



FINAL ANNUAL ACCOUNTS OF THE TRANSLATION CENTRE 2020

CT/CA-007/2021EN

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: 01/06/2021

Signature:

COMPONENTS OF THE ANNUAL ACCOUNTS

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FINANCIAL STATEMENTS OF THE TRANSLATION CENTRE

A.1 Balance sheet

in EUR

	ASSETS	Note	31.12.2020	31.12.2019	% change
A.	NON-CURRENT ASSETS		346 693.00	369 665.00	-6.21%
	INTANGIBLE FIXED ASSETS	1	33 840.00	46 310.00	-26.93%
	Computer software		33 840.00	46 310.00	-26.93%
	Computer software in progress		0	0	n/a
	TANGIBLE FIXED ASSETS	2	312 853.00	323 355.00	-3.25%
	Computer hardware		131 192.00	76 918.00	70.56%
	Furniture and vehicles		21 319.00	27 104.00	-21.34%
	Plant, machinery and equipment		9 002.00	12 727.00	-29.27%
	Other fixtures and fittings		151 340.00	206 606.00	-26.75%
B.	CURRENT ASSETS		31 180 738.68	28 952 023.96	7.70%
	STOCKS		674 000.00	1 093 000.00	-38.33%
	Work in progress	3	674 000.00	1 093 000.00	-38.33%
	SHORT-TERM RECEIVABLES		4 306 743.75	17 814 927.84	-75.83%
	Recoverable VAT and other receivables from the Member States	4	942.59	10 336.50	-90.88%
	Accounts receivable from EU institutions & bodies	5	99 588.66	445 538.50	-77.65%
	Accrued income from EU institutions & bodies	5	3 490 187.04	2 578 332.99	35.37%
	Other accrued revenues	5	315 910.84	0	n/a
	Deferred expenses	6	289 313.74	187 997.84	53.89%
	Term deposits due within three months and one year	8	1 753.84	14 517 628.30	-99.99%
	Sundry receivables	7	109 047.04	75 093.71	45.21%
	CASH AND CASH EQUIVALENTS	8	26 199 994.93	10 044 096.12	160.85%
	TOTAL		31 527 431.68	29 321 688.96	7.52%

	LIABILITIES	Note	31.12.2020	31.12.2019	% change
A.	CURRENT LIABILITIES		3 980 722.06	2 820 982.20	41.11%
	ACCOUNTS PAYABLE		3 980 722.06	2 820 982.20	41.11%
	Accrued expenses	9	1 772 694.98	1 998 990.51	-11.32%
	Suppliers	10	765 490.13	446 005.39	71.63%
	Prefinancing received	11	1 419 870.12	347 179.20	308.97%
	Other liabilities	12	22 666.83	28 807.10	-21.32%
B.	NET ASSETS/LIABILITIES		27 546 709.62	26 500 706.76	3.95%
	Reserves	13	16 529 466.33	16 529 466.33	0.00%
	Accumulated result for previous financial years		9 971 240.43	13 052 916.67	-23.61%
	Economic outturn for the financial year		1 046 002.86	-3 081 676.24	-133.94%
	TOTAL		31 527 431.68	29 321 688.96	7.52%

A.2 Statement of financial performance

in EUR

	Note	2020	2019	% change
OPERATING REVENUE		43 346 780.18	39 258 436.74	10.41%
TOTAL REVENUE FROM OPERATIONS		43 071 422.05	38 443 418.83	12.04%
Translations	14	40 931 149.73	36 560 347.19	11.96%
Interinstitutional cooperation – IATE database	15	628 652.89	733 668.64	-14.31%
Terminology	16	1 245 150.00	867 825.00	43.48%
Term lists	17	191 917.00	151 172.00	26.95%
Subtitling	18	65 764.00	130 406.00	-49.57%
				-
Other revenue from operations	19	8 788.50	0.00	2948931256 3300.00%
OTHER OPERATING REVENUE		275 358.13	815 017.91	-66.21%
Sale of fixed assets		0.00	0.00	N/A
Financial contribution for rent from Luxembourg government*	20	243 250.00	243 250.00	0.00%
Miscellaneous revenue	21	451 108.13	405 767.91	11.17%
Movements in work in progress	3	-419 000.00	166 000.00	-352.41%
OPERATING EXPENSES		42 299 175.80	42 350 180.28	-0.12%
Staff expenses	22	23 747 213.41	23 400 356.08	1.48%
Administrative expenses	23	8 520 339.21	8 298 785.68	2.67%
Operational expenses	24	10 031 623.18	10 651 038.52	-5.82%
SURPLUS FROM OPERATING ACTIVITIES		1 047 604.38	-3 091 743.54	-133.88%
REVENUE FROM FINANCIAL OPERATIONS		186.40	11 436.23	-98.37%
Bank interest		0.00	11 298.55	-100.00%
Exchange rate gain		186.40	137.68	35.39%
FINANCIAL EXPENSES		1 787.92	1 368.93	30.61%
Bank charges		1 365.80	1034.49	32.03%
Exchange rate loss		422.12	334.44	26.22%
SURPLUS FROM NON-OPERATING ACTIVITIES		-1 601.52	10 067.30	-115.91%
SURPLUS FROM ORDINARY ACTIVITIES		1 046 002.86	-3 081 676.24	-133.94%
SURPLUS/DEFICIT FROM EXTRAORDINARY ACTIVITIES		0.00	0.00	n/a
ECONOMIC OUTTURN FOR THE YEAR		1 046 002.86	-3 081 676.24	-133.94%

*Non-exchange transaction.

A.3 Statement of changes in net assets/liabilities

in EUR

	Note	Reserves*		Accumulated surplus/deficit	Economic outturn for the year	Total net assets/liabilities
		Capital	Reserves			
Situation as at 31 December 2018		0.00	16 529 466.33	15 956 057.95	-2 903 141.28	29 582 383.00
Movements in reserves		0.00	0.00	0.00	0.00	0.00
Allocation of the economic outturn 2018		0.00	0.00	-2 903 141.28	2 903 141.28	0.00
Economic outturn for the year		0.00	0.00	0.00	-3 081 676.24	-3 081 676.24
Situation as at 31 December 2019		0.00	16 529 466.33	13 052 916.67	-3 081 676.24	26 500 706.76
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	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

* Article 67(a) of the Centre's Financial Regulation provides for a permanent prefinancing 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 prefinancing 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 EUR

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Outturn from normal business	1 046 002.86	-3 081 676.24
+ Depreciation	158 092.60	430 046.90
+/- Provision for risks and charges	0.00	0.00
+/- Welfare benefits	0.00	0.00
+/- Variation in stocks	419 000.00	-166 000.00
+/- Variation in operating accounts receivable	-1 007 690.37	-631 667.85
+/- Variation in operating debts	1 159 739.86	-1 226 734.87
+/- Variation in other operating accounts receivable	0.00	0.00
+/- Variation in other operating debts	0.00	0.00
+/- (Profit)/Loss on sales of installations, equipment and immovable property	0.00	0.00
NET CASH FLOWS FROM OPERATING ACTIVITIES	1 775 144.95	-4 676 032.06
CASH FLOWS FROM 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 FROM LOANS AND BORROWING	0.00	0.00
CASH FLOWS FROM INVESTMENT ACTIVITIES		
- Acquisitions of fixed assets	-135 120.60	-60 699.98
- Term deposits	14 515 874.46	-14 517 628.30
+ Transfers of fixed assets	0.00	5 470.08
+ Reduction of financial assets	0.00	0.00
+/- Variation in accounts receivable and debts on fixed assets	0.00	0.00
+ Dividends paid	0.00	0.00
NET CASH FLOWS FROM INVESTMENT ACTIVITIES	14 380 753.86	-14 572 858.20
CASH FLOWS FROM FINANCING ACTIVITIES		
+/- 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 FROM FINANCING ACTIVITIES	0.00	0.00
CASH VARIATION	16 155 898.81	-19 248 890.26
Cash at the start	10 044 096.12	29 292 986.38
Cash at the end	26 199 994.93	10 044 096.12

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 2020 and ends on 31 December 2020.

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 2019 and 2020 is recorded under operating revenue in the statement of financial performance, under the heading 'Movements in work in progress'.

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 prefinancing fund

Article 67(a) of the Centre's Financial Regulation provides for a permanent prefinancing 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 2020 were not restated to reflect any change in accounting methods, valuation, depreciation or accounting policies.

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	5 735 086.07	0.00	5 735 086.07
<u>Changes during the financial year</u>			
Acquisitions in the financial year	7510.05	0.00	7 510.05
Correction of the opening balance		0.00	
<u>Year-end</u>	5 742 596.12	0.00	5 742 596.12
B. Amortisation and reductions in value			
Previous year-end	5 688 776.07	0.00	5 688 776.07
<u>Changes during the financial year</u>			
Amortisation for the financial year	19 980.05	0.00	19 980.05
Correction of the opening balance			
<u>Year-end</u>	5 708 756.12	0.00	5 708 756.12
NET BOOK VALUE (A-B)	33 840.00	0.00	33 840.00

The main part of the net book value of intangible fixed assets represents the internally developed asset eCdT, which is the Centre's program for the management of the translation workflow. The capitalised expenses comprise both internal and external development costs. The first version of eCdT was released in May 2015 and this was also the date of the capitalisation of the asset. The overall development costs capitalised over the years 2013, 2014 and 2015 were EUR 1 725 737, of which EUR 611 210 were internal development costs and EUR 1 114 527 were external development costs. The EUR 7 510.05 added in 2020 related to telephony licenses acquired in order to improve the capacity and quality of communication network. This was needed due to more people requiring remote access as a result of the pandemic restrictions.

Apart from the aforementioned items, there were no other development costs for other projects that fulfilled the criteria for capitalisation to fixed assets. There were IT related projects which were worked on in collaboration with the European Union Intellectual Property Office (EUIPO) since 2018 but the costs incurred did not fulfil the criteria for capitalisation to fixed assets. Therefore, internal development costs are recorded in staff costs and external development costs are recorded in administrative expenses.

Totally amortised intangible fixed assets

The purchase value of intangible fixed assets in use, which were totally amortised on 31 December 2020, amounted to EUR 5 671 418 (EUR 5 650 125 in 2019).

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	3 099 297.55	306 899.51	17 056.00	503 753.86	3 927 006.92
<u>Changes during the financial year</u>					
Acquisitions	125 634.05			1 976.50	127 610.55
Disposals and withdrawals		-9 584.22			-9 584.22
<u>Year-end</u>	3 224 931.60	297 315.29	17 056.00	505 730.36	4 045 033.25
B. Depreciations and value adjustments					
Previous year-end	3 022 379.55	279 795.51	4 329.00	297 147.86	3 603 651.92
<u>Changes during the financial year</u>					
Depreciation for the financial year	71 360.05	5 700.00	3 725.00	57 242.50	138 027.55
Disposals and withdrawals		-9 414.22			-9 414.22
Write off of residual value		-85.00			-85.00
<u>Year-end</u>	3 093 739.60	275 996.29	8 054.00	354 390.36	3 732 180.25
NET BOOK VALUE (A-B)	131 192.00	21 319.00	9 002.00	151 340.00	312 853.00

Totally depreciated tangible fixed assets

The purchase value of fixed assets in use, which were totally depreciated on 31 December 2020, amounted to EUR 3 313 490 (EUR 2 950 298 in 2019).

Low-value tangible fixed assets

The Centre acquired tangible assets that were charged directly to expenses and amounted to EUR 8 243 and EUR 8 153 for the years ended 31 December 2020 and 2019, 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

Work in progress	2020	2019	% change
Work in progress (in EUR)	674 000.00	1 093 000.00	-38.33%
Documents in progress (in pages)	56 007.92	54 662.12	2.46%
Term lists in progress (in terms)	1 550		n/a
Terminology in progress (in man-days)		1 253.75	n/a
Subtitling in progress (in minutes)	420		

The decrease in the financial valuation of work in progress in 2020 is due to lack a volume of terminology in 2020 which existed in 2019 (1,253.75 man-days). The decrease in work in progress of EUR 419 000 is recorded in the statement of financial performance under the heading 'Movements in work in progress'.

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 the first quarter of 2021; no claims are outside the deadline for recovery.

in EUR			
VAT receivable from the Member States	2020	2019	% change
Nominal value of VAT claims	942.59	10 336.50	-90.88%
Provision for claims outside the deadline	0.00	0.00	n/a
Net value of VAT receivable	942.59	10 336.50	-90.88%

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

Clients	Accounts Receivable	Accrued income	Total
European Environment Agency (EEA)	0.00	41 218.25	41 218.25
European Training Foundation (ETF)	0.00	19 693.00	19 693.00
European Medicines Agency (EMA)	0.00	464 574.55	464 574.55
European Agency for Safety and Health at Work (EU-OSHA)	0.00	263 259.00	263 259.00
European Union Intellectual Property Office (EUIPO)	0.00	381 756.85	381 756.85
EUIPO trade marks	0.00	298 526.14	298 526.14
Community Plant Variety Office (CPVO)	0.00	136.50	136.50
European Union Agency for Law Enforcement Cooperation (Europol)	0.00	3 657.25	3 657.25
European Foundation for the Improvement of Living and Working Conditions (Eurofound)	0.00	62 822.55	62 822.55
European Union Agency for Fundamental Rights (FRA)	0.00	8 016.50	8 016.50
European Food Safety Authority (EFSA)	0.00	7 780.00	7 780.00
European Union Agency for Criminal Justice Cooperation (Eurojust)	10 106.30	53 576.35	63 682.65
European Maritime Safety Agency (EMSA)	0.00	94.00	94.00
European Union Agency for Railways (ERA)	0.00	38 524.20	38 524.20
European Centre for Disease Prevention and Control (ECDC)	11 280.00	104 433.50	115 713.50
European Border and Coast Guard Agency (Frontex)	0.00	3 720.20	3 720.20
Education, Audiovisual and Culture Executive Agency (EACEA)	0.00	19 704.75	19 704.75
Executive Agency for Small and Medium-sized Enterprises (EASME)	0.00	16 673.25	16 673.25
Consumers, Health, Agriculture and Food Executive Agency (Chafea)	0.00	38 189.25	38 189.25
European Chemicals Agency (ECHA)	0.00	290 425.00	290 425.00
Innovation and Networks Executive Agency (INEA)	0.00	12 911.05	12 911.05
European Institute for Gender Equality (EIGE)	0.00	23 359.00	23 359.00
European Asylum Support Office (EASO)	0.00	229 983.45	229 983.45
European Banking Authority (EBA)	0.00	31 560.50	31 560.50
European Insurance and Occupational Pensions Authority (EIOPA)	0.00	550.00	550.00
Office of the Body of European Regulators for Electronic Communications (BEREC)	0.00	181.20	181.20
European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA)	0.00	423 868.00	423 868.00
The Single Resolution Board (SRB)	0.00	88 178.25	88 178.25
Secretariat-General of the European Schools (EURSC)	2 209.00	0.00	2 209.00
European Labour Authority (ELA)	10 189.90	23 271.95	33 461.85
European Commission – DG Employment, Social Affairs and Equal Opportunities (DG EMPL) + DG GROW (DG JUST, DG EMPL, DG GROW)	63 958.00	274 063.00	338 021.00
European Parliament	1 714.50	0.00	1 714.50
Council of the European Union (Council)	0.00	599.00	599.00
European Court of Auditors (ECA)	0.00	592.20	592.20
European Economic and Social Committee (EESC)	0.00	260.00	260.00
Court of Justice of the European Union (CJEU)	0.00	10 657.50	10 657.50
European Central Bank (ECB)	47.00	0.00	47.00
European Ombudsman (Ombudsman)	0.00	41 971.00	41 971.00
European Data Protection Supervisor (EDPS)	0.00	211 399.85	211 399.85
Total	99 504.70	3 490 187.04	3 589 691.74
Other receivables from EESC	83.96	0.00	83.96
Grand total	99 588.66	3 490 187.04	3 589 775.70

*Non-consolidated entity

Accrued income from EU institutions represents income from invoices drawn up in January 2021 for translations delivered to clients in December 2020. The information on the average payment date is included in the budget implementation set out in Chapter B.7. 'Budget revenue from operational activities 2020'.

Other accrued revenues are composed of amounts related to rent from subletting of office space from the Consumers, Health, Agriculture and Food Executive Agency (CHAFEA) and from data hosting services for The European High-Performance Computing Joint Undertaking – EuroHPC.

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

Deferred expenses consist of expenses paid by the Centre in the current year that relate to future accounting periods. An example of such an expense is annual maintenance, covering not only the current year, but also future accounting periods. The part of expenses relating to future accounting periods is recognised as a deferred expense in the balance sheet.

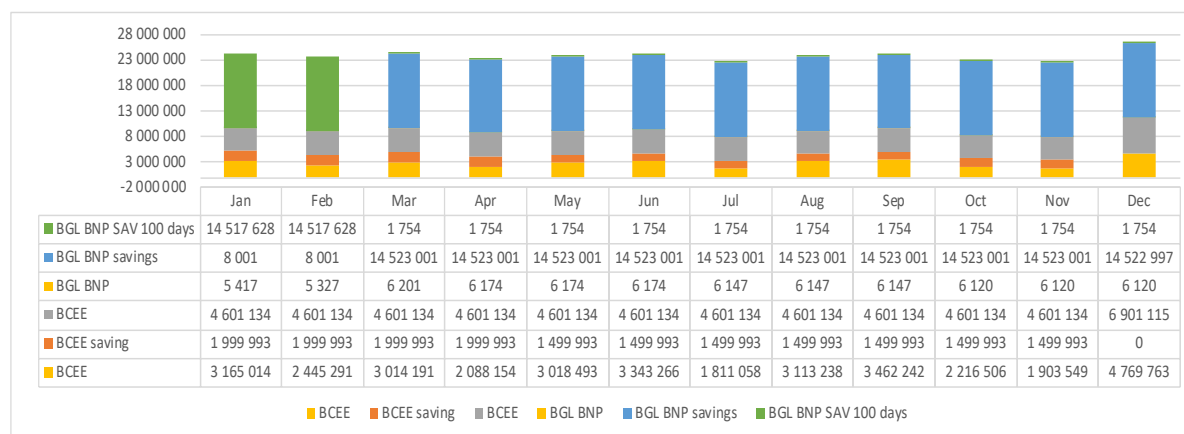
Note 7: Sundry receivables

The balance of sundry receivables contains only short-term staff-related receivables.

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.

As mentioned in the previous annual accounts, EUR 14 515 000 from the term deposit were transferred to the savings account (with immediate availability) in the first quarter of 2020. The cash movements for 2020 are presented below.



Breakdown of the cash balance

in EUR

Year	2020	2019	% change
Cash in bank – current account	4 775 882.92	3 434 513.47	39.06%
Cash in bank – savings account	14 522 997.26	2 008 000.06	623.26%
Cash in bank – savings account 35 days	6 901 114.75	4 601 582.59	49.97%
Cash in hand	0	0.00	n/a
Total cash and cash equivalents	26 199 994.93	10 044 096.12	160.85%
Term deposits expiring within one year	1 753.84	14 517 628.30	-100%
Total cash including term deposits	26 201 748.77	24 561 724.42	6.68%

Credit risk disclosure

in EUR

Bank	Long-term credit rating (Moody's)	Balance of cash and cash equivalents
Banque et Caisse d'Épargne de l'État	Aa2	11 670 877.60
BNP Paribas	A2	14 530 871.17
TOTAL		26 201 748.77

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	2020	2019	% change
Accrued expenses based on carryover analysis	1 243 694.98	1 691 990.51	-26.50%
Leave not taken by staff	529 000.00	307 000.00	72.31%
Total	1 772 694.98	1 998 990.51	-11.32%

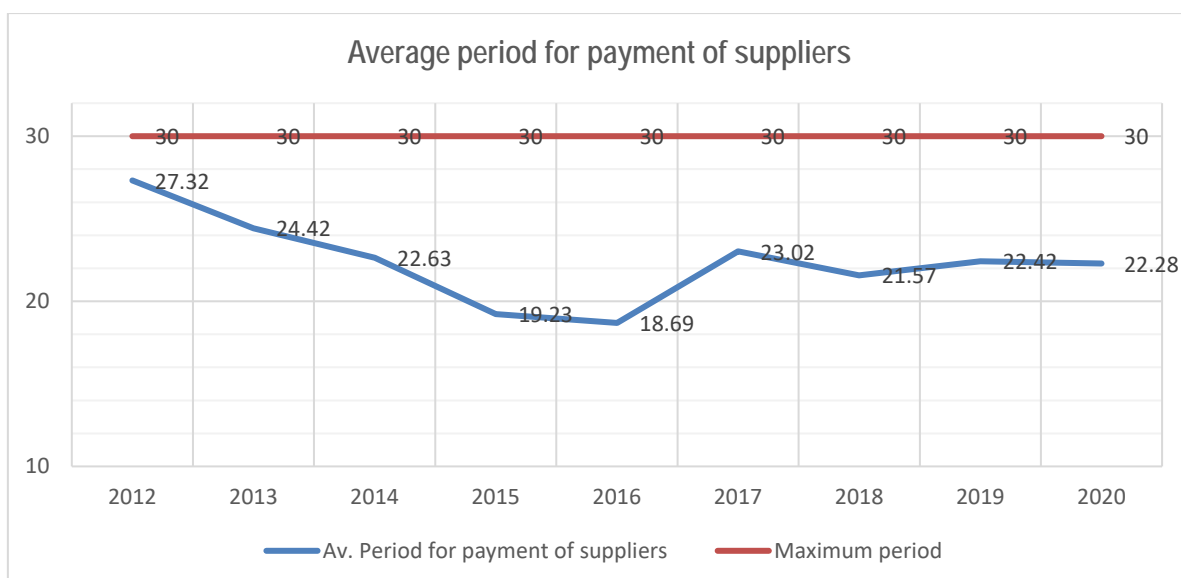
Leave not taken by staff

Leave not taken by staff	2020	2019	% change
Number of days not taken	1 921.55	1 091.09	76.11%
Financial evaluation of leave not taken	529 000.00	307 000.00	72.31%

The accrued liability for leave not taken 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 days of leave not taken increased by 76.11%, while the financial valuation increased by 72.31%. This is due to the increase of the number of days allowed to be carried over from 2020 to 2021 (from 12 to 17).

Note 10: Suppliers

Due to 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 has decreased slightly in 2020 to 22.28 days from, 22.42 days in 2019.



Currency risk disclosure

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

Note 11: Prefinancing received

in EUR

Clients	2020	2019
European Commission – DG Grow	0.00	235 548.00
European Institute for Gender Equality (EIGE)	18 386.40	29 203.20
European Union Agency for Railways (ERA)	0.00	18 824.00
European Asylum Support Office (EASO)	1 186 303.52	0.00
European Chemicals Agency (ECHA)	215 180.20	63 604.00
TOTAL	1 419 871.12	347 179.20

The advance payment mechanism allows the Centre to request prefinancing from clients before the translation service is completed. The prefinancing 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 three clients had sent advances to the Centre with a total value of EUR 1 419 871.12. The advances will be cleared with the translation services invoiced in 2021.

Note 12: Other liabilities

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

Note 13: Reserves – Permanent prefinancing fund

Article 67(a) of the Centre's Financial Regulation provides for a permanent prefinancing 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 prefinancing 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.

As the budget for 2020 does not achieve the value covered by the fund in 2010, the balance of the permanent prefinancing fund has remained the same since 2010.

in EUR

Permanent prefinancing 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
Total	16 529 466.33

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

in EUR

Clients	2020	2019
European Environment Agency (EEA)	300 629.25	251 496.60
European Training Foundation (ETF)	181 304.95	90 440.40
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	123 823.50	346 917.02
European Medicines Agency (EMA)	3 459 365.75	2 566 381.50
European Agency for Safety and Health at Work (EU-OSHA)	1 248 441.35	573 079.80
European Union Intellectual Property Office (EUIPO)	16 203 899.46	16 404 197.90
Community Plant Variety Office (CPVO)	75 961.15	26 075.30
European Union Agency for Law Enforcement Cooperation (Europol)	96 096.85	52 050.70
European Foundation for the Improvement of Living and Working Conditions (Eurofound)	434 911.95	417 850.60
European Centre for the Development of Vocational Training (Cedefop)	151 522.55	85 686.10
European Union Agency for Fundamental Rights (FRA)	1 097 882.70	986 692.35
European Investment Bank (EIB)*	8 468.45	0.00
European Food Safety Authority (EFSA)	181 529.80	269 965.05
European Union's Judicial Cooperation Unit (Eurojust)	547 835.75	2 451.00
European Maritime Safety Agency (EMSA)	250 260.00	98 249.20
European Aviation Safety Agency (EASA)	2 585.00	35 151.00
European Union Agency for Railways (ERA)	332 407.80	986 443.26
European Network and Information Security Agency (ENISA)	75 392.10	27 133.50
European Centre for Disease Prevention and Control (ECDC)	680 859.20	307 171.00
European Border and Coast Guard Agency (Frontex)	1 293 216.65	1 004 871.18
Education, Audiovisual and Culture Executive Agency (EACEA)	350 729.50	637 693.30
Executive Agency for Small and Medium-sized Enterprises (EASME)	48 278.55	1 922.80
European Union Agency for Law Enforcement Training (CEPOL)	13 906.60	22 496.80
Consumers, Health and Food Executive Agency (Chafea)	1 195 606.05	379 166.10
European GNSS Agency (GSA)	17 274.85	4 002.00
European Defence Agency (EDA)*	45 739.00	6 643.50
European Chemicals Agency (ECHA)	1 340 594.01	1 564 363.75
European Fisheries Control Agency (EFCA)	370 637.00	244 490.50
Fusion for Energy Joint Undertaking (F4E JU)	37 592.75	8 840.00
Innovation and Networks Executive Agency (INEA)	52 304.55	16 262.50
European Institute of Innovation and Technology (EIT)	7 520.00	14 796.55
European Research Council Executive Agency (ERCEA)	1 034.00	29 473.50
Research Executive Agency (REA)	14 840.25	5 448.10
Clean Sky 2 Joint Undertaking (CS 2 JU)	1 859.75	7 411.00
European Institute for Gender Equality (EIGE)	172 212.20	363 833.70
SESAR Joint Undertaking (SESAR JU)	6 977.50	2 116.00
Innovative Medicines Initiative 2 Joint Undertaking (IMI 2 JU)	470.00	314.50
Fuel Cells and Hydrogen 2 Joint Undertaking (FCH 2 JU)	0.00	0.00
European Asylum Support Office (EASO)	2 391 433.70	2 883 121.97
Agency for the Cooperation of Energy Regulators (ACER)	248 610.70	155 808.85
European Securities and Markets Authority (ESMA)	715 863.35	277 428.80
European Banking Authority (EBA)	841 996.75	693 095.51
European Insurance and Occupational Pensions Authority (EIOPA)	165 166.95	91 247.80
Office of the Body of European Regulators for Electronic Communications (BEREC)	36 375.40	21 592.50
European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA)	912 168.85	902 280.25
Electronic Components and Systems for European Leadership Joint Undertaking (ECSEL JU)	1 081.00	0.00
Single Resolution Board (SRB)	1 091 746.10	944 690.05
Secretariat-General of the European Schools (EURSC)	45 613.50	4 120.00
Bio-based Industries Joint Undertaking (BBI JU)	22 229.00	1 012.00
Shift2Rail Joint Undertaking (S2R JU)	0.00	3 036.00
European Labour Authority (ELA)	122 859.90	0.00
European Commission – DG Employment, Social Affairs and Equal Opportunities (DG EMPL) + DG GROW	1 934 304.11	1 100 639.10
Council of the European Union (Council)	14 521.50	155 259.50
European Court of Auditors (ECA)	20 787.45	6 492.80
Committee of the Regions of the European Union (COR)	5 783.00	17 202.00
European Economic and Social Committee (EESC)	3 257.25	64 530.50
Court of Justice of the European Union (CJEU)	14 335.25	19 844.90
European Central Bank (ECB)*	53 848.95	24 182.50
European Ombudsman (Ombudsman)	297 957.90	267 020.30
European Data Protection Supervisor (EDPS)	1 567 238.35	1 086 163.80
TOTAL	40 931 149.73	36 560 347.19

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	2020	2019
European Investment Bank (EIB)*	3 274.23	3 821.19
European Commission (EC)	261 938.69	305 695.27
European Parliament (EP)	130 969.35	152 847.64
Council of the European Union (Council)	98 227.02	114 635.73
European Court of Auditors (ECA)	16 371.17	19 105.95
Committee of the Regions of the European Union (CoR)	20 955.10	24 455.62
European Economic and Social Committee (EESC)	31 432.65	36 683.43
Court of Justice of the European Union (CJEU)	58 936.21	68 781.43
European Central Bank (ECB)*	6 548.47	7 642.38
TOTAL	628 652.89	733 668.64

*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	2020	2019
European Environment Agency (EEA)	50 400.00	0
European Asylum Support Office (EASO)	34 200.00	0
European Commission – DG Employment, Social Affairs and Equal Opportunities (DG EMPL) + DG GROW (DG JUST, DG EMPL, DG GROW)	1 147 500.00	0
European Chemicals Agency (ECHA)	0.00	11 700.00
European Union Intellectual Property Office (EUIPO)	13 050.00	14 625.00
European Commission – DG Employment, Social Affairs and Equal Opportunities (DG EMPL)	0.00	841 500.00
TOTAL	1 245 150.00	867 825.00

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	2020	2019
European Medicines Agency (EMA)	3 176.00	3 156.00
European Agency for Safety and Health at Work (EU-OSHA)	1 152.00	2 172.00
European Union Intellectual Property Office (EUIPO)	132 796.00	124 120.00
Community Plant Variety Office (CPVO)	88.00	
European Centre for the Development of Vocational Training (Cedefop)	648.00	1 564.00
European Border and Coast Guard Agency (Frontex)	3 312.00	2 300.00
Consumers, Health, Agriculture and Food Executive Agency (Chafea)	968.00	528.00
European Maritime Safety Agency (EMSA)	820.00	0.00
European Food Safety Authority (EFSA)	1 852.00	0.00
European Institute for Gender Equality (EIGE)	0.00	184.00
European Environment Agency (EEA)	760.00	0.00
European High Performance Computing (EUROHPC)	385.00	0.00
European Chemicals Agency (ECHA)	6 780.00	616.00
European Asylum Support Office (EASO)	1 196.00	0.00
European Commission – DG Employment, Social Affairs and Equal Opportunities (DG EMPL) + DG GROW (DG JUST, DG EMPL, DG GROW)	36 236.00	0.00
European Fisheries Control Agency (EFCA)	184.00	0.00
SESAR Joint Undertaking (SESAR JU)	0.00	368.00
Innovative Medicines Initiative 2 Joint Undertaking (IMI 2 JU)	92.00	184.00
European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA)	552.00	1 272.00
The Single Resolution Board (SRB)	736.00	3 388.00
Office of the Body of European Regulators for Electronic Communications (BEREC)	92.00	0.00
Shift2Rail Joint Undertaking (S2R JU)	0.00	92.00
European Commission – (DG EMPL and DG JUST)	0.00	10 824.00
Bio-based Industries Joint Undertaking (BBI JU)	0.00	368.00
European Central Bank (ECB)*	0.00	36.00
Agency for the Cooperation of Energy Regulators (ACER)	92.00	0.00
TOTAL	191 917.00	151 172.00

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	2020	2019
European Agency for Safety and Health at Work (EU-OSHA)	17 794.00	8 610.00
European Union Agency for Fundamental Rights (FRA)	4 592.00	0.00
European Food Safety Authority (EFSA)	123.00	0.00
European Chemicals Agency (ECHA)	16 031.00	8 109.80
European Union Intellectual Property Office (EUIPO)	1 968.00	410.00
European Centre for Disease Prevention and Control (ECDC)	0.00	0.00
Consumers, Health and Food Executive Agency (Chafea)	0.00	31 645.20
European Border and Coast Guard Agency (Frontex)	2 829.00	25 461.00
European Commission – (DG EMPL and DG JUST)	0.00	2 050.00
European Institute for Gender Equality (EIGE)	14 145.00	9 840.00
European Asylum Support Office (EASO)	7 175.00	43 296.00
Innovative Medicines Initiative 2 Joint Undertaking (IMI 2 JU)	410.00	
European Training Foundation (ETF)	697.00	
European Ombudsman (Ombudsman)		984.00
TOTAL	65 764.00	130 406.00

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: Transcriptions

Clients	2020	2019
European Environment Agency (EEA)	2 025.00	0.00
European Union Agency for Fundamental Rights (FRA)	6 405.00	0.00
European Investment Bank (EIB)	358.50	0.00
TOTAL	8 788.50	0.00

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

Since October 2013, the Centre has occupied new premises in Gasperich. The previous Nouvel Hémicycle building in Kirchberg was rented from the Luxembourg state at a favourable price. Therefore, in order to assist the Centre's relocation to the Drosbach building, the Luxembourg state committed to compensate for the increased rental costs of the new premises in the form of a financial contribution amounting to EUR 243 250 per annum.

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 periods.

Note 22: Staff expenses

Type of expense	2020	2019
Staff costs (excluding ENDS and other experts)	15 889 457.96	15 581 926.22
Pensioners and temporary unemployment	3 886 523.10	3 832 587.93
Staff requisites and social activities	0.00	8 333.34
Allowances (excluding ENDS and other experts)	3 971 232.35	3 977 508.59
TOTAL	23 747 213.41	23 400 356.08

in EUR

The slight increase in staff expenses is mainly due to a lower vacancy rate. As can be seen in Chapter A.6 'Other information', the number of staff increased from 180 to 185 in 2020. In addition, the annual adjustment of the remunerations was positive (+0.7%), which resulted in the overall net increase of around EUR 41.000 per month in terms of salary related expenses.

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	2020	2019
Rent of land & buildings	2 381 663.45	2 359 983.44
Operating lease expenses	132 716.42	179 388.15
Maintenance & security – building	655 661.28	564 304.56
Insurance – building	7 889.47	8 330.82
Office supplies & maintenance	1 391 145.00	775 067.28
Communications & publications	200 327.32	149 108.01
Publicity and legal expenses	10 000.00	3 250.00
Insurance – others	8 021.43	9 265.33
Transport expenses	875.74	3 256.46
Recruitment costs	27 101.28	27 526.82
Training costs	67 219.38	99 762.44
Missions	5 606.72	43 753.74
Experts and related expenditure	-434.72	8 966.12
External operational IT costs	2 449 563.35	2 962 264.14
Other external non-IT services	352 425.01	273 076.38
Expenses with other consolidated entities	672 465.48	401 435.09
Depreciation of fixed assets	158 007.60	430 046.90
Other	85.00	0.00
TOTAL	8 520 339.21	8 298 785.68

The overall expenditure is slightly higher (EUR 221 553) than that of 2019 due mainly to an increase in “Office supplies & maintenance” (EUR 616 077) compensated by a decrease in “External operational IT costs” (EUR 512 700).

On the account ‘Office supplies & maintenance’, a significant proportion of the expenses are from budget line 2100 ‘Purchase, work on, servicing and maintenance of hardware and software’. The increase is due to the expenses linked to the transformation plan and the postponed expenses from 2019 to 2020.

The decrease in “External operational IT costs” is the result of the departure of external consultants who have not been replaced.

The further decrease (EUR 272 039) in depreciation of fixed assets in 2020 is due to the fact that a large part of the fixed assets was fully depreciated in 2020 (EUR 389 527.20).

Note 24: Operational expenses

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 decreased slightly by almost 6% in 2020. This decrease can be explained by the increased use of in-house resources available for translations. This is also due to savings realised on external translations due to the progressive implementation of the new pricing structure in new framework contracts. At the 2020 year-end, 100% of framework contracts were compliant with the new pricing structure, and the savings generated by implementation of the new pricing structure in 20120 amounted to EUR 1 192 635.

A.6 Other information

Number of employees

The following table summarises the number of staff members for the years ended 31 December 2020 and 31 December 2019, as set out in the establishment plan:

Number of staff		
	2020	2019
Administrator	130	127
Assistant	55	53
<i>Total</i>	185	180

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 2020, is set out in the following table:

Number of staff					
	Officials	Temporary agents	Contract agents	Agency staff	Total
Administrator	41	89	8.8	0	138.8
Assistant	6	49	10.5	9.5*	73
<i>Total</i>	47	138	19.3	9.5	213.8

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

Related party transactions

The Centre's key management staff as at 31 December 2020 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.

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.

Contingent assets, contingent liabilities and other significant disclosures

a) Contingent assets

The Centre has not recognised any contingent assets in 2020.

b) Performance guarantees

The Centre currently has three 'performance guarantees' that assure recovery of damages related to the execution of the contract with service providers. Their main features are summarised in the table below:

Company	Contract No	Guarantee No	Guarantee amount (EUR)	Start date	Expiry date
Postes et Télécommunications	CDT/WANSIII/2014 (lot 1)	2015/761002665	40 000	20/07/2015	30 days after expiry of contract
Postes et Télécommunications	CDT/WANSIII/2014 (lot 2)	2015/961002579	20 000	–	30 days after expiry of contract
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 2020, the budgetary RAL totalled EUR 3 098 868.

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 2020 amount to EUR 2 009 185. Therefore, the accounting RAL amounts to EUR 1 089 683.

d) Operating leases

Description	Start date	Expiry date	Total lease value	Payments made in the current year	in EUR	
					Outstanding payments due	
					Up to one year	One to five years
BMW Gran Tourer 2020	16/06/2020	15/06/2024	19 285.44	2 611.57	4 821.36	16 673.87
Leasing Server Cancom OF 0356 A	05/07/2020	04/07/2025	75 099.60	0.00	15 019.92	60 079.68
System storage Comlin OF 8004	01.01.17	31.12.21	283 592.21	60 025.08	60 025.08	0.00
System storage Comlin OF 8005	01.01.17	31.12.21	283 592.21	60 025.08	60 025.08	0.00
Total			661 569.46	122 661.73	139 891.44	76 753.55

e) Contractual commitments for which budget commitments have not yet been made

The Centre entered into long-term legal commitments in respect of amounts that were not yet covered by commitment appropriations in the budget. The amounts correspond to amounts committed to be paid during the term of the contracts that are not covered by budget commitments as of year-end 2020.

These include the outstanding contractual commitment of EUR 1 654 055 for the rent of the Drosbach building and EUR 77 112 to cover the rent of the eBRC building used within the framework of the Data Centre and Disaster Recovery Plan.

f) Other off-balance sheet commitments

As at 31 December 2020, the Centre had no other off-balance sheet commitments.

g) 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 2020 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	24 705 100.00	23 821 703.42	96.42%	883 396.58	23 735 809.37	96.08%	85 894.05
13	Missions and duty travel	66 600.00	8 146.11	12.23%	58 453.89	8 146.11	12.23%	0.00
14	Socio-medical infrastructure	670 300.00	544 000.00	81.16%	126 300.00	515 634.31	76.93%	28 365.69
16	Social services	82 000.00	56 579.06	69.00%	25 420.94	47 415.51	57.82%	9 163.55
17	Entertainment and representation	2 500.00	0.00	0.00%	2 500.00	0.00	0.00%	0.00
TITLE 1	STAFF	25 526 500.00	24 430 428.59	95.71%	1 096 071.41	24 307 005.30	95.22%	123 423.29
20	Rental of buildings and associated costs	3 131 300.00	3 051 148.21	97.44%	80 151.79	2 818 867.83	90.02%	232 280.38
21	Data processing	3 935 300.00	3 124 149.85	79.39%	811 150.15	2 610 196.57	66.33%	513 953.28
22	Movable property and associated costs	50 900.00	39 147.73	76.91%	11 752.27	26 611.90	52.28%	12 535.83
23	Current administrative expenditure	251 500.00	227 988.80	90.65%	23 511.20	149 173.47	59.31%	78 815.33
24	Postage and telecommunications	261 500.00	173 730.55	66.44%	87 769.45	111 282.43	42.56%	62 448.12
25	Expenditure on meetings	37 000.00	9 527.08	25.75%	27 472.92	61.20	0.17%	9 465.88
26	Expenditure on Management Board meetings	59 000.00	27 859.00	47.22%	31 141.00	27 859.00	47.22%	0.00
27	Consultations and studies	100 000.00	71 950.00	71.95%	28 050.00	0.00	0.00%	71 950.00
TITLE 2	BUILDINGS, EQUIPMENT AND SUNDRY OPERATING EXPENDITURE	7 826 500.00	6 725 501.22	85.93%	1 100 998.78	5 744 052.40	73.39%	981 448.82
30	External translation and related services	10 470 000.00	10 073 212.59	96.21%	396 787.41	8 189 345.94	78.22%	1 883 866.65
31	Interinstitutional cooperation	712 100.00	705 011.74	99.00%	7 088.26	605 979.89	85.10%	99 031.85
32	Expenditure relating to the e-CDT programme	188 300.00	183 164.72	97.27%	5 135.28	172 067.08	91.38%	11 097.64
TITLE 3	OPERATIONAL EXPENDITURE	11 370 400.00	10 961 389.05	96.40%	409 010.95	8 967 392.91	78.87%	1 993 996.14
TITLE 10	RESERVES	2 081 284.00	0.00	0.00%	2 081 284.00	0.00	0.00%	0.00
	TOTAL BUDGET	46 804 684.00	42 117 318.86	89.99%	4 687 365.14	39 018 450.61	83.36%	3 098 868.25

B.4. Budget expenditure implementation 2020 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	137 339.26	137 339.26	100.00%	73 837.16	53.76%	63 502.10
13	Missions and duty travel	24 098.78	24 098.78	100.00%	4 460.61	18.51%	19 638.17
14	Socio-medical infrastructure	38 406.64	37 803.64	98.43%	10 953.44	28.52%	27 453.20
16	Social services	19 650.39	19 650.39	100.00%	10 142.64	51.62%	9 507.75
TITLE 1	STAFF	219 495.07	218 892.07	99.73%	99 393.85	45.28%	120 101.22
20	Rental of buildings and associated costs	206 055.75	183 071.38	88.85%	172 823.40	83.87%	33 232.35
21	Data processing	580 785.04	580 785.04	100.00%	471 763.37	81.23%	109 021.67
22	Movable property and associated costs	13 686.91	6 695.00	48.92%	6 201.00	45.31%	7 485.91
23	Current administrative expenditure	45 122.47	45 017.49	99.77%	10 957.61	24.28%	34 164.86
24	Postage and telecommunications	41 540.46	39 815.18	95.85%	19 733.46	47.50%	21 807.00
25	Expenditure on meetings	3 678.00	3 678.00	100.00%	0.00	0.00%	3 678.00
26	Expenditure on Management Board meetings	32 032.06	25 913.28	80.90%	12 817.28	40.01%	19 214.78
27	Consultations and studies	56 700.00	56 700.00	100.00%	55 100.00	97.18%	1 600.00
TITLE 2	BUILDINGS, EQUIPMENT AND SUNDRY OPERATING EXPENDITURE	979 600.69	941 675.37	96.13%	749 396.12	76.50%	230 204.57
30	External translation and related services	2 214 652.13	2 214 652.13	100.00%	2 177 545.31	98.32%	37 106.82
31	Interinstitutional cooperation	164 666.96	164 666.96	100.00%	145 728.53	88.50%	18 938.43
32	Expenditure relating to the e-CDT programme	44 983.84	44 983.84	100.00%	43 352.84	96.37%	1 631.00
TITLE 3	OPERATIONAL EXPENDITURE	2 424 302.93	2 424 302.93	100.00%	2 366 626.68	97.62%	57 676.25
TOTAL BUDGET		3 623 398.69	3 584 870.37	98.94%	3 215 416.65	88.74%	407 982.04

B.5. Budget outturn

in EUR

	2020	2019	% change
Budget revenue	43 949 315.08	37 288 115.63	17.86%
Translation	40 641 507.40	35 573 865.42	14.25%
Terminology	2 052 450.00	26 325.00	7696.58%
Term lists	184 321.00	147 080.00	25.32%
Interinstitutional cooperation – IATE database	628 652.89	733 668.64	-14.31%
Subtitling	63 140.00	137 950.00	-54.23%
Other operating revenues	8 221.50	0.00	n/a
Revenue from operations	43 578 292.79	36 618 889.06	19.00%
Financial income	0.00	11 298.55	-100.00%
Grant for rent from Luxembourgish Government	243 250.00	243 250.00	0.00%
Miscellaneous	127 772.29	414 678.02	-69.19%
Budget expenditure	42 117 318.86	42 563 349.60	-1.05%
<i>Title 1 – Staff</i>			
Payments	24 307 005.30	23 886 468.77	1.76%
Appropriations carried over	123 423.29	219 495.07	-43.77%
<i>Title 2 – Buildings, equipment and miscellaneous operating expenditure</i>			
Payments	5 744 052.40	5 696 528.95	0.83%
Appropriations carried over	981 448.82	979 600.69	0.19%
<i>Title 3 – Operational expenditure</i>			
Payments	8 967 392.91	9 356 953.19	-4.16%
Appropriations carried over	1 993 996.14	2 424 302.93	-17.75%
Budget outturn for the financial year	1 831 996.22	-5 275 233.97	-134.73%
Other	407 746.32	226 800.57	79.78%
Appropriations carried forward and subsequently cancelled	407 982.04	226 997.33	79.73%
Exchange-rate differences	-235.72	-196.76	19.80%
Balance of the outturn account for the financial year	2 239 742.54	-5 048 433.40	-144.37%
Outturn for the previous year	-2 081 283.86	-645 104.46	222.63%
Allocation to reserves (1)	3 894 084.00	3 612 254.00	7.80%
Usage and cancelation of reserve for pricing stability	3 705 784.00	3 241 354.00	14.33%
Usage of reserve for exceptional investments (e-CdT)	188 300.00	370 900.00	-49.23%
Budget outturn to carry forward	4 052 542.68	-2 081 283.86	-294.71%

- (1) The movements on the reserves in 20120 include the usage of part of the budget reserve for stability pricing (EUR 3 705 784) in order to balance the amending budget 1/2020 and to allocate part of the budget outturn carried over from 2019 (EUR -2 081 284) to the 2020 budget outturn. The other movement concerns the usage of part of the budget reserve for exceptional investments (EUR 188 300) corresponding to expenditure on the eCdT program in 2020.

Since the Centre was established, amounts have systematically been allocated to reserves by reducing the budget outturn to carry forward. Taking into consideration all the allocations to the reserves and to the permanent prefinancing fund since the Centre's establishment, which total EUR 19 117 497, the adjusted budget surplus to carry forward would amount to EUR 23 170 040 instead of EUR + 4 052 543. 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 -4 052 543 will be incorporated in the amending budget 2021 by using the reserve for pricing stability in addition to the usage of the reserve already foreseen for 2021 and the rest will be reallocated to the reserve for stability pricing.

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

Name of the reserve	Balance 2020	Description of the reserve
Reserve for stability pricing	2 440 853	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	147 178	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	2 588 031	
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	19 117 497.00	

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

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	
	2020	2019
Economic result for the year	1 046 002.86	-3 081 676.24
A. Adjustments for items not included in the budget outturn but included in the economic outturn		
1. Adjustment for accrual cut-off (liabilities)	2 560 851.94	2 444 995.90
2. Reversal of accrual cut-off from previous year	-2 444 995.90	-2 494 795.64
3. Amortisation and depreciation of intangible and tangible fixed assets	158 092.60	430 046.90
4. Prefinancing given in previous year and cleared in the year	0.00	0.00
5. Prefinancing received in previous year and cleared in the year	-347 179.20	-1 548 227.21
6. Recovery orders issued and not yet cashed	-3 906 629.13	-3 023 871.49
7. Payments made from carryover of payment appropriations	3 215 416.65	3 075 206.54
8. Change in work in progress	419 000.00	-166 000.00
9. Accrued interest	0.00	0.00
10. Accrued income	0.00	0.00
11. Prepaid expenses	-101 315.90	11 040.06
Subtotal	-446 758.94	-1 271 604.94
B. Adjustments for items included in the budget outturn but not included in the economic outturn		
1. Asset acquisitions	-135 120.60	-60 699.98
2. Budgetary recovery orders issued previously and cashed in the year	3 023 871.49	2 392 960.23
3. Payment appropriations carried over to the following year	-3 098 868.25	-3 623 398.69
4. Appropriations carried forward and subsequently cancelled	407 982.04	226 997.33
5. New prefinancing received in the year and remaining open as at year-end	1 419 870.12	347 179.20
6. Other temporary differences	22 763.82	21 809.69
Subtotal	1 640 498.62	-695 152.22
Balance of the budget outturn account for the financial year	2 239 742.54	-5 048 433.40

B.7. Budget revenue from operational activities 2020

in EUR

REVENUE SOURCE BY AGENCY- CORRESPONDS TO A BUDGET LINE	TOTAL BUDGETED REVENUES (A)	RECOVERY ORDERS ESTABLISHED IN THE FINANCIAL YEAR (B)	ENTITLEMENTS CARRIED OVER FROM 2019 (C)	AMOUNTS RECEIVED ON ENTITLEMENTS CARRIED OVER (D)	AMOUNTS RECEIVED ON 2020 ENTITLEMENTS (E)	AMOUNTS RECEIVED 2020 (F=D+E)	SUMS STILL TO BE COLLECTED (G =B+C-F)	Average collection date* (in days)
European Environment Agency (EEA)	237 700.00	313 654.00	0.00	0.00	313 654.00	313 654.00	0.00	-18.31
European Training Foundation (ETF)	153 700.00	163 780.95	0.00	0.00	163 780.95	163 780.95	0.00	-24.80
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	376 100.00	123 823.50	33 868.00	33 868.00	123 823.50	157 691.50	0.00	-11.00
European Medicines Agency (EMA)	3 294 000.00	3 164 898.60	0.00	0.00	3 164 898.60	3 164 898.60	0.00	-31.50
European Agency for Safety and Health at Work (EU-OSHA)	788 600.00	1 099 784.85	0.00	0.00	1 099 784.85	1 099 784.85	0.00	-17.50
European Union Intellectual Property Office (EUIPO)	4 140 200.00	3 941 051.05	0.00	0.00	3 941 051.05	3 941 051.05	0.00	-31.96
EUIPO trade marks	12 316 400.00	12 168 538.46	0.00	0.00	12 168 538.46	12 168 538.46	0.00	-29.63
Community Plant Variety Office (CPVO)	38 700.00	76 606.65	0.00	0.00	76 606.65	76 606.65	0.00	+0.08
European Union Agency for Law Enforcement Cooperation (Europol)	49 600.00	92 439.60	0.00	0.00	92 439.60	92 439.60	0.00	-17.60
European Foundation for the Improvement of Living and Working Conditions (Eurofound)	391 900.00	430 601.40	0.00	0.00	430 601.40	430 601.40	0.00	-24.25
European Centre for the Development of Vocational Training (Cedefop)	137 400.00	153 780.55	13 461.50	13 461.50	153 780.55	167 242.05	0.00	-3.22
European Union Agency for Fundamental Rights (FRA)	1 201 300.00	1 120 861.70	0.00	0.00	1 120 861.70	1 120 861.70	0.00	-25.60
European Investment Bank (EIB)	2 700.00	8 826.95	0.00	0.00	8 826.95	8 826.95	0.00	+0.00
European Food Safety Authority (EFSA)	191 200.00	240 077.90	0.00	0.00	240 077.90	240 077.90	0.00	-36.43
The European Union's Judicial Cooperation Unit (Eurojust)	484 200.00	496 710.40	0.00	0.00	486 604.10	486 604.10	10 106.30	+0.00
European Maritime Safety Agency (EMSA)	140 900.00	253 194.00	0.00	0.00	253 194.00	253 194.00	0.00	-25.19
European Aviation Safety Agency (EASA)	43 400.00	2 585.00	0.00	0.00	2 585.00	2 585.00	0.00	+26.00
European Union Agency for Railways (ERA)	240 300.00	294 429.60	0.00	0.00	294 429.60	294 429.60	0.00	-36.08
European Network and Information Security Agency (ENISA)	51 100.00	96 920.10	0.00	0.00	96 920.10	96 920.10	0.00	-30.89
European Centre for Disease Prevention and Control (ECDC)	490 100.00	576 425.70	19 344.00	19 344.00	565 145.70	584 489.70	11 280.00	-8.00
European Border and Coast Guard Agency (Frontex)	961 200.00	1 306 275.45	0.00	0.00	1 306 275.45	1 306 275.45	0.00	-16.37
Education, Audiovisual and Culture Executive Agency (EACEA)	765 900.00	343 306.75	0.00	0.00	343 306.75	343 306.75	0.00	-19.55

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

REVENUE SOURCE BY AGENCY-	TOTAL BUDGETED REVENUES	RECOVERY ORDERS ESTABLISHED IN THE FINANCIAL YEAR	ENTITLEMENTS CARRIED OVER FROM 2019	AMOUNTS RECEIVED ON ENTITLEMENTS CARRIED OVER	AMOUNTS RECEIVED ON 2020 ENTITLEMENTS	AMOUNTS RECEIVED 2020	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)	15 600.00	31 605.30	0.00	0.00	31 605.30	31 605.30	0.00	+10.83
European Union Agency for Law Enforcement Training (CEPOL)	26 300.00	13 906.60	0.00	0.00	13 906.60	13 906.60	0.00	-19.43
Consumers, Health, Agriculture and Food Executive Agency (Chafea)	1 031 500.00	1 209 365.40	0.00	0.00	1 209 365.40	1 209 365.40	0.00	-26.17
European GNSS Agency (GSA)	10 800.00	17 274.85	0.00	0.00	17 274.85	17 274.85	0.00	-31.33
European Defence Agency (EDA)	24 100.00	45 739.00	1 575.00	1 575.00	45 739.00	47 314.00	0.00	-29.00
European Chemicals Agency (ECHA)	1 295 400.00	1 276 434.21	355 211.00	355 211.00	1 276 434.21	1 631 645.21	0.00	-9.59
European Fisheries Control Agency (EFCA)	276 900.00	430 069.00	0.00	0.00	430 069.00	430 069.00	0.00	-18.79
Fusion for Energy Joint Undertaking (F4E JU)	53 400.00	41 372.75	0.00	0.00	41 372.75	41 372.75	0.00	-16.71
Innovation and Networks Executive Agency (INEA)	52 300.00	41 536.50	0.00	0.00	41 536.50	41 536.50	0.00	-26.67
European Institute of Innovation and Technology (EIT)	18 100.00	8 578.00	0.00	0.00	8 578.00	8 578.00	0.00	-13.60
European Research Council Executive Agency (ERCEA)	48 000.00	1 034.00	0.00	0.00	1 034.00	1 034.00	0.00	-31.00
Research Executive Agency (REA)	55 800.00	17 015.25	0.00	0.00	17 015.25	17 015.25	0.00	-31.50
Clean Sky 2 Joint Undertaking (CS 2 JU)	1 900.00	1 859.75	0.00	0.00	1 859.75	1 859.75	0.00	+0.00
European Institute for Gender Equality (EIGE)	144 100.00	191 813.40	0.00	0.00	191 813.40	191 813.40	0.00	-29.18
SESAR Joint Undertaking (SESAR JU)	30 800.00	6 977.50	0.00	0.00	6 977.50	6 977.50	0.00	-32.00
Innovative Medicines Initiative 2 Joint Undertaking (IMI 2 JU)	29 800.00	972.00	0.00	0.00	972.00	972.00	0.00	-30.50
Fuel Cells and Hydrogen 2 Joint Undertaking (FCH 2 JU)	10 500.00	0.00	0.00	0.00	0.00	0.00	0.00	+0.00
European Asylum Support Office (EASO)	3 143 800.00	3 432 945.77	0.00	0.00	3 432 945.77	3 432 945.77	0.00	-27.50
Agency for the Cooperation of Energy Regulators (ACER)	279 900.00	248 702.70	0.00	0.00	248 702.70	248 702.70	0.00	-26.73
European Securities and Markets Authority (ESMA)	527 200.00	716 808.35	0.00	0.00	716 808.35	716 808.35	0.00	-20.73
European Banking Authority (EBA)	716 500.00	810 436.25	0.00	0.00	810 436.25	810 436.25	0.00	-28.15
European Insurance and Occupational Pensions Authority (EIOPA)	153 600.00	164 616.95	0.00	0.00	164 616.95	164 616.95	0.00	-33.38
Office of the Body of European Regulators for Electronic Communications (BEREC)	29 100.00	36 476.70	0.00	0.00	36 476.70	36 476.70	0.00	-21.58

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

REVENUE SOURCE BY AGENCY-	TOTAL BUDGETED REVENUES	RECOVERY ORDERS ESTABLISHED IN THE FINANCIAL YEAR	ENTITLEMENTS CARRIED OVER FROM 2019	AMOUNTS RECEIVED ON ENTITLEMENTS CARRIED OVER	AMOUNTS RECEIVED ON 2020 ENTITLEMENTS	AMOUNTS RECEIVED 2020	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)	789 500.00	811 304.80	0.00	0.00	811 304.80	811 304.80	0.00	-22.36
Electronic Components and Systems for European Leadership Joint Undertaking (ECSEL JU)	4 500.00	1 081.00	0.00	0.00	1 081.00	1 081.00	0.00	-24.00
Single Resolution Board (SRB)	815 400.00	1 054 654.85	0.00	0.00	1 054 654.85	1 054 654.85	0.00	+2.16
European Schools (EURSC)	4 500.00	45 613.50	0.00	0.00	43 404.50	43 404.50	2 209.00	+34.40
Bio-Based Industries Joint Undertaking (BBI JU)				0.00	0.00	0.00	0.00	
Shift2Rail Joint Undertaking (S2R JU)	500.00	22 229.00	0.00	0.00	22 229.00	22 229.00	0.00	-24.00
European High Performance Computing Joint Undertak	500.00	385.00	0.00	0.00	385.00	385.00	0.00	+0.00
	1 700.00	99 587.95	0.00	0.00	89 398.05	89 398.05	10 189.90	+1.00
European Commission – (DG EMPL and DG JUST)	3 646 900.00	3 527 331.46	0.00	0.00	3 463 373.46	3 463 373.46	63 958.00	+24.10
European Parliament (EP)	0.00	2 063.25	0.00	0.00	348.75	348.75	1 714.50	+0.00
Council of the European Union (Council)	147 400.00	14 657.50	0.00	0.00	14 657.50	14 657.50	0.00	-17.40
European Court of Auditors (ECA)	14 800.00	22 506.05	0.00	0.00	22 506.05	22 506.05	0.00	-9.45
Committee of the Regions of the European Union	5 800.00	6 344.00	2 291.00	2 291.00	6 344.00	8 635.00	0.00	-25.40
European Economic and Social Committee	3 000.00	6 993.25	19 788.00	19 788.00	6 993.25	26 781.25	0.00	+19.33
Court of Justice of the European Union (CJEU)	1 800.00	3 677.75	0.00	0.00	3 677.75	3 677.75	0.00	-22.50
European Central Bank (ECB)	84 900.00	58 103.95	0.00	0.00	58 056.95	58 056.95	47.00	-6.33
European Ombudsman (Ombudsman)	339 800.00	264 588.90	0.00	0.00	264 588.90	264 588.90	0.00	-27.31
European Data Protection Supervisor (EDPS)	1 203 000.00	1 448 370.50	0.00	0.00	1 448 370.50	1 448 370.50	0.00	-7.07
Interinstitutional projects with the institutions (IATE)	664 600.00	628 652.89	0.00	0.00	628 652.89	628 652.89	0.00	-8.89
TOTAL REVENUE FROM OPERATIONS	42 200 600.00	43 232 258.99	445 538.50	445 538.50	42 504 101.40	43 578 292.79	99 504.70	-11.71

*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 2020

in EUR

No	Date	Reinforced line	Heading	Debited line	Heading	Amount
1	20/01/2020	2050	Security and surveillance of buildings	2352	Miscellaneous expenditure on internal meetings	2 000.00
2	20/01/2020	1100	Basic salaries	1420	Other expenditure	110 000.00
3	12/03/2020	2100	Achat, installation, mise en service et maintenance du matériel et des logiciels	2050	Security and surveillance of buildings	11 500.00
4	17/04/2020	2030	Nettoyage et entretien	2050	Security and surveillance of buildings	15 000.00
5	12/10/2020	1100	Basic salaries	1182	Installation, resettlement and transfer allowances	32 800.00
6	29/10/2020	1100	Basic salaries	2360	External audit and evaluation services	100.00
7	18/11/2020	1100	Basic salaries	1183	Removal expenses	5 000.00
8	30/11/2020	1100	Basic salaries	1184	Temporary daily subsistence allowances	1 000.00
9	22/12/2020	1100	Basic salaries	1410	Medical service	4 000.00

REPORT ON BUDGETARY AND FINANCIAL MANAGEMENT 2020

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C.1 Financial resources and budgetary management

1. Initial and amending budget

The Centre's initial budget for 2020 (EUR 47.07 million) was subject to two amending budgets.

The first amending budget was adopted by the Management Board on 24 June 2020 in order to include the new service "Transcription".. A second amending budget was adopted by the Management Board by written procedure on 23 September 2020 in order to reflect the updated forecasts received from clients, the result of the review by the Centre of all expenditure items and the budget deficit from the previous year

From the outset, the 2020 initial budget was planned as a deficit budget (EUR 3 million). After the two amending budgets, the budget deficit was increased to EUR 3.9 million due to the introduction of the budget deficit from the previous year. Due to higher than expected requests from clients, the final budget outturn of the year produced a surplus of EUR 2.2 million.

Movements in the budget in 2020

in EUR

Title	Heading	Final budget 2020	2nd Amending budget 2020	1st Amending budget 2020	Initial budget 2020
Revenue					
1	Payments from agencies, bodies, offices and institutions	41 536 000	-1 236 500	0	42 772 500
2	Subsidy from the Commission	0	0	0	p.m.
3	Interinstitutional cooperation*	664 600	0	0	664 600
4	Other revenue	710 000	85 250	0	624 750
5	Surplus carried over from the previous financial year	3 894 084	878 834	0	3 015 250
6	Refunds	0	0	0	p.m.
	Grand total	46 804 684	-272 416	0	47 077 100
Expenditure					
1	Staff	25 526 500	-2 012 300	0	27 538 900
2	Buildings, equipment and miscellaneous operating expenditure	7 826 500	-20 300	0	7 846 700
3	Operational expenditure	11 370 400	-321 100	0	11 691 500
10	Reserves	2 081 284	2 081 284	0	0
	Grand total	46 804 684	-272 416	0	47 077 100

2. Revenue cashed

Comparative analysis of budget revenue for 2020 and 2019

in EUR

Budget revenue	2020	2019	% change
Total revenue relating to the core operational activity	43 578 293	36 618 889	19.00%
Financial income	0	11 299	-100.00%
Grants received	243 250	243 250	0.00%
Other operating income	127 772	414 678	-69.19%
Total budget revenue	43 949 315	37 288 116	17.86%

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 cashed revenue increased by 17.86% from EUR 36.6 million in 2019 to EUR 43.5 million in 2020. The revenue increase was mainly due to higher advance payments received from clients in 2020 for translation services to be invoiced in 2021. The advances amounted to EUR 1.4 million compared with EUR 0.3 million in 2019.

The net impact of movements on the advances collected was EUR -1.1 million. The main reason for this decrease in invoiced pages is the lower number of pages delivered to clients compared to their forecasts. The overall number of pages invoiced to clients was significantly lower than in the previous year. In 2020, there was a 0.8% decrease 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 17.5% (+43 095 pages), and the translation of pages of EU trade marks decreased by 13.8% (-47 928 pages).

Reductions offered to clients in 2020 by applying the pricing policy were EUR 0.35 million more than in 2019. The total reduction offered to clients in 2020 amounted to EUR 3.57 million (-37 502 pages) compared to EUR 3.22 million in 2019. This means that the average price paid by clients during 2020 for the standard translation service was EUR 85.47 per page surcharges excluded.

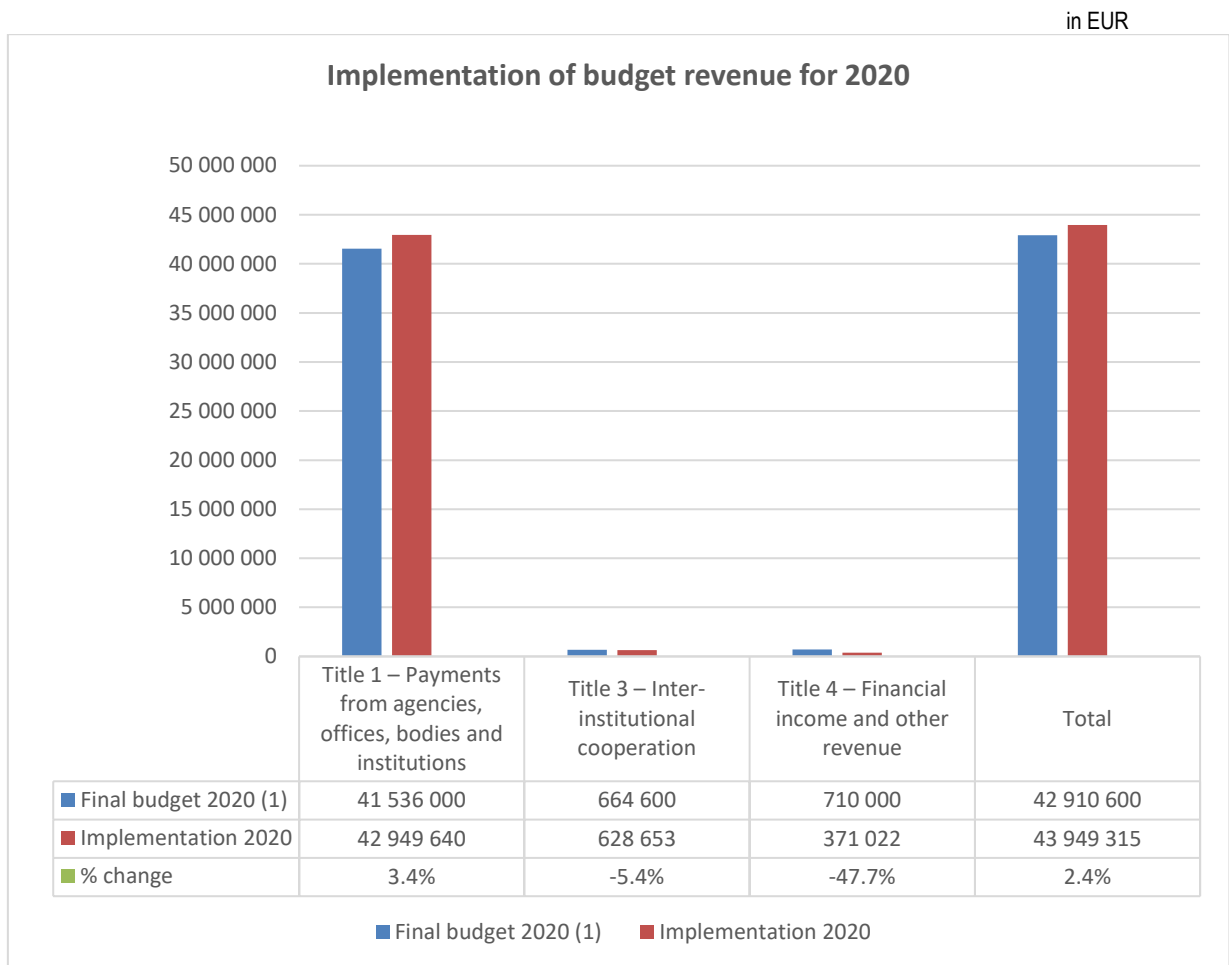
Taking into consideration the above aspects, the revenues for 2020 were superior to 2019 (+18%); this can also be seen from the statistics on the volume of pages in Chapter C.2 and from the economic result for the year in Chapter A.2.

In 2020, financial income continued to decrease due to negative earnings on the financial markets in 2018. The main objective of the Centre's approach to treasury management in 2020 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.

The decrease in miscellaneous revenues in 2020 is mainly due to the fact that in 2019 the Centre collected rent for rental of the office space on behalf of Chafea, re-invoiced to DG OIL. Other material items included in the miscellaneous revenues in 2020 are the re-invoicing of data centre costs and parking spaces.

3. Implementation of budget revenues



(1) Not including EUR 3 894 084 in Title 5 covering the outturn for the previous year

In 2020, the collection of revenue was 2.4% above the forecast in the amending budget 2/2020 (EUR 1.4 million), and the overall number of invoiced pages increased by 9%. The increase in collected revenues was visible for all documents, excluding EU trade marks. For documents other than EU trade marks the revenues were 20.6% above the forecast in the amending budget 2/2020, while for EU trade marks they were 1.6% below the forecast.

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 amending budget 2/2020 (57 130 pages).

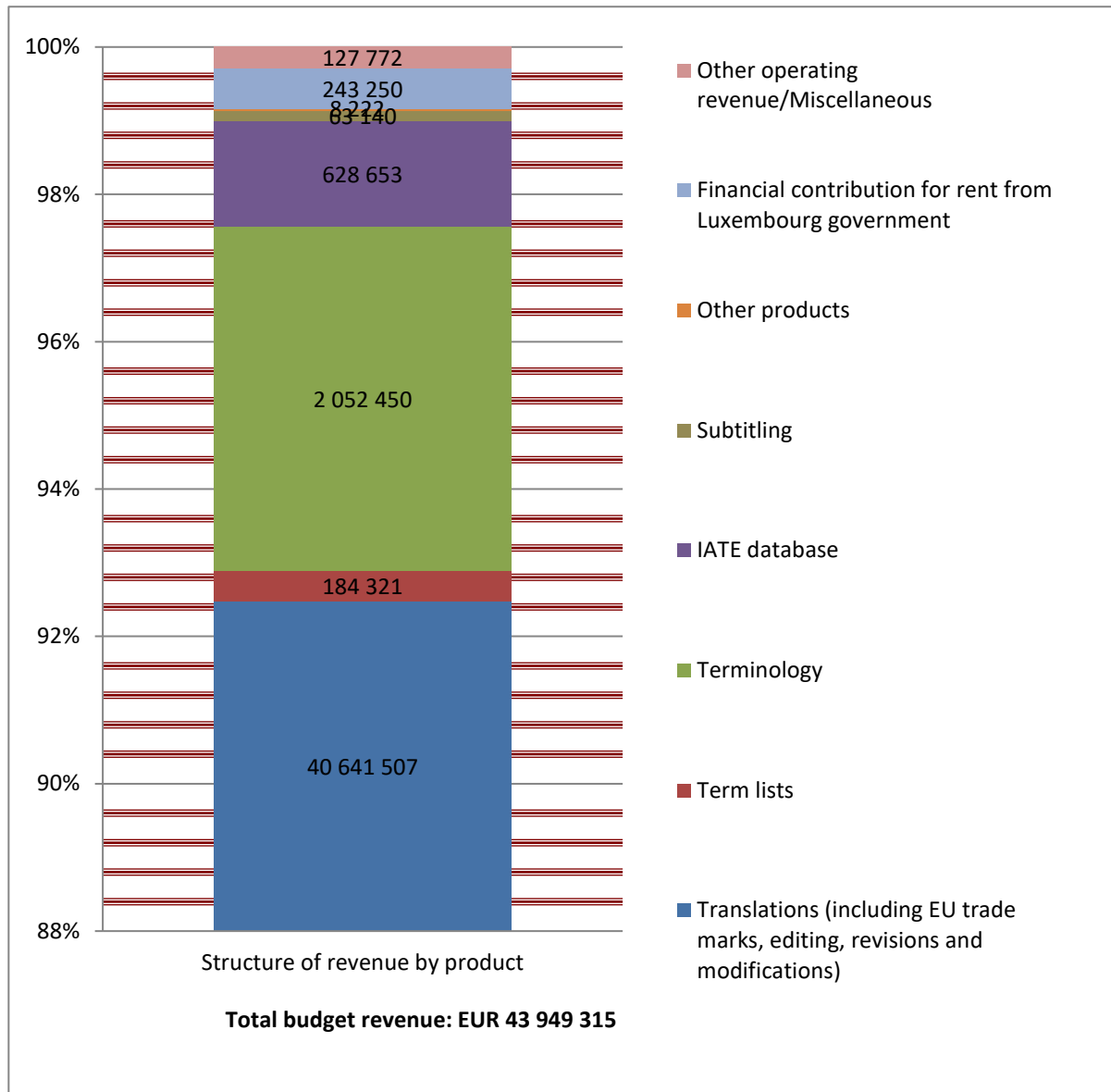
The number of EU trade mark pages delivered and invoiced to the EUIPO (300 348 pages) was 1.6% below the forecast (305 289 pages) and 1.2% in financial terms. The decrease in revenues from EU trade marks was less than the decrease in the number of EU trade mark pages invoiced, because the fixed price 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 2020 in Chapter C.2. 'Achievement of targets for the year'.

4. Revenue broken down by activity

For 2020, the Centre's main source of revenue was translation work (translation of documents and EU trade marks, revision, editing and modification), representing some 92.5% of total revenue. The remaining 7.5% 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.

27.7% of the revenues from translation work were generated by the EU trade marks translated for the EUIPO (35.6% in 2019). Overall revenues from the Centre's biggest client, the EUIPO, amounted to EUR 16 109 189 in 2020, which represents 36.7% of the EUR 43 949 315 collected by the Centre in 2020 (44.5% in 2019).



5. Budget expenditure

A. Execution of commitment appropriations

in EUR

Chapter	Heading	Expenditure 2020 (commitment execution)	Expenditure 2019 (commitment execution)	Change in EUR	% Change
11	Staff in active employment	23 821 703	23 727 525	94 178	0.40%
13	Missions and duty travel	8 146	67 050	-58 904	-87.85%
14	Socio-medical infrastructure	544 000	227 920	316 080	138.68%
16	Welfare service	56 579	83 400	-26 821	-32.16%
17	Entertainment and representation	0	69	-69	-100.00%
TITLE 1	STAFF	24 430 429	24 105 964	324 465	1.35%
20	Rental of buildings and associated costs	3 051 148	2 975 543	75 605	2.54%
21	Information technology	3 124 150	3 114 441	9 709	0.31%
22	Movable property and associated costs	39 148	41 884	-2 737	-6.53%
23	Operating expenditure	227 989	216 212	11 776	5.45%
24	Postage and telecommunications	173 731	130 152	43 579	33.48%
25	Expenditure on formal and other meetings	9 527	6 257	3 270	52.26%
26	Expenditure on Management Board meetings	27 859	55 215	-27 356	-49.54%
27	Information: acquisition, archiving, production and dissemination	71 950	136 425	-64 475	-47.26%
TITLE 2	BUILDINGS, EQUIPMENT AND SUNDRY OPERATING EXPENDITURE	6 725 501	6 676 130	49 372	0.74%
30	External translation services	10 073 213	10 844 446	-771 233	-7.11%
31	Interinstitutional cooperation	705 012	703 188	1 824	0.26%
32	Expenditure relating to the e-CDT programme	183 165	233 623	-50 458	-21.60%
TITLE 3	OPERATIONAL EXPENDITURE	10 961 389	11 781 256	-819 867	-6.96%
TITLE 10	RESERVES	0	0	0	n/a
	TOTAL BUDGET	42 117 319	42 563 350	-446 031	-1.05%

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

The execution of commitments in Title 1 increased by 1.3% in 2020 compared with 2019 (EUR +324 465). The main reason for this increase in staff costs is higher amounts spent on the socio-medical infrastructure due to Centre's financial contribution to the European Schools. Compared with 2019, salary costs remained stable with the salary indexation of 0.7%, promotions and step advancements.

The budget execution in Title 2 increased by 0.7% in 2020 compared with 2019 (EUR +49 372). The majority of the increase in Title 2 can be explained by an increase in Chapter 20 "Rental of buildings and associated costs".

This increase was due to the regularisation of the building's charges for 2018 and 2019. This was partially offset by a decrease in title 27 "Information: acquisition, archiving, production and dissemination" as a result of the resource allocation project for the improvement of the activity cost models.

The expenditure for Title 3 decreased by 7% in 2020 (EUR -819 867).

It is also due to the progressive application of the new pricing policy for external language service providers. As a result of the application of the new framework contracts, the volume of translated pages was adjusted for the texts retrieved from translation memories. In 2020, an average reduction of 17.6% in terms of pages was received from suppliers, which represents EUR 1.2 million in financial terms.

Change in outsourcing of documents

in pages

Description	2020	2019	Absolute change	Change in %
Freelance (in pages)	467 455	451 319	16 137	3.6%
In-house translators and translation memories	167 813	188 206	-20 393	-10.8%
Total pages	635 268	639 525	-4 256	-0.7%
% of externalisation	73.6%	70.6%	3.0%	4.3%

Outsourcing increased by 3% in 2020. The number of pages translated by the Centre's in-house translators decreased by 20 393 pages in 2020 compared with 2019. The pages by in-house translators also include EU trade mark pages translated by the Centre's translation memories without human intervention. The efficiency of translation memories for EU trade marks is constantly decreasing due to more extensive usage of translation memories by the EUIPO. Therefore, without taking into consideration the EU trade mark pages, the number of in-house translation pages increased compared with 2019.

The figures included in the table on outsourcing include the number of pages before retrieval from translation memories. Therefore, the above figures do not reflect the internal effort for translation, but rather the proportion of outsourcing on overall pages delivered to clients.

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

in EUR

Description	2020	Implementation 2020	2019	Implementation 2019	% Change
Budget (excluding Title 10)	44 723 400	n/a	45 105 300	n/a	n/a
Commitments entered into	42 117 319	94.17%	42 563 350	94.36%	-0.19%
Appropriations cancelled	2 606 081	5.83%	2 541 950	5.64%	0.19%
Payments made	39 018 451	87.24%	38 939 951	86.33%	0.91%
Appropriations carried over	3 098 868	6.93%	3 623 399	8.03%	-1.10%

The execution of the budget expenditure was more or less the same as the previous year, with 94.2% of budget appropriations committed (94.4% in 2019) and the remaining 5.8% cancelled. The execution of payments is slightly higher than that of the previous year (87.2% in 2020 compared with 86.3% in 2019), and 6.9% of the budget appropriations were carried over to the following year compared with 8% the previous year.

A total of EUR 2 606 081 of the budget in Titles 1-3 (5.8%) was not used, which is slightly more than in the previous year, demonstrating that the Centre planned the budget in a more precise way. The under-consumption of expenses contributed to better financial results, which should be particularly appreciated given that the execution of revenues was 2.4% above the budget forecast (EUR +1 million). The under-consumption of expenses thereby improved the positive financial impact of the execution of revenues. High execution of commitments can be observed across all budget titles, reaching 94.2% in 2020, as can be seen in the table above:

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)	25 526 500	n/a	7 826 500	n/a	11 370 400	n/a	44 723 400
Commitments entered into	24 430 429	95.7%	6 725 501	85.9%	10 961 389	96.40%	42 117 319
Appropriations cancelled	1 096 071	4.3%	1 100 999	14.1%	409 011	3.60%	2 606 081
Payments made	24 307 005	95.2%	5 744 052	73.4%	8 967 393	78.87%	39 018 451
Appropriations carried forward	123 423	0.5%	981 449	12.5%	1 993 996	17.54%	3 098 868

Title 1 – Staff

The initial budget in Title 1 was EUR 27 538 900. This decreased to EUR 25 526 600 in the second amending budget 2/2020 due to lower than expected occupancy rates and the departure of some staff. During 2020, 95.7% of the final budget (93.5% in 2019) was executed in terms of commitments, namely EUR 24 430 429 (EUR 24 105 964 in 2019), and 95.2% of the budget (92.6% in 2019) was consumed by payments. EUR 1 096 071 was left unused, representing 4.3% of the budget (EUR 1 679 736 and 6.5% in 2019). The main factor for the under-execution of commitments was staff turnover in 2020, 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 slightly higher (EUR 123 423 compared with EUR 219 495 in 2019). 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 7 846 700, which was decreased to EUR 7 826 400 in the amending budget 2/2020. This was slightly higher than the budget for 2019, which was EUR 7 115 900. The execution of commitments reached 85.9% in 2020, leaving EUR 1 100 999 unused. The implementation is lower compared to last year, when 93.8% of Title 2 was committed. Payment execution was lower than the previous year, with an execution rate of 73.4%, compared to 80.1% in 2019.

The execution in the most important budget Chapter 20 covering rent and building-related charges has remained relatively high for many years, at 97.4% (98.13% in 2019), but the execution for IT expenses, the second most important budget chapter, decreased to 79.4%, which was less than in 2019 (90.8%). On average, the execution of other chapters of Title 2 was around 72.4% due to the provisional nature of the commitments behind the expenses that cannot always be reliably estimated.

The commitments carried over from 2020 to 2021 amounted to EUR 981 449, which is similar to the carryovers from 2019 to 2020 (EUR 979 601).

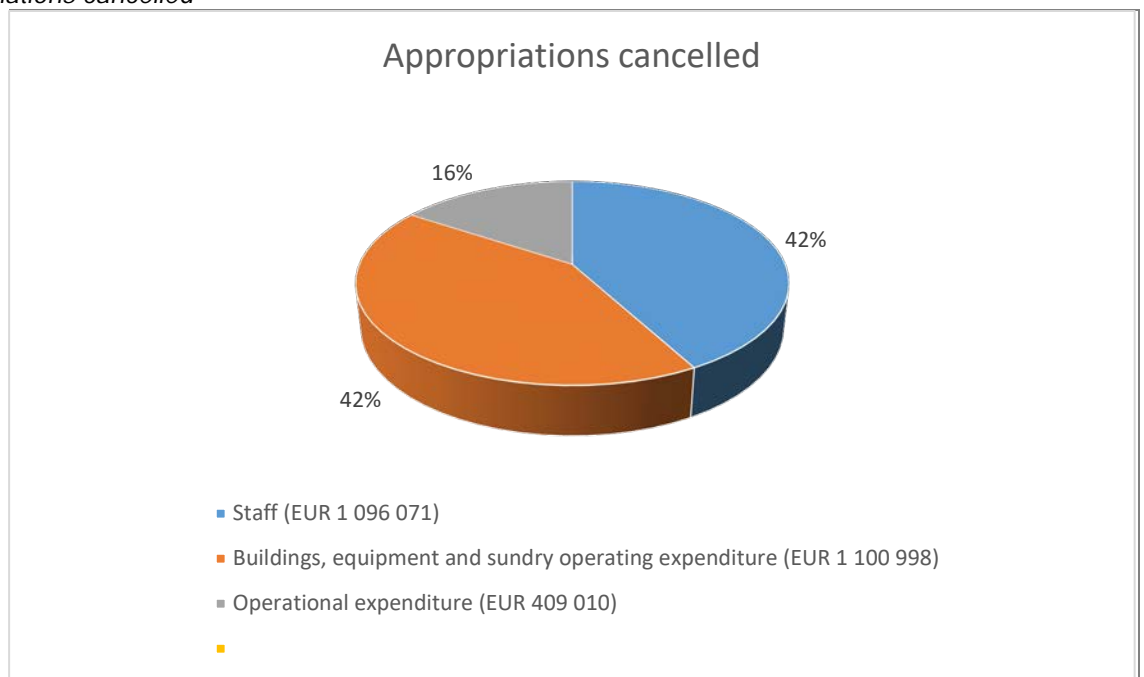
Title 3 – Operational expenditure

The final budget in Title 3 was EUR 10 961 389, which was lower than the figure in the initial budget 2020 (EUR 11 691 500). In Title 3, 96.4% of the budget (EUR 10 961 389) was used during 2020, which was the same in 2019 with 96.5% used, i.e. EUR 11 781 256. The unused budget appropriations in this title are EUR 409 011 (EUR 422 444 in 2019), with EUR 396 787 of this relating to item 3000 'External translation services' (EUR 265 554 in 2019).

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.

The impact of the progressive implementation of the new pricing structure for the Centre's external language service providers for the translation of documents was reflected in the initial and amending budget from the outset.

D. Appropriations cancelled



C.2 Achievement of targets for the year

The Centre closed the year with a total translation volume of 635 268¹ pages, which was 2.7% above the 618 605 pages planned in the initial budget for 2020 and 9% above the 583 088 pages planned in the amending budget 2/2020. Compared with 2019 (639 515 pages), there was an 0.7% decrease 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 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 589 651.

Documents accounted for 334 920 pages² in 2020. This corresponds to 6.9% more pages than the target in the initial budget for 2020 (313 316 pages) and 20.6% more than the target in the amending budget 2/2020 (277 799 pages). It also included 8 115 pages translated for the Centre's internal needs, of which most were for Management Board meetings (4 879 pages). The number of documents translated increased by 15% compared with 2019 (291 249 pages).

Of the total 635 268 pages translated in 2020, 300 347 pages (47.3% of the total translated volume) accounted for EU trade marks, compared with 348 276 pages planned in the initial and amending budget for 2019. Compared with 2019, the number of translated EU trade marks decreased by 16.8% (-47 928 pages). EU trade marks remain the key product in the Centre's portfolio, amounting to 28.1% of the Centre's total revenue in 2019 (35.6% in 2019). In terms of invoiced pages, EU trade marks represented 50.1% of the total volume invoiced in 2020. 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 2020. Some 1 447 man-days were devoted to terminology work, and twenty clients requested the translation of 449 277 term list entries, which included 7 619 terms for Community Designs, 10 276 Euroclass terms and 15 282 other terms for the EUIPO. In 2019, the Centre produced 41 002 terms, mainly for the EUIPO, and undertook 1 129 man-days of terminology work.

Some 2 237 minutes of subtitling were produced for ten clients. In 2019, the Centre produced 2 571 minutes of subtitling, mainly for the EASO.

Based on the report from the working group, followed by the Centre's Management Board decision in October 2016, the Centre introduced a new pricing structure for the translation of documents as of January 2017. The new pricing structure grants a discount to clients for repetitive texts that are translated using the Centre's translation memories. As a result, the impact of the new pricing structure on the number of invoiced pages in 2020 was -11.72% (-37 502 pages), which corresponds to a total reduction of EUR 3 568 980 for the Centre's clients (-11.54%). The financial impact of the new pricing structure in 2019 was EUR 3 229 804 (-12.9%), with a reduction of 35 492 pages (-13.1%). The Centre also applies a similar pricing scheme to its suppliers that reflects the use of translation memories. In 2020, an average reduction of 17.57% in terms of pages was received from suppliers, which represents EUR 1 192 635 less in financial terms.

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 2020, in 99% of cases, the translations were assessed as being of acceptable or excellent quality.

¹ 657 323 pages if the equivalent of 17 798 pages of documents is included (2019 partial delivery of the DG EMPL project).

Although the percentage of external translations of poor quality was low in 2020, the Centre took some stringent measures against several contractors whose documents were judged to be repeatedly unsatisfactory. In 2020, a total of 332 outsourced translations 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 250 of them 75% of cases) and contractual measures were applied to the contractors concerned. In some cases, these contractual measures involved 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 2020 (in pages)

