	55 288.0
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	0.0	46 138.2	46 138.2
European Medicines Agency (EMA)	0.0	288 626.1	288 626.1
European Agency for Safety and Health at Work (EU-OSHA)	0.0	200 515.5	200 515.5
European Union Intellectual Property Office (EUIPO)	0.0	436 086.0	436 086.0
European Union Intellectual Property Office (EUIPO) Trade Marks	0.0	251 340.1	251 340.1
Community Plant Variety Office (CPVO)	0.0	6 593.0	6 593.0
European Union Agency for Law Enforcement Cooperation (Europol)	0.0	0.0	0.0
European Foundation for the Improvement of Living and Working Conditions (Eurofound)	0.0	98 266.5	98 266.5
European Centre for the Development of Vocational Training (Cedefop)	0.0	17 727.0	17 727.0
European Union Agency for Fundamental Rights (FRA)	0.0	91 528.9	91 528.9
European Investment Bank (EIB) *	0.0	0.0	0.0
European Food Safety Authority (EFSA)	0.0	79 358.5	79 358.5
European Union's Judicial Cooperation Unit (Eurojust)	0.0	40 339.5	40 339.5
European Maritime Safety Agency (EMSA)	0.0	0.0	0.0
European Aviation Safety Agency (EASA)	162.0	0.0	162.0
European Union Agency for Railways (ERA)	0.0	0.0	0.0
European Network and Information Security Agency (ENISA)	0.0	68 562.0	68 562.0
European Centre for Disease Prevention and Control (ECDC)	11 705.0	73 947.5	85 652.5
European Border and Coast Guard Agency (Frontex)	0.0	736 795.5	736 795.5
Education, Audiovisual and Culture Executive Agency (EACEA)	0.0	1 123.5	1 123.5
Executive Agency for Small and Medium-sized Enterprises (EASME)	0.0	0.0	0.0
European Union Agency for Law Enforcement Training (CEPOL)	0.0	2 442.0	2 442.0
Consumers, Health and Food Executive Agency (Chafea)	0.0	0.0	0.0
European GNSS Agency (GSA)	0.0	7 176.0	7 176.0
European Defence Agency (EDA) *	0.0	217.5	217.5
European Chemicals Agency (ECHA)	0.0	159 182.0	159 182.0
European Fisheries Control Agency (EFCA)	0.0	4 698.0	4 698.0
Fusion for Energy Joint Undertaking (F4E JU) *	0.0	360.0	360.0
Innovation and Networks Executive Agency (INEA)	0.0	1 914.0	1 914.0
European Institute of Innovation and Technology (EIT)	0.0	0.0	0.0
European Research Council Executive Agency (ERCEA)	0.0	742.5	742.5
Research Executive Agency (REA)	0.0	9 460.0	9 460.0
Clean Sky 2 Joint Undertaking (CS 2 JU) *	0.0	0.0	0.0
European Institute for Gender Equality (EIGE)	1 886.0	14 145.0	16 031.0
SESAR Joint Undertaking (SESAR JU) *	3 001.5	0.0	3 001.5
Innovative Medicines Initiative 2 Joint Undertaking (IMI 2 JU) *	0.0	92.0	92.0
Fuel Cells and Hydrogen 2 Joint Undertaking (FCH 2 JU) *	0.0	0.0	0.0
European Asylum Support Office (EASO)	0.0	489 770.5	489 770.5
Agency for the Cooperation of Energy Regulators (ACER)	0.0	15 064.0	15 064.0
European Securities and Markets Authority(ESMA)	0.0	16 974.0	16 974.0
European Banking Authority (EBA)	0.0	261.0	261.0
European Insurance and Occupational Pensions Authority (EIOPA)	0.0	37 899.0	37 899.0

Office of the Body of European Regulators for Electronic Communications (BEREC)	0.0	117.0	117.0
European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA)	0.0	4 048.0	4 048.0
Electronic Components and Systems for European Leadership Joint Undertaking (ECSEL JU) *	0.0	0.0	0.0
Single Resolution Board (SRB) *	127 532.0	29 055.0	156 587.0
Secretariat-General of the European Schools (EURSC)	1 066.0	0.0	1 066.0
Bio-based Industries Joint Undertaking (BBI JU) *	615.0	0.0	615.0
Shift2Rail Joint Undertaking (S2R JU) *	92.0	0.0	92.0
European High Performance Computing (EUROHPC)	0.0	0.0	0.0
European Labour Authority (ELA)	0.0	192 275.5	192 275.5
European Health and Digital Executive Agency (HaDEA) and European Public Prosecutor Office (EPPO) (new clients)	0.0	12 303.0	12 303.0
European Commission – DG Employment, Social Affairs and Inclusion (DG EMPL) + DG GROW	0.0	44 911.0	44 911.0
European Parliament	6 155.0	1 455.0	7 610.0
Council of the European Union (Council)	0.0	0.0	0.0
European Court of Auditors (ECA)	67 789.0	7 125.0	74 914.0
Committee of the Regions of the European Union (COR)	0.0	0.0	0.0
European Economic and Social Committee (EESC)	4 062.0	0.0	4 062.0
Court of Justice of the European Union (CJEU)	0.0	918.0	918.0
European Central Bank (ECB) *	1 566.0	9 588.0	11 154.0
European Ombudsman (Ombudsman)	0.0	17 104.5	17 104.5
European Data Protection Supervisor (EDPS)	0.0	7 047.0	7 047.0
Interinstitutional projects with the institutions (IATE)	1 715.3	0.0	1 715.3
Total	227 346.8	3 659 704.7	3 887 051.5
Other receivables from Court of Justice (liaison account)	3 041.0	0.0	3 041.0
Grand total	230 387.7	3 659 704.7	3 890 092.5

*Non-consolidated entity

Accrued income from EU institutions represents income from invoices drawn up in January 2022 for translations delivered to clients in December 2021. The information on the average payment date is included in the budget implementation set out in Chapter B.7. 'Budget revenue from operational activities 2021.

Credit risk disclosure

The credit risk of receivables is low, as the Centre's clients are European agencies, bodies and institutions. All receivables fall into the category not past due and not impaired.

Currency risk disclosure

The Centre is not exposed to currency risk as all receivables are in euro.

Note 6: Deferred expenses

in EUR

	2021	2020	% change
Deferred expenses	226 112.8	289 313.7	-21.8%
Total	226 112.8	289 313.7	-21.8%

Deferred expenses consist of expenses paid by the Centre in the current year that relate to future accounting periods. Most of them refer to maintenance of software licenses and subscriptions.

Note 7: Sundry receivables

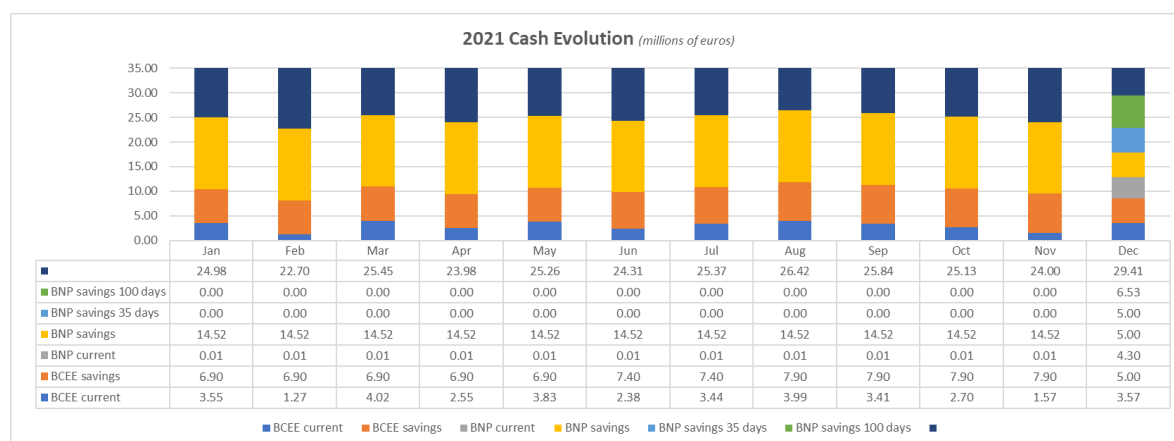
	2021	2020	% change
Sundry receivables	98 789.9	124 330.7	-20.5%
Total	98 789.9	124 330.7	-20.5%

The balance of sundry receivables contains short-term staff-related receivables as well as short-term dues from the CPE Foyer (day care facility).

Note 8: Cash and cash equivalents

The treasury is managed by the Centre's Accounting Officer. The investments are made on the basis of the Centre's treasury management policy, evaluations of the inter-banking market rates and cash forecasts.

The Centre was informed in November 2021 that the thresholds up to which no negative interest would not be applied will be lowered from January 1st, 2022. After a careful analysis the funds were re-allocated among the accounts in order to minimise the negative impact. Moreover, the Centre will attempt to open additional accounts in 2022 with other banks in order to try to stay below the negative interest limits.



Breakdown of the cash balance

in EUR

Year	2021	2020	% change
Cash in bank – current accounts	7 874 809.9	4 775 882.9	64.9%
Cash in bank – saving accounts	14 999 984.2	21 424 112.0	-30.0%
Cash in hand	0.0	0.0	n/a
Total cash and cash equivalents	22 874 794.2	26 199 994.9	-12.7%
Term deposits expiring within one year	6 530 700.2	1 753.8	372265.8%
Total cash, including term deposits	29 405 494.3	26 201 748.8	12.2%

Credit risk disclosure

in EUR

Bank	Long-term credit rating (Moody's)	Long-term credit rating (S&P)	Long-term credit rating Fitch	Balance of cash and cash equivalents
Banque et Caisse d'Épargne de l'État	Aa2	AA+		8 574 825.2
BNP Paribas	Aa2		A+	20 830 669.2
TOTAL				29 405 494.3

Currency risk disclosure

The Centre is not exposed to currency risk as all cash balances are in euro.

Note 9: Accrued expenses

in EUR

Accrued expenses	2021	2020	% change
Accrued expenses based on carryover analysis	1 792 200.0	1 243 695.0	44.1%
Leave not taken by staff	419 000.0	529 000.0	-20.8%
Total	2 211 200.0	1 772 695.0	24.7%

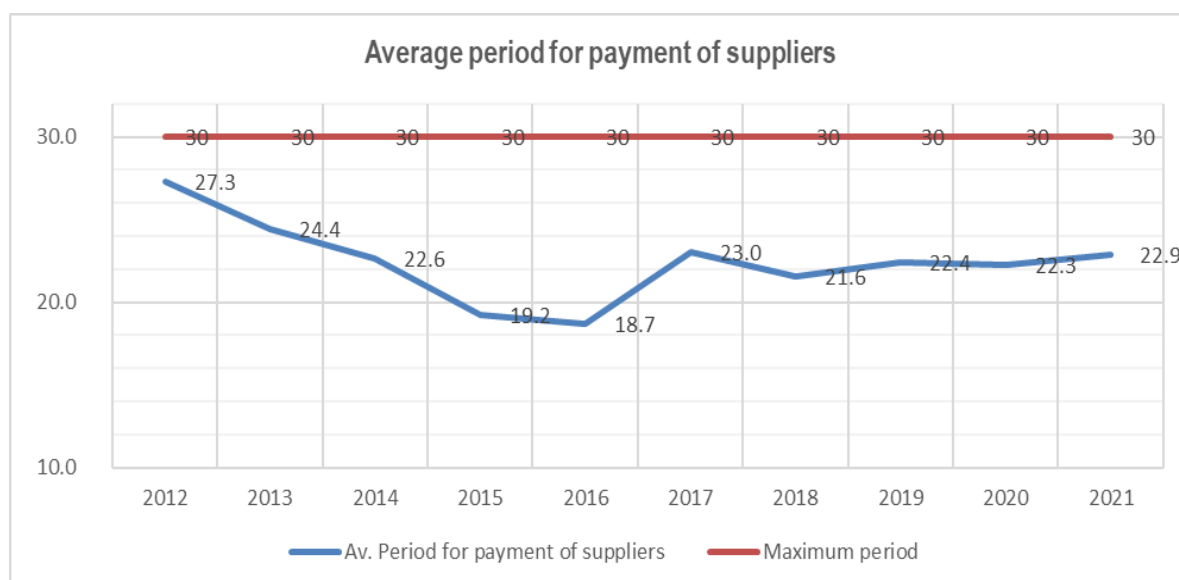
Leave not taken by staff

Leave not taken by staff	2021	2020	% change
Number of days not taken	1 472.6	1 921.6	-23.4%
Financial evaluation of leave not taken (in Euro)	419 000.0	529 000.0	-20.8%

The accrued liability for untaken leave is calculated based on the number of days of unused holidays not taken by staff at year-end and their average salary. Compared to 2020, the number of untaken days decreased by 23.34% resulting in 20.8% decrease in the respective liability.

Note 10: Suppliers

Due to the extremely low or negative interest rates on the financial markets, in 2015 the Centre abandoned the application of a target payment deadline to suppliers of 30 days. Since 2015, the payment has been executed as soon as possible after the payment workflow in the budget accounting process has been completed. The average period for the payment of suppliers is almost identical to that of 2020 (around 22 days).



Currency risk disclosure

The Centre is not exposed to currency risk as all receivables and liabilities are in euro.

Note 11: Pre-financing received

in EUR

Clients	2021	2020	% change
European Insurance and Occupational Pensions Authority (EIOPA)	20 390.4		
European Institute for Gender Equality (EIGE)	11 316.0	18 386.4	-38.5%
European Asylum Support Office (EASO)	2 103 135.2	1 186 303.5	77.3%
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	70 200.0		
European Chemicals Agency (ECHA)	291 802.8	215 180.2	35.6%
TOTAL	2 496 844.4	1 419 870.1	75.9%

The advance payment mechanism allows the Centre to request pre-financing from clients before the translation service is completed. The pre-financing amounts to 80% of the cost of the translation requests sent to the Centre that are pending as of 30 November.

By year-end, eleven clients had signed an amendment to the agreement allowing the collection of advance payments, and five clients had sent advances to the Centre with a total value of EUR 2 496 844.4 of which EUR 197 640.01 are related to 2020. The advances will be cleared with the translation services invoiced in 2022.

Note 12: Other liabilities

in EUR

	2021	2020	% change
Other liabilities	36 093.2	37 950.5	-4.9%
Total	36 093.2	37 950.5	-4.9%

Other liabilities consist of short-term staff-related liabilities.

Note 13: Reserves – Permanent pre-financing fund

Article 67(a) of the Centre's Financial Regulation provides for a permanent pre-financing fund that guarantees financing for the proper functioning of the Centre until invoiced amounts have been received from clients. In accordance with Article 57(a) of the Regulation laying down detailed rules for the implementation of the Centre's Financial Regulation, the amount of this fund may not be less than four twelfths of the appropriations for the financial year, excluding 'Reserves' in Title 10.

The statutory reserves (i.e. the permanent pre-financing fund) recognised under accounting rules in the financial statements should be distinguished from the budgetary reserves (i.e. the reserves for stability pricing and for exceptional investments) as listed in Chapter B.5 'Budget outturn' that do not fulfil the criteria for reserves in general accounting.

The balance of the permanent pre-financing fund has remained the same since 2010.

in EUR	
Permanent pre-financing fund	Amount
Initial allocation	5 006 840.00
2003 allocation	3 322 850.33
2004 allocation	1 431 500.00
2005 allocation	0.00
2006 allocation	0.00
2007 allocation	999 143.00
2008 allocation	2 406 368.00
2009 allocation	1 196 465.00
2010 allocation	2 166 300.00
2011 allocation	0.00
2012 allocation	0.00
2013 allocation	0.00
2014 allocation	0.00
2015 allocation	0.00
2016 allocation	0.00
2017 allocation	0.00
2018 allocation	0.00
2019 allocation	0.00
2020 allocation	0.00
2021 allocation	0.00
Total	16 529 466.33

Note 14: Translations (including modification, editing and revision)

in EUR

Clients	2021	2020	% change
European Environment Agency (EEA)	252 012.0	300 629.3	-16.2%
European Training Foundation (ETF)	403 842.5	181 305.0	122.7%
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	285 070.8	123 823.5	130.2%
European Medicines Agency (EMA)	3 180 942.3	3 459 365.8	-8.0%
European Agency for Safety and Health at Work (EU-OSHA)	993 182.0	1 248 441.4	-20.4%
European Union Intellectual Property Office (EUIPO)	4 730 469.9	4 017 420	17.7%
European Union Intellectual Property Office (EUIPO) Trade Marks	10 894 532.7	12 186 479.4	-10.6%
Community Plant Variety Office (CPVO)	39 182.0	75 961.2	-48.4%
European Union Agency for Law Enforcement Cooperation (Europol)	54 736.1	96 096.9	-43.0%
European Foundation for the Improvement of Living and Working Conditions (Eurofound)	566 405.0	434 912.0	30.2%
European Centre for the Development of Vocational Training (Cedefop)	93 172.5	151 522.6	-38.5%
European Union Agency for Fundamental Rights (FRA)	1 092 416.9	1 097 882.7	-0.5%
European Investment Bank (EIB)*	3 140.9	8 468.5	-62.9%
European Food Safety Authority (EFSA)	354 973.9	181 529.8	95.5%
European Union's Judicial Cooperation Unit (Eurojust)	845 389.9	547 835.8	54.3%
European Maritime Safety Agency (EMSA)	119 951.0	250 260.0	-52.1%
European Aviation Safety Agency (EASA)	162.0	2 585.0	-93.7%
European Union Agency for Railways (ERA)	77 763.1	332 407.8	-76.6%
European Network and Information Security Agency (ENISA)	464 453.2	75 392.1	516.1%
European Centre for Disease Prevention and Control (ECDC)	772 575.4	680 859.2	13.5%
European Border and Coast Guard Agency (Frontex)	1 338 969.7	1 293 216.7	3.5%
Education, Audiovisual and Culture Executive Agency (EACEA)	292 201.0	350 729.5	-16.7%
Executive Agency for Small and Medium-sized Enterprises (EASME)	18 916.5	48 278.6	-60.8%
European Union Agency for Law Enforcement Training (CEPOL)	21 776.3	13 906.6	56.6%
Consumers, Health and Food Executive Agency (Chafea)	353 707.0	1 195 606.1	-70.4%
European GNSS Agency (GSA)	55 312.0	17 274.9	220.2%
European Defence Agency (EDA)*	13 629.0	45 739.0	-70.2%
European Chemicals Agency (ECHA)	1 783 777.4	1 340 594.0	33.1%
European Fisheries Control Agency (EFCA)	268 169.0	370 637.0	-27.6%
Fusion for Energy Joint Undertaking (F4E JU) *	11 148.0	37 592.8	-70.3%
Innovation and Networks Executive Agency (INEA)	9 482.0	52 304.6	-81.9%
European Institute of Innovation and Technology (EIT)	3 790.0	7 520.0	-49.6%
European Research Council Executive Agency (ERCEA)	10 644.0	1 034.0	929.4%
Research Executive Agency (REA)	145 369.8	14 840.3	879.6%
Clean Sky 2 Joint Undertaking (CS 2 JU) *	2 337.0	1 859.8	25.7%
European Institute for Gender Equality (EIGE)	41 952.0	172 212.2	-75.6%
SESAR Joint Undertaking (SESAR JU) *	4 915.5	6 977.5	-29.6%
Innovative Medicines Initiative 2 Joint Undertaking (IMI 2 JU) *	4 633.0	470.0	885.7%
Fuel Cells and Hydrogen 2 Joint Undertaking (FCH 2 JU) *	1 914.0	0.0	
European Asylum Support Office (EASO)	3 643 701.7	2 391 433.7	52.4%
Agency for the Cooperation of Energy Regulators (ACER)	218 811.7	248 610.7	-12.0%
European Securities and Markets Authority(ESMA)	578 897.3	715 863.4	-19.1%
European Banking Authority (EBA)	1 205 211.5	841 996.8	43.1%
European Insurance and Occupational Pensions Authority (EIOPA)	122 688.5	165 167.0	-25.7%
Office of the Body of European Regulators for Electronic Communications (BEREC)	33 167.1	36 375.4	-8.8%

European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA)	992 009.9	912 168.9	8.8%
Electronic Components and Systems for European Leadership Joint Undertaking (ECSEL JU) *	2 001.0	1 081.0	85.1%
Single Resolution Board (SRB) *	1 305 934.1	1 091 746.1	19.6%
Secretariat-General of the European Schools (EURSC)	105 505.4	45 613.5	131.3%
Bio-based Industries Joint Undertaking (BBI JU) *	3 564.0	22 229.0	-84.0%
Shift2Rail Joint Undertaking (S2R JU) *	12 288.0	0.0	
European Labour Authority (ELA)	1 620 948.4	122 859.9	1219.3%
European Commission – DG Employment, Social Affairs and Inclusion (DG EMPL) + DG GROW	494 992.7	1 934 304.1	-74.4%
Council of the European Union (Council)	85 378.5	14 521.5	487.9%
European Court of Auditors (ECA)	213 075.1	20 787.5	925.0%
Committee of the Regions of the European Union (COR)	318.0	5 783.0	-94.5%
European Economic and Social Committee (EESC)	10 058.0	3 257.3	208.8%
Court of Justice of the European Union (CJEU)	8 596.0	14 335.3	-40.0%
European Central Bank (ECB)*	59 267.2	53 849.0	10.1%
European Ombudsman (Ombudsman)	241 564.3	297 957.9	-18.9%
European Data Protection Supervisor (EDPS)	1 950 674.5	1 567 238.4	24.5%
European Health and Digital Executive Agency (HaDEA)and European Public Prosecutor Office (EPPO) (new clients)	1 000 769.3		
European Parliament	40 545.5		
TOTAL	43 556 984.5	40 931 149.7	6.4%

*Non-consolidated entity

The revenue for translation services is invoiced to clients on the basis of an agreed unit price per page and on the number of pages translated by the Centre.

Note 15: Interinstitutional cooperation – IATE database

in EUR

Clients	2021	2020	% change
European Investment Bank (EIB)*	3 303.9	3 274.2	0.9%
European Commission (EC)	264 315.7	261 938.7	0.9%
European Parliament (EP)	132 157.8	130 969.4	0.9%
Council of the European Union (Council)	99 118.4	98 227.0	0.9%
European Court of Auditors (ECA)	16 519.7	16 371.2	0.9%
Committee of the Regions of the European Union (CoR)	21 145.3	20 955.1	0.9%
European Economic and Social Committee (EESC)	31 717.9	31 432.7	0.9%
Court of Justice of the European Union (CJEU)	59 471.0	58 936.2	0.9%
European Central Bank (ECB)*	6 607.9	6 548.5	0.9%
TOTAL	634 357.6	628 652.9	0.9%

*Non-consolidated entity

The InterActive Terminology for Europe (IATE) database is a tool for terminology work used by the EU's translation services. The project's objective is to provide a web-based infrastructure for all EU terminology resources. The Centre is responsible for managing the IATE administration and technical support. The administration and development costs are invoiced to the institutions involved in the project.

Note 16: Terminology

in EUR

Clients	2021	2020	% change
European Environment Agency (EEA)	0.0	50 400.0	-100.0%
European Asylum Support Office (EASO)	72 000.0	34 200.0	110.5%
European Commission – DG Employment, Social Affairs and Inclusion (DG EMPL) + DG GROW	0.0	1 147 500.0	-100.0%
European Court of Auditors (ECA)	11 137.5	0.0	
European Union Intellectual Property Office (EUIPO)	16 425.0	13 050.0	25.9%
Agency for the Cooperation of Energy Regulators (ACER)	787.5		
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	-24 300.0	0.0	
TOTAL	76 050.0	1 245 150.0	-93.9%

The revenue for terminology services is invoiced to clients on the basis of an agreed unit price per man-day and on the number of days spent on the terminology work by the Centre.

Note 17: Term lists

in EUR

Clients	2021	2020	% change
European Medicines Agency (EMA)	46 808.0	3 176.0	1373.8%
European Agency for Safety and Health at Work (EU-OSHA)	2 496.0	1 152.0	116.7%
European Union Intellectual Property Office (EUIPO)	165 196.0	132 796.0	24.4%
Community Plant Variety Office (CPVO)	92.0	88.0	4.5%
European Centre for the Development of Vocational Training (Cedefop)	368.0	648.0	-43.2%
European Border and Coast Guard Agency (Frontex)	1 288.0	3 312.0	-61.1%
Consumers, Health and Food Executive Agency (Chafea)	0.0	968.0	-100.0%
European Maritime Safety Agency (EMSA)	828.0	820.0	1.0%
European Food Safety Authority (EFSA)	0.0	1 852.0	-100.0%
European Institute for Gender Equality (EIGE)	92.0	0.0	
European Environment Agency (EEA)	832.0	760.0	9.5%
European Labour Authority (ELA)	4 572.0	385.0	1087.5%
European Chemicals Agency (ECHA)	4 748.0	6 780.0	-30.0%
European Asylum Support Office (EASO)	1 564.0	1 196.0	30.8%
European Commission – DG Employment, Social Affairs and Inclusion (DG EMPL) + DG GROW	0.0	36 236.0	-100.0%
European Fisheries Control Agency (EFCA)	276.0	184.0	50.0%
SESAR Joint Undertaking (SESAR JU)*	0.0	0.0	
Innovative Medicines Initiative 2 Joint Undertaking (IMI 2 JU)*	276.0	92.0	200.0%
European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA)	1 264.0	552.0	129.0%
Single Resolution Board (SRB)*	2 548.0	736.0	246.2%
Office of the Body of European Regulators for Electronic Communications (BEREC)	184.0	92.0	100.0%
Shift2Rail Joint Undertaking (S2R JU)*	276.0	0.0	
European Centre for Disease Prevention and Control (ECDC)	700.0	0.0	
Bio-based Industries Joint Undertaking (BBI JU)*	92.0	0.0	
European Central Bank (ECB)*	0.0	0.0	
Agency for the Cooperation of Energy Regulators (ACER)	276.0	92.0	200.0%
TOTAL	234 776.0	191 917.0	22.3%

*Non-consolidated entity

The revenue for term list services is invoiced to clients on the basis of an agreed unit price per term and on the number of terms translated by the Centre.

Note 18: Subtitling

in EUR

Clients	2021	2020	% change
European Agency for Safety and Health at Work (EU-OSHA)	34 563.0	17 794.0	94.2%
European Union Agency for Fundamental Rights (FRA)	0.0	4 592.0	-100.0%
European Food Safety Authority (EFSA)	82.0	123.0	-33.3%
European Chemicals Agency (ECHA)	21 689.0	16 031.0	35.3%
European Union Intellectual Property Office (EUIPO)	41 164.0	1 968.0	1991.7%
European Centre for Disease Prevention and Control (ECDC)	3 075.0	0.0	
Bio-based Industries Joint Undertaking (BBI JU)	615.0	0.0	
European Border and Coast Guard Agency (Frontex)	7 134.0	2 829.0	152.2%
European Commission – (DG EMPL and DG JUST)	0.0	0.0	
European Institute for Gender Equality (EIGE)	4 715.0	14 145.0	-66.7%
European Asylum Support Office (EASO)	24 190.0	7 175.0	237.1%
Innovative Medicines Initiative 2 Joint Undertaking (IMI 2 JU)	0.0	410.0	-100.0%
European Training Foundation (ETF)	328.0	697.0	-52.9%
European Union's Judicial Cooperation Unit (Eurojust)	22 673.0		
TOTAL	160 228.0	65 764.0	143.6%

The revenue for subtitling is invoiced to clients on the basis of an agreed unit price per minute of source video and per target language.

Note 19: Other

in EUR

Clients	2021	2020	% change
European Union Intellectual Property Office (EUIPO)	40.0		
European Environment Agency (EEA)	0.0	2 025.0	
European Union Agency for Law Enforcement Cooperation (Europol)	18 000.0		
European Union Agency for Fundamental Rights (FRA)	99 810.5	6 405.0	1458.3%
European Investment Bank (EIB)	4 077.0	358.0	1038.8%
European Network and Information Security Agency (ENISA)	68 562.0		
European Border and Coast Guard Agency (Frontex)	900.0		
European Fisheries Control Agency (EFCA)	3 884.5		
Research Executive Agency (REA)	3 375.0		
Agency for the Cooperation of Energy Regulators (ACER)	900.0		
European Labour Authority (ELA)	450.0		
European Public Prosecutor Office (EPPO)	50 000.0		
European Commission – DG Employment, Social Affairs and Inclusion (DG EMPL) + DG GROW	10 000.0		
TOTAL	259 999.0	8 788.0	2858.6%

Note 20: Financial contribution for rent from the Luxembourg government – non-exchange revenues

Since 2013, the Centre has received an annual financial contribution from the Luxembourg government of EUR 243 250 in order to compensate for the increased rental costs of the Technopolis (former Drosbach) building compared with the rental costs paid previously to the Luxembourg government for the Nouvel Hémicycle building.

A new building contract was signed in 2021. This has made it possible to reduce the space occupied in order to reduce costs and give the possibility of teleworking to all staff. As a consequence of this new building contract, a financial contribution from the Luxembourg Government has been adjusted down to EUR 170.000 per year.

The financial contribution is the only revenue that fulfils the criteria of non-exchange revenue. All other revenue is considered to be revenue in exchange for services rendered by the Centre.

Note 21: Miscellaneous revenue

Miscellaneous revenue mainly represents revenue from the subletting of the Centre's offices, parking spaces, data centre and from recovery of expenses paid in previous accounting period as well as the impact of the work in progress.

Note 22: Staff expenses

in EUR

Type of expense	2021	2020	% change
Staff costs (excluding ENDS and other experts)	15 995 037.4	15 889 458.0	0.7%
Pensioners and temporary unemployment	4 057 605.5	3 886 523.1	4.4%
Staff requisites and social activities	3 302.6	0.0	
Allowances (excluding ENDS and other experts)	4 196 492.9	3 971 232.4	5.7%
TOTAL	24 252 438.3	23 747 213.4	2.1%

The main reason for the increase in personnel costs is the increase in the amounts spent on active staff and the financial contribution to the European Schools. Compared to 2020, salary costs have increased by 3.7% accounting for a salary indexation of 1.9%, promotions, recruitments and step advancements. The 2021 figure indicated above is net of EUR 530 000 which was capitalized under the new e-Cdt project

The change in basic salaries has an impact on overall staff costs, pensions and unemployment contributions and allowances. The main allowances are family allowances, expatriation and foreign residence allowances, travel expenses for annual leave and allowances linked to recruitment or departing staff members.

Note 23: Administrative expenses

in EUR

Type of expense	2021	2020	% change
Rent of land & buildings	2 267 010.4	2 381 663.5	-4.8%
Operating lease expenses	156 040.1	132 716.4	17.6%
Maintenance & security – building	601 827.2	655 661.3	-8.2%
Insurance building	0.0	7 889.5	-100.0%
Office supplies & maintenance	1 387 347.5	1 391 145.0	-0.3%
Communications & publications	175 024.9	200 327.3	-12.6%
Publicity and legal expenses	18 046.2	10 000.0	80.5%
Insurance – others	22 301.2	8 021.4	178.0%
Transport expenses & transport expenses	-874.4	875.7	-199.8%
Recruitment costs	22 545.3	27 101.3	-16.8%
Training costs	78 198.5	67 219.4	16.3%
Missions	500.0	5 606.7	-91.1%
Experts and related expenditure	0.0	-434.7	-100.0%
External operational IT costs	1 674 030.7	2 449 563.4	-31.7%
Other external non-IT services	259 829.3	352 425.0	-26.3%
Expenses with other consolidated entities	714 682.7	672 465.5	6.3%
Depreciation of fixed assets	156 508.4	158 007.6	-0.9%
Other	0.0	85.0	-100.0%
TOTAL	7 533 017.7	8 520 339.2	-11.6%

The overall expenditure is lower (EUR 987 321.5) than that of 2020 mainly due to the savings resulting from the new lease of the office space and the partial capitalisation of the external IT costs under the new eCdt project (EUR 669 453).

All other expenses are similar to those of 2020.

Note 24: Operational expenses

in EUR

	2021	2020	% change
Externalised translation orders in pages	480 035	467 455	2.7%
Externalised translation orders in Euro	10 403 131.2	10 031 623.2	3.7%

Operational expenses comprise direct operational costs relating to the Centre's core activity of translation. The costs of translations undertaken by external language service providers are recorded under operational expenses. The translations are carried out on the basis of framework contracts or negotiated procedures with external language service providers. The price of translations resulting from the tender procedures depends on the language combination, domain and type of translation (translation, modification, revision, editing, EU trade mark, Community design, term list or terminology).

Operational expenses increased slightly by 3.7% in 2021 compared to 2020 reflecting the latest negotiated prices with the suppliers while the volume has slightly increased by 2.7%.

A.6 Other information

Number of employees

The following table summarises the number of staff members for the years ended 31 December 2021 and 31 December 2020, as set out in the establishment plan (including 2 Assistant Secretaries-AST/SC):

Number of staff		
	2021	2020
Administrator	132	130
Assistant	50	55
<i>Total</i>	184	185

In addition to the staff defined in the establishment plan, the Centre also employs contract and agency staff. A detailed breakdown of the Centre's total staff, as at 31 December 2021, is set out in the following table:

Number of staff					
	Officials	Temporary agents	Contract agents	Agency staff	Total
Administrator	41	91	5	0	137
Assistant	6	44	16	12*	78
<i>Total</i>	47	135	21	12	215

* For Agency staff we give the number for "Structural Service Providers"

The Management Board

The members of the Management Board do not receive any payment for their duties, except the reimbursement of travel expenses that are paid only to the Member State representatives.

Related party transactions

The Centre's key management staff as at 31 December 2021 was as follows:

Grade	Number of staff
AD 14	1
AD 13	1
AD 12	2
AD 10	1
<i>Total</i>	5

The remuneration of key management staff is in accordance with the Staff Regulations of Officials of the European Union.

Contingent assets, contingent liabilities and other significant disclosures

a) Contingent assets and liabilities

The Centre has not recognised any contingent assets in 2021.

One contingent liability has been recognised related to a court case which was on-going at the end of 2021. The potential amount to be paid, if the case is lost, might amount up to EUR 125 000.

b) Performance guarantees

The Centre currently has one 'performance guarantee' that assure recovery of damages related to the execution of the contract with the service provider, as summarised below:

Company	Contract No	Guarantee No	Guarantee amount (EUR)	Start date	Expiry date
ISS	CDT/NET20 (lot 1)	BRUSGO0024845	5 721.80	-	30 days after expiry of contract

c) Commitments against appropriations not yet consumed

The budgetary RAL (*Reste à liquider*) is an amount representing commitments carried over for which payments have not yet been made. This is the usual consequence if there is a carryover of credit appropriations. On 31 December 2021, the budgetary RAL totalled EUR 3 726 071.

The accounting RAL is the part of the budgetary RAL that has not yet been consumed via the cut-off (year-end accruals). The year-end accruals that have been included as expenses in the statement of financial performance 2021 amount to EUR 2 211 200. Therefore, the accounting RAL amounts to EUR 1 514 871.

d) Operating leases

Description	Start date	Expiry date	Total lease value	Payments made in the current year	Outstanding payments due		
					Up to one year	One to five years	> 5 years
BMW Gran Tourer 2020	16/06/2020	15/06/2024	19 285.4	4 419.6	4 821.4	7 232.0	0.0
Leasing Server/Cancom OF 0356 et 0356A	05/07/2020	04/07/2025	75 099.6	39 356.5	16 826.6	43 468.8	0.0
System storage/Comlin OF 8004	01/01/2017	31/12/2021	283 592.2	60 025.1	0.0	0.0	0.0
System storage/Comlin OF 8005	01/01/2017	31/12/2021	283 592.2	316 199.7	0.0	0.0	0.0
Operating lease office space plus parking	20/10/2021	19/10/2030	13 659 827.9	316 199.7	1 517 758.7	6 071 034.6	5 754 834.9
Rent EBRC	01/04/2021	31/03/2023	685 558.2	263 928.5	337 303.8	84 326.0	0.0
Rent racks ERBC	12/06/2021	11/09/2022	122 010.2	51 633.2	70 377.0	0.0	0.0
Total			15 128 965.8	1 051 762.2	1 947 087.4	6 206 061.4	5 754 834.9

e) Other off-balance sheet commitments

As at 31 December 2021, the Centre had no other off-balance sheet commitments.

f) Post balance sheet events

No significant events occurred subsequent to the balance sheet date that would have a material impact on the financial statements.

REPORT ON THE IMPLEMENTATION OF THE BUDGET OF THE TRANSLATION CENTRE

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B.1. Budgetary principles

In implementing its budget, the Centre applies the following budgetary principles in accordance with its Financial Regulation:

- (a) Principle of unity and of budget accuracy
- (b) Principle of annuality
- (c) Principle of equilibrium
- (d) Principle of unit of account
- (e) Principle of universality
- (f) Principle of specification
- (g) Principle of sound financial management.

B.2. Type of appropriations

The Centre makes use of non-differentiated appropriations for its budget.

The Centre makes use of the automatic carryover of appropriations.

The Centre does not account for assigned revenue.

B.3. Budget expenditure implementation 2021 and use of appropriations C1

in EUR

Chapter	Heading	Budget appropriation (1)	Executed commitments (2)	% committed (2/1)	Appropriations cancelled (1-2)	Executed payments (3)	% paid (3/1)	RAL – appropriations carried forward (2-3)
11	Staff in active employment	26 309 800.00	25 072 114.94	95.30%	1 237 685.06	25 012 879.67	95.07%	59 235.27
13	Missions and duty travel	36 700.00	500.00	1.36%	36 200.00	0.00	0.00%	500.00
14	Socio-medical infrastructure	658 400.00	578 532.66	87.87%	79 867.34	553 027.55	84.00%	25 505.11
16	Social services	71 500.00	42 550.00	59.51%	28 950.00	32 149.01	44.96%	10 400.99
17	Entertainment and representation	2 500.00	226.00	9.04%	2 274.00	226.00	9.04%	0.00
TITLE 1	STAFF	27 078 900.00	25 693 923.60	94.89%	1 384 976.40	25 598 282.23	94.53%	95 641.37
20	Rental of buildings and associated costs	3 174 800.00	3 015 365.12	94.98%	159 434.88	2 762 357.38	87.01%	253 007.74
21	Data processing	4 583 400.00	4 123 718.89	89.97%	459 681.11	2 936 523.63	64.07%	1 187 195.26
22	Movable property and associated costs	61 700.00	33 276.89	53.93%	28 423.11	23 852.77	38.66%	9 424.12
23	Current administrative expenditure	276 600.00	209 618.44	75.78%	66 981.56	154 510.98	55.86%	55 107.46
24	Postage and telecommunications	258 100.00	182 933.38	70.88%	75 166.62	140 009.87	54.25%	42 923.51
25	Expenditure on meetings	22 000.00	0.00	0.00%	22 000.00	0.00	0.00%	0.00
26	Expenditure on Management Board meetings	57 500.00	25 132.00	43.71%	32 368.00	24 862.00	43.24%	270.00
27	Consultations and studies	100 000.00	0.00	0.00%	100 000.00	0.00	0.00%	0.00
TITLE 2	BUILDINGS, EQUIPMENT AND SUNDRY OPERATING EXPENDITURE	8 534 100.00	7 590 044.72	88.94%	944 055.28	6 042 116.63	70.80%	1 547 928.09
30	External translation and related services	11 045 000.00	10 241 218.03	92.72%	803 781.97	8 373 093.10	75.81%	1 868 124.93
31	Interinstitutional cooperation	739 100.00	718 353.22	97.19%	20 746.78	503 976.21	68.19%	214 377.01
32	Expenditure relating to the e-CDT programme	67 500.00	56 668.80	83.95%	10 831.20	56 668.80	83.95%	0.00
TITLE 3	OPERATIONAL EXPENDITURE	11 851 600.00	11 016 240.05	92.95%	835 359.95	8 933 738.11	75.38%	2 082 501.94
TITLE 10	RESERVES	5 567 143.00	0.00	0.00%	5 567 143.00	0.00	0.00%	0.00
	TOTAL BUDGET	53 031 743.00	44 300 208.37	83.54%	8 731 534.63	40 574 136.97	76.51%	3 726 071.40

B.4. Budget expenditure implementation 2021 and use of appropriations C8

in EUR

Chapter	Heading	Budget appropriation (1)	Executed commitments (2)	% committed (2/1)	Executed payments (3)	% paid (3/1)	Payment appropriations cancelled (1-3)
11	Staff in active employment	85 596.72	85 596.72	100.00%	57 404.16	67.06%	28 192.56
13	Missions and duty travel	0.00	0.00	#DIV/0!	0.00	n/a	0.00
14	Socio-medical infrastructure	28 365.69	28 365.69	100.00%	1 604.68	5.66%	26 761.01
16	Social services	9 163.55	9 163.55	100.00%	4 827.32	52.68%	4 336.23
TITLE 1	STAFF	123 125.96	123 125.96	100.00%	63 836.16	51.85%	59 289.80
20	Rental of buildings and associated costs	232 280.38	232 280.38	100.00%	186 350.68	80.23%	45 929.70
21	Data processing	513 953.28	513 953.28	100.00%	454 675.91	88.47%	59 277.37
22	Movable property and associated costs	12 535.83	12 535.83	100.00%	1 664.67	13.28%	10 871.16
23	Current administrative expenditure	78 815.33	78 815.33	100.00%	44 972.86	57.06%	33 842.47
24	Postage and telecommunications	62 448.12	62 448.12	100.00%	29 654.57	47.49%	32 793.55
25	Expenditure on meetings	9 465.88	9 465.88	100.00%	0.00	0.00%	9 465.88
26	Expenditure on Management Board meetings	0.00	0.00	#DIV/0!	0.00	n/a	0.00
27	Consultations and studies	71 950.00	71 950.00	100.00%	71 950.00	100.00%	0.00
TITLE 2	BUILDINGS, EQUIPMENT AND SUNDRY OPERATING EXPENDITURE	981 448.82	981 448.82	100.00%	789 268.69	80.42%	192 180.13
30	External translation and related services	1 883 866.65	1 883 866.65	100.00%	1 830 390.83	97.16%	53 475.82
31	Interinstitutional cooperation	99 031.85	99 031.85	100.00%	88 691.65	89.56%	10 340.20
32	Expenditure relating to the e-CDT programme	11 097.64	11 097.64	100.00%	11 097.64	100.00%	0.00
TITLE 3	OPERATIONAL EXPENDITURE	1 993 996.14	1 993 996.14	100.00%	1 930 180.12	96.80%	63 816.02
TOTAL BUDGET		3 098 570.92	3 098 570.92	100.00%	2 783 284.97	89.82%	315 285.95

B.5. Budget outturn

in EUR

	2021	2020	% change
Budget revenue	46 560 691.82	43 949 315.08	5.94%
Translation	44 481 369.23	40 641 507.40	9.45%
Terminology	28 350.01	2 052 450.00	-98.62%
Term lists	216 969.00	184 321.00	17.71%
Interinstitutional cooperation – IATE database	632 642.36	628 652.89	0.63%
Subtitling	150 675.00	63 140.00	138.64%
Other operating revenues	192 004.00	8 221.50	2235.39%
Revenue from operations	45 702 009.60	43 578 292.79	4.87%
Financial income	0.00	0.00	n/a
Grant for rent from Luxembourgish Government	170 000.00	243 250.00	-30.11%
Miscellaneous	688 682.22	127 772.29	438.99%
Budget expenditure	44 300 208.37	42 117 318.86	5.18%
<i>Title 1 – Staff</i>			
Payments	25 598 282.23	24 307 005.30	5.31%
Appropriations carried over	95 641.37	123 423.29	-22.51%
<i>Title 2 – Buildings, equipment and miscellaneous operating expenditure</i>			
Payments	6 042 116.63	5 744 052.40	5.19%
Appropriations carried over	1 547 928.09	981 448.82	57.72%
<i>Title 3 – Operational expenditure</i>			
Payments	8 933 738.11	8 967 392.91	-0.38%
Appropriations carried over	2 082 501.94	1 993 996.14	4.44%
Budget outturn for the financial year	2 260 483.45	1 831 996.22	23.39%
Other	315 603.50	407 746.32	-22.60%
Appropriations carried forward and subsequently cancelled	315 583.28	407 982.04	-22.65%
Exchange-rate differences	20.22	-235.72	-108.58%
Balance of the outturn account for the financial year	2 576 086.95	2 239 742.54	15.02%
Outturn for the previous year	4 052 542.68	-2 081 283.86	-294.71%
Allocation to reserves (1)	-5 510 474.20	3 894 084.00	-241.51%
Reserve for pricing stability	-5 567 143.00	0.00	n/a
Usage and cancellation of reserve for pricing stability	0.00	3 705 784.00	-100.00%
Usage of reserve for exceptional investments (e-CdT)	56 668.80	188 300.00	-69.91%
Budget outturn to carry forward	1 118 155.43	4 052 542.68	-72.41%

- (1) The movements on the reserves in 2021 include the re-allocation to the budget reserve for stability pricing (EUR 5 567 143) in order to ensure the financial sustainability of the Center in the future and to allocate the budget outturn carried over from 2020 (EUR 4 052 542) to the 2021 budget outturn. The other movement concerns the usage of part of the budget reserve for exceptional investments (EUR 56 688.80) corresponding to expenditure on the eCdT program in 2021.

Further explanations of the movements of reserves and the permanent prefinancing fund are set out in the table below.

The budget outturn to carry forward of EUR 1 118 155.43 will be incorporated in the amending budget 2022.

RESERVES AND PREFINANCING FUND CREATED FROM THE BUDGET SINCE THE CENTRE'S ESTABLISHMENT

Name of the reserve	Balance 2021	Description of the reserve
Reserve for stability pricing	8 007 996	Reserve created initially in 2011 – the reasons for creating this reserve were, first, to offset the fluctuation of client forecasts, which prevent the Centre from achieving a balanced budget and, second, to maintain reasonable and relatively stable prices for the Centre's clients.
Reserve for exceptional investments	90 509	Reserve established in 2011 for development of the new core business software, 'e-CdT', for increasing the Centre's efficiency.
Reserve for the disputed salary increase	0	Reserve created to cover expenses relating to the Centre's relocation in 2013. The reserve was fully used to cover removal expenses in 2013.
Reserve for relocation expenses	0	Reserve created to cover expenses relating to the Centre's relocation in 2013, namely the physical removal, refurbishment and necessary IT expenditure. The reserve was fully used to cover removal expenses in 2013.
Total temporary reserves created from the budget	8 098 505	
Permanent prefinancing fund	16 529 466	Article 67(a) of the Centre's Financial Regulation provides for a permanent pre-financing fund that guarantees financing for the proper functioning of the Centre; Article 57a of the Regulation laying down detailed rules for the implementation of the Financial Regulation stipulates that the amount of this fund may not be less than four twelfths of the appropriations for the financial year.
Total reserves including prefinancing fund	24 627 971	

in EUR

	Reserve for stability pricing	Reserve for exceptional investments	Reserve for disputed salary increase	Reserve for relocation expenses	Permanent prefinancing fund	Total reserves and permanent prefinancing fund
Balance as at 31 December 2012	4 981 574	4 269 364	0	1 250 000	16 529 466	27 030 404
Allocation to reserves	3 723 567	0	1 480 500	0	0	5 204 067
Use of the reserve	0	-339 106	0	-1 250 000	0	-1 589 106
Balance as at 31 December 2013	8 705 141	3 930 258	1 480 500	0	16 529 466	30 645 365
Allocation to reserves	11 031 061	0	777 000	0	0	11 808 061
Use of the reserve	-4 106 650	-686 002	-2 257 500	0	0	-7 050 152
Balance as at 31 December 2014	15 629 552	3 244 256	0	0	16 529 466	35 403 274
Allocation to reserves	0	0	0	0	0	0
Use of the reserve	-5 046 468	-961 757	0	0	0	-6 008 225
Balance as at 31 December 2015	10 583 084	2 282 499	0	0	16 529 466	29 395 049
Allocation to reserves	2 535 083	0	0	0	0	2 535 083
Use of the reserve	0	-726 363	0	0	0	-726 363
Balance as at 31 December 2016	13 118 167	1 556 136	0	0	16 529 466	31 203 769
Allocation to reserves	0	0	0	0	0	0
Use of the reserve	-3 475 550	-549 758	0	0	0	-4 025 308
Balance as at 31 December 2017	9 642 617	1 006 378	0	0	16 529 466	27 178 461
Allocation to reserves	0	0	0	0	0	0
Use of the reserve	-254 626	-300 000	0	0	0	-554 626
Balance as at 31 December 2018	9 387 991	706 378	0	0	16 529 466	26 623 835
Allocation to reserves	0	0	0	0	0	0
Use of the reserve	-3 241 354	-370 900	0	0	0	-3 612 254
Balance as at 31 December 2019	6 146 637	335 478	0	0	16 529 466	23 011 581

Allocation to reserves	0	0	0	0	0	0
Use of the reserve	-3 705 784	-188 300	0	0	0	-3 894 084
Balance as at 31 December 2020	2 440 853	147 178	0	0	16 529 466	19 117 497
Allocation to reserves	5 567 143	0	0	0	0	5 567 143
Use of the reserve	0	-56 669	0	0	0	-56 669
Balance as at 31 December 2021	8 007 996	90 509	0	0	16 529 466	24 627 971

B.6. Reconciliation of the budget outturn and the economic outturn

The Centre's financial statements are prepared on an accrual basis, with transactions recorded during the period to which they relate. On this basis, the result for the year is indicated in the statement of financial performance. However, the Centre uses a modified cash accounting system for preparing the budget outturn account and for budget reporting. In this system, only the payments made and the revenue received in the period are recorded, together with the payment appropriations that are carried forward. The difference between the budget outturn and the economic outturn is shown in the table below.

	in EUR	
	2021	2020
Economic result for the year	3 307 315.7	1 046 002.9
A. Adjustments for items not included in the budget outturn but included in the economic outturn		
1. Adjustment for accrual cut-off (liabilities)	2 612 941.6	2 560 851.9
2. Reversal of accrual cut-off from previous year	- 2 560 851.9	- 2 444 995.9
3. Amortisation and depreciation of intangible and tangible fixed assets	156 508.4	158 092.6
4. Prefinancing given in previous year and cleared in the year	-	-
5. Prefinancing received in previous year and cleared in the year	- 1 222 230.1	- 347 179.2
6. Recovery orders issued and not yet cashed	- 3 890 092.5	- 3 906 629.1
7. Payments made from carryover of payment appropriations	2 783 285.0	3 215 416.7
8. Change in work in progress	- 39 000.0	419 000.0
9. Accrued interest	-	-
10. Accrued income	-	-
11. Prepaid expenses	63 200.9	- 101 315.9
Subtotal	- 2 096 238.7	- 446 758.9
B. Adjustments for items included in the budget outturn but not included in the economic outturn		
1. Asset acquisitions	- 1 431 853.2	- 135 120.6
2. Budgetary recovery orders issued previously and cashed in the year	3 905 686.5	3 023 871.5
3. Payment appropriations carried over to the following year	- 3 726 071.4	- 3 098 868.3

4. Appropriations carried forward and subsequently cancelled	315 286.0	407 982.0
5. New prefinancing received in the year and remaining open as at year-end	2 299 204.4	1 419 870.1
6. Other temporary differences	2 753.3	22 763.8
Subtotal	1 365 005.6	1 640 498.6
Balance of the budget outturn account for the financial year	2 576 082.6	2 239 742.5

B.7. Budget revenue from operational activities 2021

in EUR

REVENUE SOURCE BY AGENCY- CORRESPONDS TO A BUDGET LINE	TOTAL BUDGETED REVENUES	RECOVERY ORDERS ESTABLISHED IN THE FINANCIAL YEAR	ENTITLEMENTS CARRIED OVER FROM 2020	AMOUNTS RECEIVED ON ENTITLEMENTS CARRIED OVER	AMOUNTS RECEIVED ON 2021 ENTITLEMENTS	AMOUNTS RECEIVED 2021	SUMS STILL TO BE COLLECTED	Average collection date*
	(A)	(B)	(C)	(D)	(E)	(F=D+E)	(G =B+C-F)	(in days)
European Environment Agency (EEA)	198 200.00	212 937.75	0.00	0.00	212 937.75	212 937.75	0.00	-1.39
European Training Foundation (ETF)	98 100.00	368 575.45	0.00	0.00	368 575.45	368 575.45	0.00	-24.65
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	216 700.00	284 832.60	0.00	0.00	284 832.60	284 832.60	0.00	+2.55
European Medicines Agency (EMA)	4 157 000.00	3 403 698.75	0.00	0.00	3 403 698.75	3 403 698.75	0.00	-29.22
European Agency for Safety and Health at Work (EU-OSHA)	660 800.00	1 092 984.45	0.00	0.00	1 092 984.45	1 092 984.45	0.00	-20.79
European Union Intellectual Property Office (EUIPO)	4 240 700.00	4 898 965.70	0.00	0.00	4 898 965.70	4 898 965.70	0.00	-31.11
EUIPO trade marks	11 116 400.00	10 941 718.71	0.00	0.00	10 941 718.71	10 941 718.71	0.00	-29.19
Community Plant Variety Office (CPVO)	38 700.00	32 817.50	0.00	0.00	32 817.50	32 817.50	0.00	-15.00
European Union Agency for Law Enforcement Cooperation (Europol)	324 900.00	76 393.35	0.00	0.00	76 393.35	76 393.35	0.00	-16.25
European Foundation for the Improvement of Living and Working Conditions (Eurofound)	531 600.00	530 961.05	0.00	0.00	530 961.05	530 961.05	0.00	-13.40
European Centre for the Development of Vocational Training (Cedefop)	110 900.00	75 813.50	0.00	0.00	75 813.50	75 813.50	0.00	-11.93
European Union Agency for Fundamental Rights (FRA)	1 260 300.00	1 108 715.05	0.00	0.00	1 108 715.05	1 108 715.05	0.00	-26.23
European Investment Bank (EIB)	3 300.00	7 217.90	0.00	0.00	7 217.90	7 217.90	0.00	-34.80
European Food Safety Authority (EFSA)	225 700.00	283 477.35	0.00	0.00	283 477.35	283 477.35	0.00	-37.31
The European Union's Judicial Cooperation Unit (Eurojust)	1 032 000.00	881 299.75	10 106.30	10 106.30	881 299.75	891 406.05	0.00	-10.89
European Maritime Safety Agency (EMSA)	77 700.00	120 873.00	0.00	0.00	120 873.00	120 873.00	0.00	-24.29
European Aviation Safety Agency (EASA)	32 300.00	162.00	0.00	0.00	0.00	0.00	162.00	+0.00
European Union Agency for Railways (ERA)	300 000.00	116 287.30	0.00	0.00	116 287.30	116 287.30	0.00	-24.55
European Network and Information Security Agency (ENISA)	499 000.00	464 453.20	0.00	0.00	464 453.20	464 453.20	0.00	-29.70
European Centre for Disease Prevention and Control (ECDC)	550 700.00	806 836.35	11 280.00	11 280.00	795 131.35	806 411.35	11 705.00	-9.86
European Border and Coast Guard Agency (Frontex)	3 110 200.00	615 216.40	0.00	0.00	615 216.40	615 216.40	0.00	-26.08
Education, Audiovisual and Culture Executive Agency (EACEA)	567 200.00	310 782.25	0.00	0.00	310 782.25	310 782.25	0.00	-24.92

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REVENUE SOURCE BY AGENCY-	TOTAL BUDGETED REVENUES	RECOVERY ORDERS ESTABLISHED IN THE FINANCIAL YEAR	ENTITLEMENTS CARRIED OVER FROM 2020	AMOUNTS RECEIVED ON ENTITLEMENTS CARRIED OVER	AMOUNTS RECEIVED ON 2021 ENTITLEMENTS	AMOUNTS RECEIVED 2021	SUMS STILL TO BE COLLECTED	Average collection date*
CORRESPONDS TO A BUDGET LINE	(A)	(B)	(C)	(D)	(E)	(F=D+E)	(G =B+C-F)	(in days)
Executive Agency for Small and Medium-sized Enterprises (EASME)	12 500.00	35 589.75	0.00	0.00	35 589.75	35 589.75	0.00	-22.17
European Union Agency for Law Enforcement Training (CEPOL)	81 900.00	19 334.30	0.00	0.00	19 334.30	19 334.30	0.00	-26.71
Consumers, Health, Agriculture and Food Executive Agency (Chafea)	342 400.00	391 896.25	0.00	0.00	391 896.25	391 896.25	0.00	-22.75
European GNSS Agency (GSA)	26 200.00	48 136.00	0.00	0.00	48 136.00	48 136.00	0.00	-19.50
European Defence Agency (EDA)	5 500.00	13 411.50	0.00	0.00	13 411.50	13 411.50	0.00	-35.33
European Chemicals Agency (ECHA)	1 809 800.00	2 018 080.00	0.00	0.00	2 018 080.00	2 018 080.00	0.00	-27.24
European Fisheries Control Agency (EFCA)	304 100.00	267 631.50	0.00	0.00	267 631.50	267 631.50	0.00	-28.60
Fusion for Energy Joint Undertaking (F4E JU)	54 500.00	10 788.00	0.00	0.00	10 788.00	10 788.00	0.00	-25.40
Innovation and Networks Executive Agency (INEA)	23 400.00	20 479.05	0.00	0.00	20 479.05	20 479.05	0.00	-33.33
European Institute of Innovation and Technology (EIT)	8 100.00	3 790.00	0.00	0.00	3 790.00	3 790.00	0.00	-32.00
European Research Council Executive Agency (ERCEA)	40 500.00	9 901.50	0.00	0.00	9 901.50	9 901.50	0.00	-23.60
Research Executive Agency (REA)	802 200.00	139 284.80	0.00	0.00	139 284.80	139 284.80	0.00	-29.13
Clean Sky 2 Joint Undertaking (CS 2 JU)	3 900.00	2 337.00	0.00	0.00	2 337.00	2 337.00	0.00	-35.50
European Institute for Gender Equality (EIGE)	48 900.00	48 902.60	0.00	0.00	47 016.60	47 016.60	1 886.00	-17.00
SESAR Joint Undertaking (SESAR JU)	19 000.00	4 915.50	0.00	0.00	1 914.00	1 914.00	3 001.50	-28.00
Innovative Medicines Initiative 2 Joint Undertaking (IMI 2 JU)	5 400.00	4 817.00	0.00	0.00	4 817.00	4 817.00	0.00	-31.67
Fuel Cells and Hydrogen 2 Joint Undertaking (FCH 2 JU)	6 500.00	1 914.00	0.00	0.00	1 914.00	1 914.00	0.00	-17.00
European Asylum Support Office (EASO)	3 805 400.00	4 398 500.37	0.00	0.00	4 398 500.37	4 398 500.37	0.00	+1.39
Agency for the Cooperation of Energy Regulators (ACER)	265 300.00	205 711.15	0.00	0.00	205 711.15	205 711.15	0.00	-29.43
European Securities and Markets Authority (ESMA)	492 800.00	561 923.25	0.00	0.00	561 923.25	561 923.25	0.00	-11.70
European Banking Authority (EBA)	932 000.00	1 236 511.00	0.00	0.00	1 236 511.00	1 236 511.00	0.00	-23.43
European Insurance and Occupational Pensions Authority (EIOPA)	144 800.00	105 729.90	0.00	0.00	105 729.90	105 729.90	0.00	-37.67
Office of the Body of European Regulators for Electronic Communications (BEREC)	113 200.00	33 415.30	0.00	0.00	33 415.30	33 415.30	0.00	-24.89

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REVENUE SOURCE BY AGENCY-	TOTAL BUDGETED REVENUES	RECOVERY ORDERS ESTABLISHED IN THE FINANCIAL YEAR	ENTITLEMENTS CARRIED OVER FROM 2020	AMOUNTS RECEIVED ON ENTITLEMENTS CARRIED OVER	AMOUNTS RECEIVED ON 2021 ENTITLEMENTS	AMOUNTS RECEIVED 2021	SUMS STILL TO BE COLLECTED	Average collection date*
CORRESPONDS TO A BUDGET LINE	(A)	(B)	(C)	(D)	(E)	(F=D+E)	(G =B+C-F)	(in days)
European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA)	822 700.00	1 413 093.90	0.00	0.00	1 413 093.90	1 413 093.90	0.00	-12.65
Electronic Components and Systems for European Leadership Joint Undertaking (ECSEL JU)	6 300.00	2 001.00	0.00	0.00	2 001.00	2 001.00	0.00	-27.00
Single Resolution Board (SRB)	1 181 900.00	1 367 605.30	0.00	0.00	1 240 073.30	1 240 073.30	127 532.00	-23.50
European Schools (EURSC)	62 900.00	105 505.40	2 209.00	2 209.00	104 439.40	106 648.40	1 066.00	+23.00
Bio-Based Industries Joint Undertaking (BBI JU)	100.00	4 271.00	0.00	0.00	3 656.00	3 656.00	615.00	+19.00
Shift2Rail Joint Undertaking (S2R JU)	8 400.00	12 564.00	0.00	0.00	12 472.00	12 472.00	92.00	-23.60
	100.00	0.00	0.00	0.00	0.00	0.00	0.00	+0.00
European High Performance Computing Joint Undertaken	500.00	0.00	0.00	0.00	0.00	0.00	0.00	+0.00
	1 200 000.00	1 456 966.85	10 189.90	10 189.90	1 456 966.85	1 467 156.75	0.00	+7.64
	2 824 200.00	1 038 466.26	0.00	0.00	1 038 466.26	1 038 466.26	0.00	-17.15
European Commission – (DG EMPL and DG JUST)	1 146 900.00	734 144.65	63 958.00	63 958.00	734 144.65	798 102.65	0.00	-19.72
European Parliament (EP)	28 200.00	39 090.50	1 714.50	1 714.50	32 935.50	34 650.00	6 155.00	+3.44
Council of the European Union (Council)	153 000.00	85 977.50	0.00	0.00	85 977.50	85 977.50	0.00	-32.36
European Court of Auditors (ECA)	34 600.00	217 679.80	0.00	0.00	149 890.80	149 890.80	67 789.00	-11.08
Committee of the Regions of the European Union	0.00	318.00	0.00	0.00	318.00	318.00	0.00	-24.33
European Economic and Social Committee	0.00	10 318.00	0.00	0.00	6 256.00	6 256.00	4 062.00	+54.00
Court of Justice of the European Union (CJEU)	1 900.00	18 335.50	0.00	0.00	18 335.50	18 335.50	0.00	-31.20
European Central Bank (ECB)	58 800.00	49 679.20	47.00	47.00	48 113.20	48 160.20	1 566.00	-2.57
European Ombudsman (Ombudsman)	189 900.00	266 430.75	0.00	0.00	266 430.75	266 430.75	0.00	-28.25
European Data Protection Supervisor (EDPS)	1 242 600.00	2 155 027.35	0.00	0.00	2 155 027.35	2 155 027.35	0.00	-16.69
Interinstitutional projects with the institutions (IATE)	689 100.00	634 357.62	0.00	0.00	632 642.36	632 642.36	1 715.26	-24.71
TOTAL REVENUE FROM OPERATIONS	48 352 800.00	45 829 851.66	99 504.70	99 504.70	44 969 862.54	45 702 009.60	227 346.76	-12.23

*Payments before the due date give a negative figure (in blue); payments after the due date give a positive figure (in red).

B.8. List of transfers 2021

in EUR

No	Date	Reinforced line	Heading	Debited line	Heading	Amount
1	25/02/2021	2050	Security and surveillance of buildings	2010	Insurance	2 400.00 €
2	17/05/2021	2100	Purchase, work on, servicing and maintenance of hardware and software.	2040	Fitting-out of premises	66 300.00 €
3	25/06/2021	1100	Basic salaries	1141	Travel expenses for annual leave	30 000.00 €
4	27/07/2021	1100	Basic salaries	1184	Temporary daily subsistence allowances	20 000.00 €
5	29/07/2021	2050	Security and surveillance of buildings	2000	Rental of buildings and associated cost	35 200.00 €
6	08/09/2021	1100	Basic salaries	2040	Fitting-out of premises	10 000.00 €
7	16/11/2021	3000	External translation services	3001	Technical services related to language services	10 000.00 €

REPORT ON BUDGETARY AND FINANCIAL MANAGEMENT 2021

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C.1 Financial resources and budgetary management

1. Initial and amending budget

The Centre's initial budget for 2021 (EUR 46.8 million) was subject to two amending budgets. Amending budget 1/2021 was adopted by the Management Board by written procedure on 31 May 2021 in order to update the pricing structure, the result of the review by the Centre of certain expenditure items and the budget surplus from the previous year. Amending budget 2/2021 was adopted by the Management Board by written procedure on 18 September 2021 in order to include updated forecasts received from clients, and to reflect the result of the re-examination of all expenditure items. In the end, the Centre modified its use of the reserve for stability pricing in order to balance the budget.

From the outset, the 2021 initial budget was planned as a deficit budget (EUR 1.2 million). After the two amending budgets, the budget deficit was decreased to EUR 0.1 million due to the introduction of the budget benefit from the previous year. Due to higher than expected requests from clients, the final budget outturn of the year produced a surplus of EUR 2.6 million.

Movements in the budget in 2021

in EUR

Title	Heading	Final budget 2021	2nd Amending budget 2021	1st Amending budget 2021	Initial budget 2021
Revenue					
1	Payments from agencies, bodies, offices and institutions	47 663 700	2 661 400	774 200	44 228 100
2	Subsidy from the Commission	0	0	0	p.m.
3	Interinstitutional cooperation*	689 100	59 200	0	629 900
4	Other revenue	558 900	-83 250	0	642 150
5	Surplus carried over from the previous financial year	4 120 043	0	2 810 893	1 309 150
6	Refunds	0	0	0	p.m.
	Grand total	53 031 743	2 637 350	3 585 093	46 809 300
Expenditure					
1	Staff	27 078 900	-492 600	0	27 571 500
2	Buildings, equipment and miscellaneous operating expenditure	8 534 100	183 400	71 100	8 279 600
3	Operational expenditure	11 851 600	893 400	0	10 958 200
10	Reserves	5 567 143	2 053 150	3 513 993	0
	Grand total	53 031 743	2 637 350	3 585 093	46 809 300

2. Revenue cashed

Comparative analysis of budget revenue for 2021 and 2020

	in EUR		
Budget revenue	2021	2020	% change
Total revenue relating to the core operational activity	45 702 010	43 578 293	4.87%
Financial income			
Grants received	170 000	243 250	-30.11%
Other operating income	688 682	127 772	438.99%
Total budget revenue	46 560 692	43 949 315	5.94%

The Centre's budget revenue is primarily composed of the revenue received from invoicing clients for services provided. It is subject to strict financial control and monitoring in accordance with the applicable regulatory framework. The Centre regularly contacts each client to request forecasts for their planned translation volumes and expenditure, and closely monitors clients' budget forecasts and expenditure.

The overall cashed revenue increased by 5.94% or EUR 2.6 million mainly due to:

Operational revenues which increased by 4.87% or EUR 2.1 million from EUR 43.5 million in 2020 to EUR 45.7 million in 2021 due to the overall increase in the amounts invoiced (EUR 2.6 million or +5.9%) and consequently collected

This includes the positive impact of advance payments amounting to EUR 2.3 million in 2021 versus EUR 1.4 million in 2020 (+EUR 0.9 million or +61.9%)

Increase of EUR 0.4 million or 131% in other revenue collected which is due to the fact that 2020 rent (EUR 0.3 million) paid by Chafea was booked in January 2021 and hence considered as 2021 revenue instead of 2020.

The number of pages delivered to clients is higher than their forecasts in the initial budget (+0.2%). The overall number of pages invoiced to clients was significantly upper than in the previous year. In 2021, there was a 3.3% increase in the total pages invoiced to clients. Drilling down into the main revenue components reveals that the number of translated pages of documents other than EU trade marks increased by 15.3% (+44 392 pages), and the translation of pages of EU trade marks decreased by 8.5% (-25 642 pages).

Taking into consideration the above aspects, the revenues for 2021 were superior to 2020 (+5.9%); this can also be seen from the statistics on the volume of pages in Chapter C.2 and from the economic result for the year in Chapter A.2.

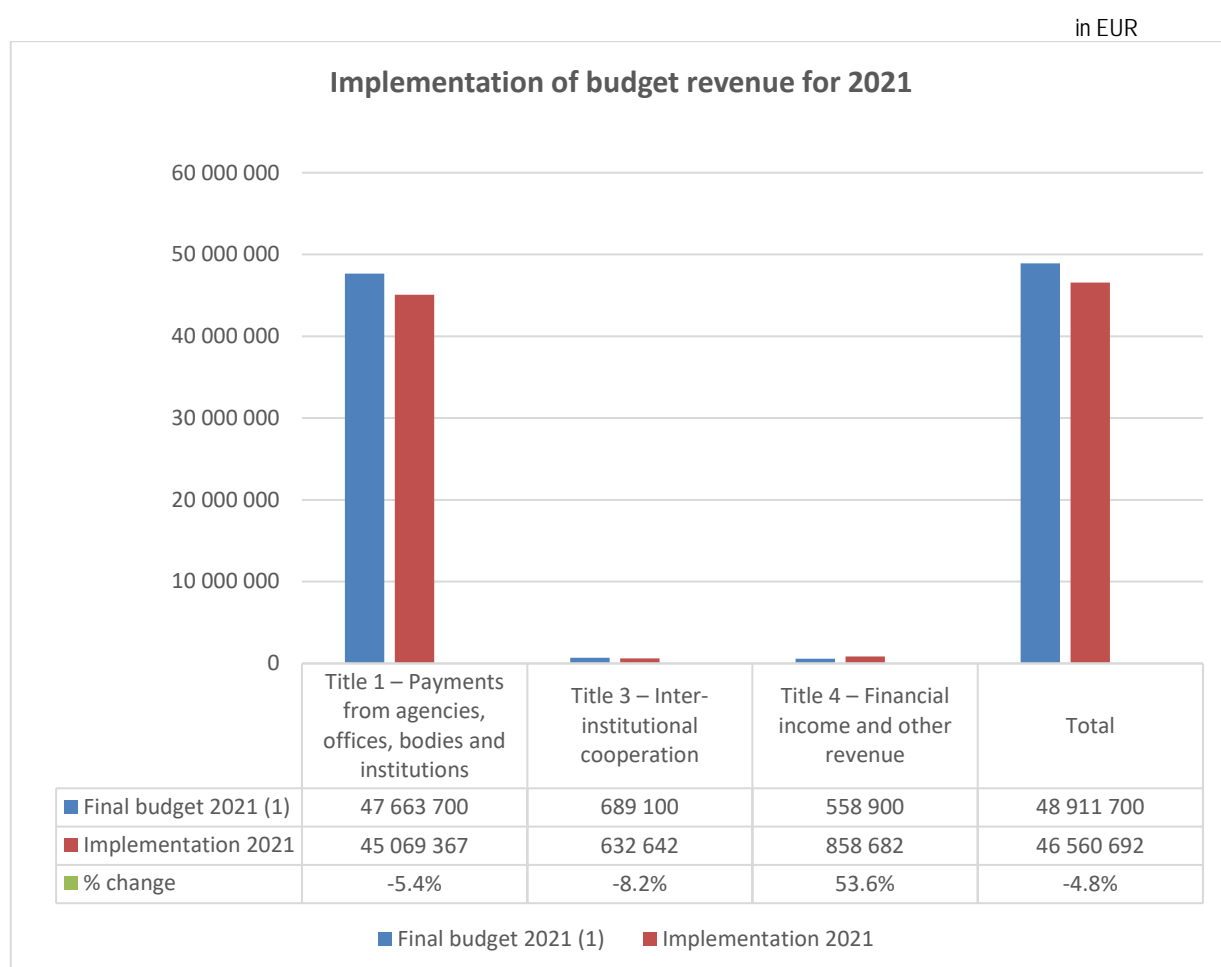
In 2021, financial income continued is nil as the banks do not offer any positive interest on the funds deposited. The main objective of the Centre's approach to treasury management in 2021 was to retain the nominal value of cash deposits and to avoid paying negative interest.

Since 2013, the Centre has received an annual financial contribution from the Luxembourg government of EUR 243 250 in order to compensate for the increased rental costs of the Drosbach building compared with the rental costs paid previously to the Luxembourg government for the Nouvel Hémicycle building.

A new building contract was signed in 2021. This has made it possible to reduce the space occupied in order to reduce costs and give the possibility of teleworking to all staff. As a consequence of this

new building contract, a financial contribution from the Luxembourg Government has been adjusted and the amount is now EUR 170.000 per year.

3. Implementation of budget revenues



(1) Not including the outturn for the previous year

In 2021, the collection of revenue was 5.2% below the forecast in the amending budget 2/2021 (EUR 2.4 million), and the overall number of invoiced pages was 13% less than the final budget. For products other than EU trade marks the revenues were 6.3% below the forecast in the amending budget 2/2021, while for EU trade marks they were 1.0% below the forecast.

These negative figures are due to an overestimated rectifying budget, as the activity of the Centre in 2021 was very high. Compared to 2020, the number of non-trademarked documents increased by more than 17%. This compensates for the decrease in trademark activity.

Higher collection of revenues from documents other than EU trade marks can be explained by the high number of pages invoiced in comparison to the forecast in the initial budget (11 252 pages).

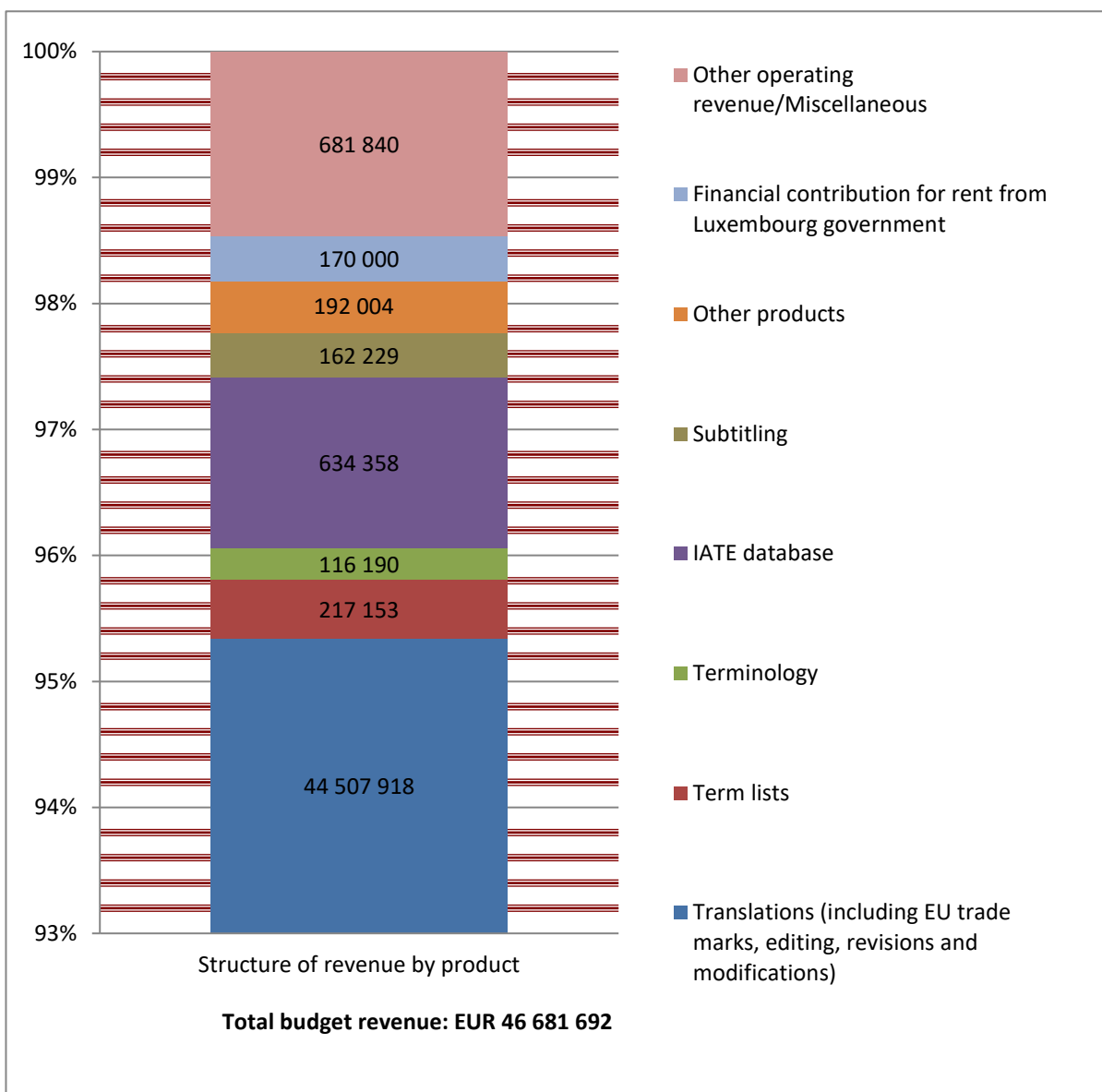
The number of EU trade mark pages delivered and invoiced to the EUIPO (274 706 pages) was 3.5% below the forecast (284 686 pages) and 1.6% in financial terms. The decrease in revenues from EU trade marks was less than the decrease in the number of EU trade mark pages invoiced, because the fixed price component is not dependent on the number of pages delivered

For more details on the progression of the number of pages handled by the Centre, see fluctuations in forecasts versus actual volumes in 2021 in Chapter C.2. 'Achievement of targets for the year'.

4. Revenue broken down by activity

For 2021, the Centre's main source of revenue was translation work (translation of documents and EU trade marks, revision, editing and modification), representing some 96.8% of total revenue. The remaining 3.2% was the result of interinstitutional cooperation, terminology work, term lists, subtitling, a financial contribution from the Luxembourg government and miscellaneous revenue, as shown in the graph above.

23.9% of the revenues from translation work were generated by the EU trade marks translated for the EUIPO (27.7% in 2020). Overall revenues from the Centre's biggest client, the EUIPO, amounted to EUR 15 840 684 in 2021, which represents 33.9% of the EUR 46 681 692 collected by the Centre in 2021 (36.7% in 2020).



5. Budget expenditure

A. Execution of commitment appropriations

in EUR

Chapter	Heading	Expenditure 2021 (commitment execution)	Expenditure 2020 (commitment execution)	Change in EUR	% Change
11	Staff in active employment	25 072 115	23 821 703	1 250 412	5.25%
13	Missions and duty travel	500	8 146	-7 646	-93.86%
14	Socio-medical infrastructure	578 533	544 000	34 533	6.35%
16	Welfare service	42 550	56 579	-14 029	-24.80%
17	Entertainment and representation	226	0	226	
TITLE 1	STAFF	25 693 924	24 430 429	1 263 495	5.17%
20	Rental of buildings and associated costs	3 015 365	3 051 148	-35 783	-1.17%
21	Information technology	4 123 719	3 124 150	999 569	31.99%
22	Movable property and associated costs	33 277	39 148	-5 871	-15.00%
23	Operating expenditure	209 618	227 989	-18 370	-8.06%
24	Postage and telecommunications	182 933	173 731	9 203	5.30%
25	Expenditure on formal and other meetings	0	9 527	-9 527	-100.00%
26	Expenditure on Management Board meetings	25 132	27 859	-2 727	-9.79%
27	Information: acquisition, archiving, production and dissemination	0	71 950	-71 950	-100.00%
TITLE 2	BUILDINGS, EQUIPMENT AND SUNDRY OPERATING EXPENDITURE	7 590 045	6 725 501	864 543	12.85%
30	External translation services	10 241 218	10 073 213	168 005	1.67%
31	Interinstitutional cooperation	718 353	705 012	13 341	1.89%
32	Expenditure relating to the e-CDT programme	56 669	183 165	-126 496	-69.06%
TITLE 3	OPERATIONAL EXPENDITURE	11 016 240	10 961 389	54 851	0.50%
TITLE 10	RESERVES	0	0	0	n/a
	TOTAL BUDGET	44 300 208	42 117 319	2 182 890	5.18%

Due to rounding, some figures may not add up exactly to the totals stated.

The execution of commitments in Title 1 increased by 5.1% or EUR 1 263 495 in 2021 compared with 2020.

The main reason for the increase in personnel costs is the increase in the amounts spent on active staff and the financial contribution to the European Schools. Compared to 2021, salary costs have increased by 5.2% with salary indexation of 1.3%, promotions, recruitments and step advancements.

The budget execution in Title 2 increased by 12.9% in 2021 compared with 2020 (EUR 864 543). The majority of the increase in Title 2 can be explained by an increase in Chapter 21 "Information technology" related to the further investing in various IT projects (new e-CdT, etc), the purchase of new computer equipment following the introduction of teleworking for all staff and the move related to the decrease of the office space.

The expenditure for Title 3 shows almost no change compared to 2020 and it reflects the investment in translation technologies and the optimisation of internal resources that have a positive impact on the expenditure for external translation services

Change in outsourcing of documents

in pages

Description	2021	2020	Absolute change	Change in %
Freelance (in pages)	480 035	467 455	12 580	2.7%
In-house translators and translation memories	161 934	167 813	-5 879	-3.5%
Total pages	641 970	635 268	6 701	1.1%
% of externalisation	74.8%	73.6%	1.2%	1.6%

Outsourcing increased by 1.6% in 2021. The number of pages translated by the Centre's in-house translators decreased by 5 879 pages in 2021 compared with 2020.

B. Change in budget implementation (Titles 1-3)

in EUR

Description	2021	Implementation 2021	2020	Implementation 2020	% Change
Budget (excluding Title 10)	47 464 600	n/a	44 723 400	n/a	n/a
Commitments entered into	44 300 208	93.33%	42 117 319	94.17%	-0.84%
Appropriations cancelled	3 164 392	6.67%	2 606 081	5.83%	0.84%
Payments made	40 574 137	85.48%	39 018 451	87.24%	-1.76%
Appropriations carried over	3 726 071	7.85%	3 098 868	6.93%	0.92%

The execution of the budget expenditure was slightly less than previous year, with 93.3% of budget appropriations committed (94.2% in 2020) and the remaining 6.7% cancelled. The execution of payments is lower than that of the previous year (85.5% in 2021 compared with 87.2% in 2020), and 7.9% of the budget appropriations were carried over to the following year compared to 6.9% the previous year.

A total of EUR 3 164 392 of the budget in Titles 1-3 (6.7%) was not used, which is slightly more than in the previous year, demonstrating that the Centre is tightly controlling its expenses. This, combined with higher collected revenues (EUR 2.6 million or +5.94%) compared to 2020, allowed the Centre to achieve better financial results for 2021 compared to 2020.

A very good execution of commitments can be observed across all budget titles, reaching an overall of 93.3% in 2021, as can be seen in the table below.

C. Budget implementation Titles 1-3 (including credit transfers)

in EUR

Description	Title 1		Title 2		Title 3		Total
	Amount	%	Amount	%	Amount	%	Amount
Budget (excluding Title 10)	27 078 900	n/a	8 534 100	n/a	11 851 600	n/a	47 464 600
Commitments entered into	25 693 924	94.9%	7 590 045	88.9%	11 016 240	92.95%	44 300 208
Appropriations cancelled	1 384 976	5.1%	944 055	11.1%	835 360	7.05%	3 164 392
Payments made	25 598 282	94.5%	6 042 117	70.8%	8 933 738	75.38%	40 574 137
Appropriations carried forward	95 641	0.4%	1 547 928	18.1%	2 082 502	17.57%	3 726 071

Title 1 – Staff

The initial budget in Title 1 was EUR 27 571 500. This decreased to EUR 27 078 900 in the amending budget 2/2021. The main decrease concerns the budget for Chapter 11 ('Staff in active employment') which has been decreased by EUR 421 200. The changes are mostly due to the reduced number of staff in active employment and the increase in indexation from 1% to 1.9%. In total, the budget for staff in active employment (Article 110) has decreased by -2.2%;

During 2021, 94.9% of the provisional budget (95.7% in 2020) was executed in terms of commitments, namely EUR 25 693 924 (EUR 24 430 429 in 2020), and 94.5% of the budget (95.2% in 2020) was consumed by payments. EUR 1 384 976 was left unused, representing 5.1% of the budget (EUR 1 096 071 and 4.3% in 2020). The main factor for the under-execution of commitments was staff turnover in 2021, and therefore a lower fulfilment of the establishment plan. On the other hand, since commitments covering salaries and other staff-related expenditure cannot be carried over, the level of carryovers was lower (EUR 123 423 compared with EUR 219 495 in 2020). The relatively high budget implementation and the low amount of carryovers for Title 1 is due to the reasonable predictability of staff expenditure and good monitoring of payment execution in Title 1.

Title 2 – Buildings, equipment and miscellaneous operating expenditure

The initial budget in Title 2 was EUR 8 279 600, which was increased to EUR 8 350 700 in the amending budget 1/2021 and further to 8 534 100 in the second amending budget. This was higher than the budget for 2020, which was EUR 7 826 400. The execution of commitments reached 88.9% in 2021, leaving EUR 944 055 unused. The implementation is better compared to last year, when 85.9% of Title 2 was committed. Payment execution was lower than the previous year, with an execution rate of 70.8%, compared to 73.4% in 2020.

The execution in the most important budget Chapter 20 covering rent and building-related charges has remained relatively high for many years, at 95.0% (97.4% in 2020). In addition, we can observe a significant improvement in the execution for IT expenses, the second most important budget chapter, which increased to 90.0% compared to that of 2020 (79.4%). The execution of other chapters of Title 2 reflects the provisional nature of the commitments behind the expenses that cannot always be reliably estimated.

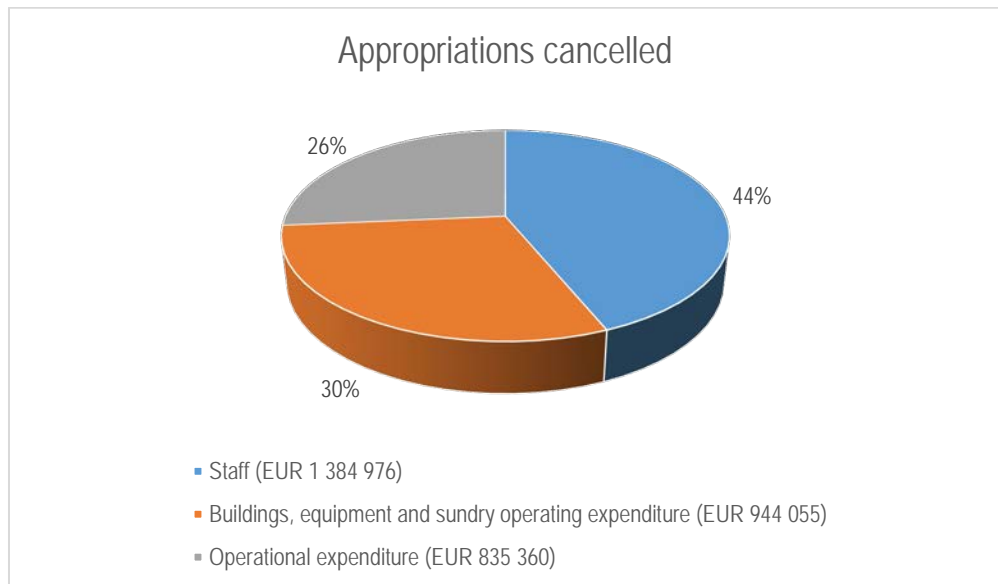
The commitments carried over from 2021 to 2022 amounted to EUR 1 547 928, which is higher to the carryovers from 2020 to 2021 (EUR 981 449).

Title 3 – Operational expenditure

The final budget in Title 3 was EUR 11 851 600, which was higher than the figure in the initial budget 2021 (EUR 10 958 200). In Title 3, 93.0% of the budget (EUR 11 016 240) was used during 2021, which is slightly lower than the same in 2020 with 96.4% or EUR 10 961 389. The unused budget appropriations in this title are EUR 835 360 (EUR 409 011 in 2020), with EUR 797 595 of this relating to item 3000 'External translation services' (EUR 396 787 in 2020).

The consumption in Title 3 is close to the budget appropriations available in the budget. The Centre will never be able to achieve full consumption of Title 3 because the translation requests received from clients are always subject to unpredictability, and the Centre must retain a certain margin for unforeseen translation requests. The Centre carried out thorough monitoring of the consumption of Title 3 and, as a result, re-evaluated client forecasts and budget needs in the amending budget. Therefore, the execution of Title 3 and other titles is very close to the budget available.

D. Appropriations cancelled



C.2 Achievement of targets for the year

The Centre closed the year with a total translation volume of 641 970 pages, which was 5.7% above the 607 129 pages planned in the initial budget for 2021 and 3.9% below the 667 851 pages planned in the amending budget 2/2021. Compared with 2020 (635 268 pages), there was an 1% increase in the total translation volume. These figures include documents and EU trade marks as well as those pages translated for the Centre's own needs. The use of translation memories has been discontinued as of June 2021. Therefore, taking into account the first 5 months, the number of translated pages invoiced following an analysis to identify texts already in the Centre's translation memories is lower; this resulted in savings for clients and brings down the amount of invoiced pages to 608 401.

Documents accounted for 367 264 pages in 2021. This corresponds to 13.9% more pages than the target in the initial budget for 2021 (322 443 pages) and 4.1% less than the target in the amending budget 2/2021 (383 165 pages). It also included 7 760 pages translated for the Centre's internal needs, of which most were for Management Board meetings (4 370 pages). The number of document pages for 2021 (367 264 pages) increased by 9.7% compared with 2020 (334 921 pages).

Of the total 641 970 pages translated in 2021, 274 706 pages (42.7% of the total translated volume) accounted for EU trade marks, compared with 284 686 pages planned in the initial and amending budget for 2021. Compared with 2020, the number of translated EU trade marks decreased by 8.5% (25 642 pages). Although with a decreasing trend, EU trade marks remain the key product in the Centre's portfolio, amounting to 24.2% of the Centre's total revenue in 2021 (27.9% in 2020). In terms of invoiced pages, EU trade marks represented 42.7% of the total volume invoiced in 2021. The fluctuations in budget forecasts compared with actual invoiced volumes are shown in the chart below.

In addition to translation (which includes modification, editing and revision), the Centre offered other language services in 2021. Some 503 man-days were devoted to terminology work, and twenty-one clients requested the translation of 58 893 term list entries, which included 7 719 terms for Community Designs, 16 428 Euroclass terms and 17 045 other terms for the EUIPO. In 2020, the Centre produced 49 277 terms, mainly for the EUIPO, and undertook 1 447 man-days of terminology work.

Some 5 346 minutes of subtitling were produced for fourteen clients compared to 2 237 minutes in 2020 for ten clients.

As part of the Centre's quality assurance assessment of its external language service providers, translations produced by its external providers are revised and evaluated by in-house translators prior to delivery to clients. In 2021, in 99% of cases, the translations were assessed as being of reasonable or excellent quality.

Although the percentage of external translations of poor quality was low in 2021, the Centre took some stringent measures against several contractors whose documents were judged to be repeatedly unsatisfactory. In 2021, a total of 277 outsourced translation and post-editing jobs were submitted to the Centre's internal assessment committee following an assessment of poor quality by internal revisers. The results were judged to be conclusive (with poor quality being confirmed for 233 of them in 84% of cases) and contractual measures were applied to the contractors concerned. In some cases, these contractual measures included termination of the framework contract, for instance if the contractor had provided raw or unrevised machine translation output to the Centre.

Fluctuations in forecasts vs actual volumes in 2021 (in pages)

