ECMWF

European Centre for Medium-Range Weather Forecasts

Financial Statements of Account 2020

Contents

Introduction

The European Centre for Medium-Range Weather Forecasts

The European Centre for Medium-Range Weather Forecasts (ECMWF) is an independent intergovernmental organisation supported by 23 Member States and 11 Co-operating States. It was created by a Convention that came into force on 1 November 1975 and was amended on 6 June 2010. The governing bodies are the Council, the Director-General, and the Council's advisory committees, whose functions are defined in the Convention.

ECMWF is both a research institute and a 24/7 operational service, producing and disseminating numerical weather predictions to its Member States. This data is fully available to the national meteorological services in the Member States. The Centre also offers a catalogue of forecast data that can be purchased by businesses worldwide and other commercial customers. Other strategic activities include maintaining a data archive, assistance in advanced education and assistance to the World Meteorological organization (WMO) in implementing its programmes. The supercomputer facility (and associated data archive) at ECMWF is one of the largest of its type in Europe.

ECMWF was established as a major initiative in European scientific and technical co-operation in meteorology, based on a high-performance computing facility (HPCF), a scientific and technical workforce, the production of medium-range weather forecasts, and related research and development. The collaborative aspect of ECMWF remains to this date a key to its success; our staff of around 365 are from over 30 countries, and developing effective partnerships with meteorological services, space agencies, academia, and other organisations that help ECMWF to achieve its targets is a key priority. Establishing closer and more effective collaborations with leading institutions is helping the Centre to continue to develop its models and satisfy its users' increasing requirements.

ECMWF's key duty to its Member and Co-operating States is to deliver timely, reliable and accurate global numerical weather predictions that meet each country's requirement.

Since 2014, ECMWF also operates two services from the EU's Copernicus Earth observation programme, the Copernicus Atmosphere Monitoring Service (CAMS) and the Copernicus Climate Change Service (C3S). It also contributes to the Copernicus Emergency Management Service (CEMS), through flood and fire predictions.

The audit of ECMWF’s FSA

Audit Opinion of the External Auditor

Opinion
We have audited the Financial Statements of ECMWF for the financial year ended 31 December 2020, consisting of the Statement of Financial Position; the Statement of Financial Performance; the Statement of Cash Flow; the Statement of Changes in Net Assets & Equity; Notes and schedules to the Financial Statements, including a summary of significant accounting policies.

In the opinion of the OAGN, the Financial Statements give a true and fair view of the financial position of ECMWF as at 31 December 2020; its financial performance as disclosed and specified in the 2020 accounts and principal notes; its cash flow for the financial year then ended, in accordance with International Public Sector Accounting Standards (IPSAS) and the Financial Regulations of ECMWF.

Basis for Opinion
We conducted our audit based on internationally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. The OAGN believes that the audit evidence it has obtained is sufficient and appropriate to provide a basis for its opinion.

Responsibilities of Management and those charged with governance
The management of ECMWF is responsible for preparing Financial Statements in accordance with introduced IPSAS standards and ECMWF Financial Regulations. Management is also responsible for establishing adequate and functioning internal control systems to ensure that the Financial Statements are free of material misstatement due to fraud or error.

Auditors responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes its opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAI`s will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregated, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAI`s, the OAGN exercises professional judgment and maintains professional skepticism throughout the audit. It also:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for its opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director-General.

- Concludes on the appropriateness of Director-General's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on ECMWF`s ability to continue as a going concern

- Evaluates the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events, in a manner that achieves fair presentation.

The OAGN communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that it identifies during its audit.

Specific observations and recommendations are set out below in our Annual Report for 2020, which we issue in accordance with Article 2 (1.b) of the External Audit Agreement.

Signed at the Office of the Auditor General of Norway, Oslo, 31.03.2021

Tora Jarlsby
Director General

Johannes Heltne
Assistant Director General

Arild Anstensrud
Senior Audit Adviser

Director-General's Statement

The European Centre for Medium-Range Weather Forecasts (ECMWF) is an intergovernmental organisation whose primary purposes are the development of a capability for medium-range weather forecasting and the provision of medium-range weather forecasts to its Member and Co-operating States. ECMWF is supported by 34 States.

An amended Convention was entered into force on 6 June 2010, allowing new Member States to join ECMWF. Several Co-operating States have started the procedure to become a Member State, with a number of conversions occurring in the past few years. During 2020, Estonia converted from a Co-operating State to a Member State, and discussions were concluded for Montenegro to become a Member State. Negotiations took place for Georgia to become a Cooperating State.

In 2017, ECMWF Member States have approved the proposal by the Italian Government and the Emilia Romagna Region to host ECMWF's new data centre in Bologna. The construction is in its final stages and the project is progressing. Prior to the Coronavirus crisis, the schedule indicated that the building will be delivered to ECMWF by the second quarter of 2020. This has now shifted to the second quarter of 2021 and we are closely monitoring the situation with the Italian authorities, as the situation evolves and the testing and commissioning is taking place. The Bologna premises will host the Centre's new supercomputers, whilst the Centre's headquarters are to remain in the UK. ECMWF has been in ongoing discussions with the UK regarding the provision of a new office building. Plans and tentative budgets are being worked on and will be presented to Council in 2021.

In December 2020, following a competitive process, ECMWF Council approved the establishment of a New ECMWF Facility in Bonn to comply with European Union funding policies. This facility is envisaged to accommodate approximately 150 staff and the transition to this facility is expected to start in the second half of 2021.

Since June 2018, both the C3S and CAMS Copernicus services operated by ECMWF on behalf of the EU have been fully operational. Member States and the European Commission have regularly expressed their satisfaction about how the services are being run and their strong support to ECMWF in its role of Entrusted Entity. This agreement is due to expire in June 2021 and ECMWF is currently negotiating a renewal of this agreement with the European Commission for a further 7 years.

It is also foreseen that ECMWF will be a major partner in the implementation of the Destination Earth (DestinE) initiative starting later in 2021, together with ESA and EUMETSAT as partners. The objective of the European Commission DestinE initiative is to deploy several highly accurate thematic digital replicas of the Earth, called Digital Twins, to monitor and predict natural and human activities as well as their interactions, to develop and test scenarios that would enable more sustainable developments and support corresponding European policies for the Green Deal.

This document contains the financial statements of ECMWF for the year ending 31 December 2020. It details the 2020 financial results, reconciliation of results between IPSAS and cash accounting and the auditors' opinion.

Exchange rates during the year continued to have a high degree of volatility and in particular rates for Euro compared to Sterling fluctuated considerably during 2020. This was managed closely by the Centre and resulted in an overall surplus in the year. This will continue to be closely monitored during future years.

In order to comply with IPSAS 39, the Statement of Financial Position includes as a liability, the present value of £511.5m (2019: £398.3m) of any future pension and post-employment medical costs as calculated by the Centre's actuaries. This liability is partly offset by the Pension Investment Accounts of £64.7m and the whole of the liability is guaranteed by the Member States of the Centre.

In 2020, under IPSAS, the Centre produced an operating deficit of £10.5m and when the net finance costs are excluded, the Centre had a net accounting deficit for the period of £4.7m.

ECMWF's budget is still set on a cash basis and the Financial Statements include a reconciliation of the results under IPSAS and in cash terms. Under cash accounting, I note that the Centre generated a surplus of £7.4m in 2020, which is available either for future investment or distribution to Member States according to a decision to be made by the Council in 2021.

Florence Rabier

Director-General

30 March 2021

Statement on Internal Financial Control

This Statement represents my assurance to Council that, as Director-General, I am satisfied that the Centre's finances are adequately controlled.

The Senior Management Team ensures an appropriate control environment is in place by clearly defining management responsibilities and powers, evaluating the systems in place to ensure compliance with those policies, plans, procedures, laws and regulations which could have significant impact on the organisation, formally monitoring progress against objectives and risk exposure relating to achievement of objectives and making informed decisions if necessary to steer performance back on track, keeping proper records, and safeguarding the assets of the organisation.

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. It includes a comprehensive zero-based, bottom-up annual budget which is reviewed and agreed by the Council, and regular reviews by the Senior Management Team of quarterly Management Information Reports and annual financial reports which indicate performance against key financial and non-financial objectives.

The Head of Internal Audit oversees a co-sourced internal audit function and reports directly to ECMWF's Audit Committee. The Audit Committee meets on a biannual basis to review reports prepared by Internal Audit and other departments. The Head of Internal Audit in turn keeps the Centre's Management Team informed of the matters that have been considered, and day-to-day operations are reported to me as the Director-General.

The internal audit function operates in accordance with the "International Standards for the Professional Practice of Internal Auditing". An Internal Audit plan is approved by the Audit Committee annually. The work plan takes account of areas of potential risk identified.

The Head of Internal Audit provides the Audit Committee with biannual reports on assignments carried out. These reports highlight deficiencies or weaknesses, if any, in the system of internal financial control and the recommended corrective measures to be taken where necessary. They also include an overview of all audit recommendations and the progress in their implementation.

The Senior Management Team's monitoring and evaluating the effectiveness of the system of internal financial control is informed by the Internal Audit function and by the work of the Audit Committee.

Florence Rabier

Director-General

30 March 2021

Statement of Financial Performance for the year ended 31 December 2020

	Notes	2020	2019
		£	
Revenue			
Member & Co-operating States' contributions		51,338,558	47,986,948
Revenue Taxes		10,575,142	10,106,288
Externally funded revenue		60,983,460	54,739,386
Sales of forecasts and data		10,982,652	10,265,249
Other operating revenue		1,902,840	(714,446)
Total Operating revenue		**135,782,652**	**122,383,425**
Expenditure			
Personnel costs[1,3]	15	33,190,307	33,452,042
Pension and post-employment benefits	12 & 15	21,602,173	5,630,792
Buildings expenditure	15	4,887,934	5,856,242
Computer expenditure	15	20,986,769	20,149,300
Other operating expenditure	15	3,490,555	4,149,622
Externally funded expenditure[1, 2]	15	56,347,114	50,180,990
Total operating expenditure		**140,504,852**	**119,418,988**
Operating (deficit) / surplus for the year from continuing operations		**(4,722,200)**	**2,964,437**
Finance income	16	586,668	100,405
Finance costs	16	(6,390,390)	(5,955,845)
Net deficit for the year from continuing operations		**(10,525,922)**	**(2,891,003)**
Net deficit for the year		**(10,525,922)**	**(2,891,003)**

[1] *These items of expenditure are inclusive of tax*
[2] *Externally funded expenditure includes optional programmes*
[3] *Personnel costs exclude staff whose posts are fully or partially directly externally funded. These costs are included in externally funded expenditure*

ECMWF's budget is still set on a cash basis and under cash accounting, the Centre generated a surplus of £7,387k in 2020.

A reconciliation of the cash to IPSAS result is included in Note 18 to the Financial Statements.

Statement of Financial Position as at 31 December 2020

	Notes	2020	2019
		£	£
ASSETS			
Current assets			
Cash and cash equivalents	4	44,970,800	35,818,515
Receivables	5	11,540,904	12,298,994
Prepayments and accrued revenue	6	5,539,491	7,761,252
Inventory	7	604,799	785,151
Total current assets		**62,655,994**	**56,663,912**
Non current assets			
Property, plant and equipment	8	12,632,438	11,547,255
Pension investment accounts	12	64,702,789	58,008,940
Total non current assets		**77,335,227**	**69,556,195**
TOTAL ASSETS		**139,991,221**	**126,220,107**
LIABILITIES			
Current Liabilities			
Payables	9	21,559,306	19,704,522
Pre-financing	10	12,216,032	14,655,425
Deferred revenue	11	2,254,640	1,802,885
Total current liabilities		**36,029,978**	**36,162,832**
Non current liabilities			
Employee benefits	12	511,533,088	398,355,032
Total non current liabilities		**511,533,088**	**398,355,032**
TOTAL LIABILITIES		**547,563,066**	**434,517,864**
NET LIABILITIES		**(407,571,845)**	**(308,297,757)**
NET ASSETS / (EQUITY)			
General Reserve	13	2,394,996	2,394,996
Retained surpluses		(36,458,040)	(31,837,606)
Net (deficit) / surplus for the year		(10,525,922)	(2,891,003)
Actuarial adjustments		(271,634,024)	(184,615,289)
IPSAS adjustment reserve	14	(91,348,855)	(91,348,855)
TOTAL NET LIABILITIES		**(407,571,845)**	**(308,297,757)**

Statement of Cash Flow for the year ended 31 December 2020

	2020	2019
	£	£
Cash flow from operating activities		
(Deficit) / Surplus from ordinary activities	(10,525,922)	(2,891,003)
Depreciation	2,601,991	2,820,690
Loss/(Profit) on disposal of fixed assets	7,583	-
Finance costs for post-employment benefit (note 12)	6,331,915	4,789,897
Post-employment benefit	13,133,557	(2,593,922)
Decrease / (Increase) in receivables	758,090	(1,499,399)
Decrease / (Increase) in inventories	180,352	(583,620)
Decrease / (Increase) in prepayments and accrued income	2,221,762	(165,379)
Increase / (Decrease) in payables	1,854,784	(1,075,283)
(Decrease) / Increase in pre-financing	(2,439,393)	234,878
Increase / (Decrease) in deferred revenue	451,755	(153,765)
Net use of Retained Surplus	(1,729,430)	755,970
Net cash flow from operating activities	**12,847,043**	**(360,936)**
Cash flow from investing activities		
Purchase of fixed assets	(3,697,258)	(2,750,178)
Proceeds from sale of fixed assets	2,500	-
Net cash flow from investing activities	**(3,694,758)**	**(2,750,178)**
Net increase/(decrease) in cash and cash equivalents	**9,152,285**	**(3,111,114)**
Cash and cash equivalents at the beginning of the year	35,818,515	38,929,629
Cash and cash equivalents at the end of the year	**44,970,800**	**35,818,515**

Statement of Changes in Net Assets/Equity for the year ended 31 December 2020

	General reserve	Retained surplus	Actuarial adjustments	Reserves arising on IPSAS adjustments	Total
	£	**£**	**£**	**£**	**£**
Balance At 1 January 2020	**2,394,996**	**(34,728,609)**	**(184,615,289)**	**(91,348,855)**	**(308,297,757)**
Deficit arising on recognition of employee benefit obligation for 2020	-	-	(87,018,735)	-	(87,018,735)
Net use of Retained Surplus	-	(1,729,430)	-	-	(1,729,430)
Net (deficit) / surplus for the year	-	(10,525,922)	-	-	(10,525,922)
Balance At 31 December 2020	**2,394,996**	**(46,983,962)**	**(271,634,024)**	**(91,348,855)**	**(407,571,845)**

Notes to the financial statements for the year ended 31 December 2020

1. Statement of Compliance and Basis of Preparation

ECMWF elected to adopt International Public-Sector Accounting Standards (IPSAS) from 1 January 2012. On 11th November 2014, ECMWF signed a Delegation Agreement with the European Commission for provision of Copernicus services. Consequently, ECMWF introduced segmental accounts in 2014, in line with IPSAS 18 in order to separately identify the various streams of income and expenditure relating to Copernicus Services, as this is regarded as a significant segment of activity. For consistency purposes, all externally funded streams of revenue and corresponding costs have also been separated by segment.

2. Accounting judgements and estimates

In the application of ECMWF's significant accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the estimate affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The key judgements management has made in preparing these financial statements are as follows:-

a) Estimated useful lives and depreciation rates of property, plant and equipment.
b) Actuarial assumptions in respect of the defined benefit pension and post- employment medical care schemes; and
c) Assessment of contract progression at the year-end date.

Basis of Accounting

The financial statements are prepared in accordance with and comply with International Public-Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB), based on International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

When the IPSASB does not prescribe any specific standard, IFRS and IAS are applied.

The financial statements have been prepared on a historical-cost and going-concern basis, and accounting policies have been applied consistently throughout the period. The financial statements have been prepared on an accruals basis.

All accounting entries are recorded to 2 decimal places, but for presentation purposes the numbers in the Financial Statements, including totals and subtotals, are rounded to the nearest pound, and therefore may not add up due to rounding.

3. Significant Accounting Policies

The significant accounting policies are set out below:

Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated into the functional currency, Sterling, at the exchange rates prevailing at the date of the Statement of Financial Position. Foreign currency transactions within the ledgers are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Exchange gains and losses resulting from settlement of such transactions and from retranslation at the reporting date of assets and liabilities denominated in foreign currencies, are recognised in the Statement of Financial Performance.

Member and Co-operating States' contributions and contributions to optional programmes are payable in Sterling. Revenue from Externally Funded Projects, Third Party Activities (including Copernicus), Sales of Forecasts and Data and other operating revenue is received in a number of currencies, principally Euro.

Tangible Assets

Property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Where an asset (other than land and buildings) is acquired in a non-exchange transaction for a nil or nominal consideration the asset is initially recognised at fair value, where fair value can be reliably determined and as income in the Statement of Financial Performance.

Subsequent costs are included in the asset's carrying value or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to ECMWF and the cost of the item can be reliably measured. The carrying amount of a replaced item is derecognised. All repair and maintenance expenditure is charged to the Statement of Financial Performance during the financial period in which it is incurred.

Project costs relating to the relocation of the Data Centre have not been capitalised and have been recognised in the Statement of Financial Performance as they are incurred.

Depreciation on assets is charged to write off the cost of assets less their residual value, other than land, over their estimated useful economic lives, using the straight-line method on the following basis:

- Building improvements 15 – 50 years
- Infrastructure, Plant & Machinery
    - Fixtures and fittings 5 – 10 years
    - Technical equipment 5 – 10 years
    - Mechanical equipment 5 – 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The value of Land represents the cost price of Keepers Cottage, which was purchased by the Centre some years ago.

The carrying values of tangible assets are reviewed for impairment if events or changes in circumstances indicate that they may be impaired. If any such indication exists, the recoverable amount of the asset will be estimated in order to determine the extent of the impairment loss (if any). Any provision for impairment is charged to the Statement of Financial Performance.

Following the decision to relocate the Data Centre to Bologna, a number of assets have been identified as no longer useful once the relocation has taken place. The useful lives of these assets have been reduced accordingly and the depreciation charge reflects this decreased life.

ECMWF occupies land and buildings provided by the Government of the United Kingdom (UK Government) at no cost under a Headquarters Agreement dated 11 October 1973 and amended 11 July 1997. In June 1999, the terms of the agreement were extended for a further 20 years and in June 2019 the terms were extended for a further 10 years.

The UK Government has sole title to the original land and buildings and under the terms of the agreement has responsibility for the maintenance of the exterior of the buildings with ECMWF responsible for the maintenance of the interior of the buildings. ECMWF has therefore, not recognised any value of these buildings in the Statement of Financial Position.

ECMWF have built extensions to the existing buildings, financed by Member States' and Co-operating States' contributions. The Headquarters Agreement provides for the payment of a sum equivalent to the difference between the value of the premises with any new additions and new buildings and the value of the premises without the same at the end of the term of occupation. Therefore, depreciation on building improvements is based upon residual (estimated) values when the current Headquarters Agreement expires in 2029.

Inventories

Inventories are stated at the lower of cost and net realisable value on a first in first out (FIFO) basis. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less the estimated costs of completion and costs to be incurred in marketing, selling and distribution for those asset items that may be sold to third parties. These inventories relate to the stock of unused tapes which will form part of the Centre's data archive and which, once used, are expensed in the Statement of Financial performance.

Receivables

Receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. No allowances are made for loss with regards to contributions receivable from Member and Co-operating States, except for exceptional and/or technical reasons sanctioned by the Council. For all other receivables, an allowance for irrecoverable amounts will be based on a review of outstanding amounts at the reporting date.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank and term deposits.

Provisions

Provisions exist when a liability arising from a past event exists, for which it is probable that an economic outflow will occur. Provisions are calculated using the management's best estimation of the expenditure required to settle the obligation at the reporting date.

Employee benefits/pension obligations

ECMWF operates two defined-benefit pension schemes and a post-employment medical care scheme. The International Service for Remunerations and Pensions (ISRP), in its capacity as the Centre's actuary, performs annual calculations of liabilities for the defined benefit and post-employment medical care schemes, which are recognised in the financial statements.

The annual actuarial valuations are carried out using the Projected Unit Credit Method, which attributes an additional unit of benefit entitlement for each period of service. Each unit is measured separately until the final obligation is constituted.

ECMWF's employee benefit obligations are partially funded by assets held separately and are distinct from all other assets of ECMWF. Historically, the cost of pensions was provided for each year on a pay-as-you-go basis, in common with many public-sector bodies across Europe. However, since 2011, the Centre has set aside funds each year to cover the full cost of its pension obligations for that year as determined by its actuaries, as well as some additional funds to reduce its overall long-term liability. The remainder of benefit is supported by Member States' obligations under the ECMWF convention.

Actuarial gains and losses are accounted for in compliance with IPSAS 39 and are recognised in the period during which they occur. They are recognised as a separate item directly in the Net Assets/Equity as per IPSAS 39.

Notes to the financial statements for the year ended 31 December 2020 (continued)

Revenue recognition
ECMWF has several sources of revenue, which are accounted for as follows:

(a) Member and Co-operating States' contributions:
Member and Co-operating States' contributions are recognised in the period to which they relate.

(b) Other income from Member and Co-operating States:
Other income from Member and Co-operating States is recognised in the period to which it relates. This includes income from Optional Programmes.

(c) Income from Sales of Forecast and Data:
Income from the sales of forecasts and data is recognised in the period to which the revenues relate.

(d) Income from Externally Funded Projects (EFP) and Third-Party Activities (TPA) excluding Copernicus (COP):
Income from Externally Funded Projects is recognised in line with contractual arrangements. For contracts spanning more than one accounting/reporting period, income is recognised based on costs incurred in the period plus associated contracted mark-up.

(e) Income from Third Party Activities: Copernicus (COP):
Income from Copernicus Third Party Activity is recognised in line with the signed Delegation Agreement. Income related to industrial activities is recognised based on associated direct costs incurred in the period, and fee income in line with that agreed in the Delegation Agreement.

Leases
Assets acquired under finance leases are included in fixed assets at the total of the lease payments due over the life of the lease discounted at the rate of interest inherent in the lease. Lease payments are apportioned between the finance element, which is charged in the Statement of Financial Performance, and the capital element, which reduces the lease creditor. ECMWF did not have any finance leases in the period.

Leases in which a significant proportion of the risks and rewards are retained by the lessor are classified as operating leases. Operating lease rentals are recognised as an expense in the Statement of Financial Performance on the basis at which value is received by the organisation.

Should ECMWF invoke a liquidated damages clause in a contract, the costs of the lease for the period are reduced by the amount receivable/received.

Financial risk management

ECMWF seeks to minimise its exposure to financial risk and has developed risk-management strategies in accordance with its Financial Regulations. ECMWF is exposed to a variety of financial risks, including foreign exchange, interest rate, liquidity and credit risks. ECMWF does not make use of financial derivatives to hedge foreign exchange risk exposures.

(a) *Foreign exchange risk*

ECMWF receives income from Externally Funded Projects, Sales of Forecast and Data and third-party activities in currencies other than Sterling and is, therefore, exposed to foreign exchange risks arising from fluctuations in currency rates.

Foreign exchange gains and losses resulting from settlement, or translation of year end monetary balances denominated in foreign currencies are recognised in the Statement of Financial Performance.

Foreign exchange gains and losses are presented within other finance costs in the Statement of Financial performance.

The delegation agreement signed with the European Commission for the provision of Copernicus Services is agreed in Euro. In order to minimise foreign exchange risk, all third-party procurements agreed are denoted in Euro and this accounts for just over 70% of the total project income over the seven-year period. Furthermore, costs incurred by ECMWF are reimbursed on a regular basis to minimise large fluctuations on foreign exchange rates between the date incurred and the date reimbursed.

(b) *Interest rate risk*

Interest rate risk arises from the impact of changes in the interest rates on the value of financial assets and obligations. ECMWF’s exposure to interest rate risk is limited to

- the interest receivable on its bank deposits, pension assets and Member and Co-operating States’ contributions.
- interest chargeable on Euro holdings

Whilst Euro deposits are unavoidable, ECMWF minimises these as much as possible to avoid unnecessary costs.

(c) *Liquidity risk*

ECMWF’s Financial Regulations permit it to utilise bank credit facilities in case of liquidity requirements.

(d) *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge on obligations and cause the other party to incur a financial loss. ECMWF is exposed to credit risk in its accounts receivable.

ECMWF has limited credit risk as its exposure is principally to sovereign states, the European Union and other international organisations.

Notes to the financial statements for the year ended 31 December 2020 (continued)

4. Cash and cash equivalents	2020	2019
	£	£
Cash in hand	50	50
Current accounts	7,463,924	3,590,277
Deposit accounts	15,230,494	11,208,310
Project bank accounts	318,217	198,198
Third Party activity bank account*	21,958,115	20,821,680
	44,970,800	35,818,515

*Cash received in advance from the European Commission for Copernicus Services

5. Receivables*	2020	2019
Contributions	280,860	74,293
Sales of forecast and data debtors	2,537,522	2,998,657
VAT and other taxes	6,630,258	6,623,317
External project funding receivables	1,837,246	2,366,502
Miscellaneous receivables	255,018	236,225
	11,540,904	12,298,994

*Receivables shown are net of debt provision

6. Prepayments and accrued revenue	2020	2019
Other prepaid expenses	5,522,365	7,597,639
Accrued revenue; forecasts and data	17,126	163,613
	5,539,491	7,761,252

7. Inventories	2020	2019
Archive data media	604,799	785,151
	604,799	785,151

Notes to the financial statements for the year ended 31 December 2020 (continued)

8. Property Plant & Equipment

	Land	Building Improvements	Infrastructure, Plant & Machinery	2020
	£	£	£	£
Cost				
At 1 January 2020	750,000	7,685,173	31,311,487	39,746,657
Additions	-	-	3,697,258	3,697,258
Disposals	-	-	(1,039,454)	(1,039,454)
At 31 December 2020	750,000	7,685,173	33,969,288	42,404,461
Accumulated Depreciation				
At 1 January 2020	-	2,592,542	25,606,863	28,199,402
Disposals	-	-	(1,029,370)	(1,029,370)
Charge for the period	-	164,348	2,437,644	2,601,991
At 31 December 2020	**-**	2,756,889	27,015,134	29,772,023
Net book value				
At 1 January 2020	750,000	5,092,631	5,704,624	11,547,255
At 31 December 2020	750,000	4,928,285	6,954,154	12,632,438

9. Payables

9. Payables	2020	2019
	£	£
Suppliers and accrued charges	15,360,499	15,190,434
Members States' Fund	4,497,751	3,479,665
Provisions	1,287,018	676,403
Other payables	414,039	358,020
	21,559,306	19,704,522

10. Pre-financing

10. Pre-financing	2020	2019
External project funding received in advance	4,524,836	5,120,059
Externally funded projects provisions	108,027	278,101
Externally funded projects - coordinator account	403,029	146,385
Third Party Copernicus funding received in advance*	7,180,139	9,110,880
	12,216,032	14,655,425

*relates to pre-finance monies received from European Commission for provision of Copernicus Services, net of costs incurred

11. Deferred revenue

11. Deferred revenue	2020	2019
Deferred revenue; sales of forecasts and data	2,254,640	1,802,885
	2,254,640	1,802,885

12. Employee benefits

Defined-benefit schemes

At 31 December 2020, the main actuarial assumptions used to calculate the defined-benefit liability (expressed as weighted averages) were:

	Pension benefits	Post-employment medical care
	%	%
Discount rates	1.31	1.38
Future salary increases	2.39	0.00
Future pension scheme increases	2.39	0.00
Inflation assumption	2.15	0.00
Medical costs inflation	0.00	4.13

	Pension benefits	Post-employment medical care	Total
	£	£	£
Present value of obligation at 01/01/2020	346,374,434	51,980,598	398,355,032
Interest cost	7,133,306	1,116,381	8,249,687
Current service cost	20,931,615	4,424,700	25,356,315
Benefits paid	(6,854,115)	(592,567)	(7,446,681)
Actuarial losses / (gains) on obligation	73,209,577	13,809,157	87,018,735
Net liability recognised in Statement of Financial Position	**440,794,819**	**70,738,269**	**511,533,088**

An actuarial loss of GBP 73,209,577 occurred during 2020. This is explained by a number of factors, the most significant of which is the decreased discount rate.

The table below shows the impact of these changes to the overall liability at the end of 2020:

		Pension scheme		Post-employment healthcare	
Impact of change in:	**Type of (gain)/loss**	**Amount**	**% of 2020 liability**	**Amount**	**% of 2020 liability**
Population	Experience	1,559,356	0.4%	(965,496)	(1.4%)
Financial assumptions	Assumption	71,650,221	16.3%	14,774,654	20.9%
TOTAL		**73,209,577**	**16.7%**	**13,809,157**	**19.5%**

12. Employee benefits (continued)

In accordance with IPSAS 39, a sensitivity analysis of the main actuarial assumptions is also included in the table below:

	Pension scheme	Post-employment healthcare
Discount rate -0.25%	6.2%	9.0%
Discount rate 0.25%	(5.7%)	(8.1%)
Inflation rate -1%	(20.0%)	(28.2%)
Inflation rate +1%	27.1%	41.3%
Mortality - 1 year	3.7%	6.0%
Mortality + 1 year	(3.6%)	(5.9%)

Movement in Pension Investment Accounts	**2020**
Opening value of investment account at 01/01/2020	58,008,940
Return on investment during the period	1,917,772
Contributions by employer during the period	8,435,721
Contributions by staff & validation of pension rights during the period	3,409,344
Money paid to ECMWF (which was due in 2019)	(214,873)
Benefits paid during the period	(6,854,115)
Net asset recognised in Statement of Financial Position at 31/12/2020	**64,702,789**

Amounts recognised in the Statement of Financial Performance are as follows:

	Pension benefits	Post-employment medical care	Total
Pension and post-employment benefits	**£**	**£**	**£**
Current service cost	20,931,615	4,424,700	25,356,315
Staff contributions	(3,299,777)	-	(3,299,777)
Validation of pension rights	(109,567)	-	(109,567)
Benefits paid	-	(592,567)	(592,567)
Insurance premium paid	-	247,768	247,768
	17,522,272	4,079,902	21,602,173
Finance costs for post-employment benefit			
Interest on obligation	7,133,306	1,116,381	8,249,687
Decrease in value of scheme assets in the year	(1,917,772)	-	(1,917,772)
	5,215,534	1,116,381	6,331,915

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee services in the current period.

Interest on obligation is the increase during the period in the present value of the defined-benefit obligation which arises because the benefits are one period closer to settlement.

Notes to the financial statements for the year ended 31 December 2020 (continued)

13. General Reserve		
	Opening Balance	**Closing Balance**
	£	**£**
General Reserve	2,394,996	2,394,996

14. IPSAS adjustment reserve	
	2012
The surplus arising from IPSAS adjustments are analysed as follows:	**£**
Net book value of infrastructure, plant and machinery at 1 January 2012	9,497,464
Net book value of land and buildings at 1 January 2012	7,439,160
	16,936,624
Net book value of inventories at 1 January 2012	530,430
Provision for leave not taken at 1 January 2012	(355,612)
Net employee benefits at 1 January 2012	(108,460,297)
	(91,348,855)

Notes to the financial statements for the year ended 31 December 2020 (continued)

15. Expenditure	2020	2019
	£	£
Personnel costs		
Salaries and benefits	23,501,834	22,887,065
Other personnel costs (incl. training)	2,666,853	3,660,058
Taxes	7,021,620	6,904,919
Total personnel costs	**33,190,307**	**33,452,042**
Total pension and post-employment benefits	**21,602,173**	**5,630,792**
Buildings expenditure		
Installations and alterations	20,817	1,084,620
Rental and local taxes	102,545	85,615
Water, gas and electricity	4,133,134	4,096,964
Maintenance, cleaning and security	631,438	589,043
Total buildings expenditure	**4,887,934**	**5,856,242**
Computer expenditure		
Hiring and leasing	10,532,246	11,465,888
Maintenance and repair	3,440,916	3,527,031
Supplies - computer and associated equipment	1,223,641	1,515,289
Telecommunications network	4,256,372	2,869,904
Other computing expenditure	1,533,593	771,188
Total computer expenditure	**20,986,769**	**20,149,300**
Other operating expenditure		
Furniture and equipment	47,004	67,339
Stationery, supplies, etc.	47,508	80,087
Postal, delivery, communications, etc.	12,545	7,654
Miscellaneous insurances	193,897	182,513
Publications and training	470,570	474,221
Governing bodies	159,281	186,867
Expert fees	112,962	149,094
Depreciation	2,601,991	2,820,690
Bad debt provision	(178,371)	141,403
Other expenditure	23,168	39,754
Total other operating expenditure	**3,490,555**	**4,149,622**
Externally Funded Projects	3,974,191	4,356,234
Externally Funded Projects tax	1,189,471	1,247,559
Optional Programmes	379,279	234,914
Optional Programmes tax	121,834	73,685
Third Party Activities	1,495,100	1,051,711
Third Party Activities tax	403,465	257,111
Copernicus	46,945,023	41,336,762
Copernicus tax	1,838,751	1,623,014
Total externally funded expenditure	**56,347,114**	**50,180,990**
Total expenditure	**140,504,852**	**119,418,988**

Notes to the financial statements for the year ended 31 December 2020 (continued)

15. Expenditure (continued)

Internal tax:

Article 15 of the protocol states "…….the staff members of the Centre shall, within the limits provided for in this Protocol, be subject to a tax for the benefit of the Centre on salaries, wages and emoluments paid by the Centre". The Centre, therefore, deducts an "internal" tax from all salaries paid to staff. This "internal" tax deducted is treated as income by the Centre.

Staff salaries are quoted net of tax and grossed up prior to payment where upon Centre tax is then deducted. This grossed-up amount is shown in personnel costs (including personnel costs within Externally Funded Projects, Optional Programmes and Third Party Activities).

15. Expenditure (continued)	2020	2019
	£	£
Revenue		
Internal tax	10,575,142	10,106,288
Total tax included in revenue	**10,575,142**	**10,106,288**
Expenditure		
Tax included in personnel	7,021,620	6,904,919
Tax included in externally funded projects	1,189,471	1,247,559
Tax included in Optional Programmes	121,834	73,685
Tax included in Third Party Activities	403,465	257,111
Tax included in Copernicus	1,838,751	1,623,014
Total tax included in expenditure	**10,575,142**	**10,106,288**

16. Finance Costs	2020	2019
	£	£
Interest income from overdue contributions	26,666	17,045
Interest income from bank	29,799	83,360
Net foreign exchange income	530,203	-
Total finance income	**586,668**	**100,405**
Net foreign exchange cost	-	1,146,624
Pension and post-employment benefit costs (note 12)	6,331,915	4,789,897
Bank charges	58,475	19,324
Total finance costs	**6,390,390**	**5,955,845**

Notes to the financial statements for the year ended 31 December 2020 (continued)

17. Segment reporting – Statement of Financial Performance

IPSAS 18 'Segment Reporting' requires entities to report on segments on a basis appropriate for assessing the entity's past performance in achieving the objectives and for making decisions about the future allocation of resources.

The Centre has a clear objective to provide the best possible forecast products to its Member States.

The following activities have been separated by segment:

- Core Activities
- Externally Funded Projects
- Optional Programme
- Third Party Activities – excluding Copernicus
- Third Party Activities – Copernicus only

Additional information is available in Notes 25 & 26.

18. Reconciliation of IPSAS financial reporting to cash results.

The following table combines IPSAS and cash financial reporting. The significant aspect of the financial reporting under IPSAS is the application of the accrual accounting principle with regard to expenses and revenues, pension benefits and other personnel costs, fixed assets and related depreciation. Cash accounting is based on recognition of transactions when there are cash movements.

In order to reconcile this to the cash results, differences between accrual and cash accounting need to be taken into account. These differences can be attributable to timing, or they can constitute permanent differences. The most significant of these differences are the following:

(a) In cash accounting, revenue is required to cover all committed expenditures. In accrual accounting, revenue and expenses include amounts accruing for the reporting period, other committed expenses or revenue are treated as deferred.

(b) In cash accounting, capital expenditures are recorded as current-year expenses. In accrual accounting, the expense is capitalised and depreciated over the useful lives of the assets. The capital expenditure and associated depreciation are recorded at their net value as assets in the Statement of Financial Position. Depreciation expense in the year is recorded in the Statement of Financial Performance.

(c) In accrual accounting, the expense for both pensions and post-employment health cover is estimated by an actuary in accordance with a methodology set out in accounting standard IPSAS 25. The pension and post-employment medical care benefits obligation is reported in the Statement of Financial Position as detailed in note 12.
In cash accounting, pension and post-employment medical care scheme expenditure is accounted for on a pay-as-you-go basis. For pension benefits, the budgetary contributions are estimated on an actuarial basis to represent the long-term cost of the benefits provided.

Notes to the financial statements for the year ended 31 December 2020 (continued)

The following table shows the reconciliation of IPSAS financial reporting to cash results:

	2020	2019
	£	£
Net deficit for the year from continuing operations as per the Statement of Financial Performance	(10,525,922)	(2,891,003)
Adjustment for assets capitalised in the year	(3,697,258)	(2,750,178)
Adjustment for depreciation in the year	2,601,991	2,820,690
Adjustment for spend against commitments brought forward from 2019	2,883,109	4,880,200
Adjustment for commitments carried forward to 2020	(3,787,669)	(2,883,109)
Adjustment for finance costs for post-employment benefit (note 12)	6,331,915	4,789,897
Adjustment for post-employment benefit	12,918,684	(2,379,047)
Adjustment for accruals	192,852	(523,083)
Adjustment for prepayments	(329,930)	330,851
Adjustment for change in inventory	180,352	(583,620)
Adjustment for change in leave not taken	610,614	101,574
Other IPSAS timing differences	8,701	-
Revenue and expenditure account surplus per cash accounts	**7,387,439**	**913,172**

19. Contingencies and capital commitments

ECMWF has no contingent assets and no quantifiable contingent liabilities at 31 December 2020. However, in accordance with IPSAS 19: Provisions, Contingent Liabilities and Contingent Assets, ECMWF has thirteen unquantifiable contingent liabilities; one relating to a claim received from a company which was previously a customer, and twelve relating to very similar claims from employees. These claims are currently being dealt with by the organisation.

ECMWF has contracted capital expenditure of £1,342,721 in 2020 (2019: £524,973) but not yet incurred as at 31 December 2020.

Notes to the financial statements for the year ended 31 December 2020 (continued)

20. Operating lease commitments	2020	2019
	£	£
Within 1 year		
HPC (Cray) service contract[1]	4,135,971	9,338,280
HPC (ATOS) Implementation[2]	3,801,611	3,055,854
Konica Minolta Business Solutions[3]	7,589	10,468
Konica Minolta Business Solutions[3]	2,238	3,086
Konica Minolta Business Solutions[4]	-	3,686
Konica Minolta Business Solutions[5]	33,276	-
Portakabin Ltd[6]	34,580	34,580
Bologna Office Rental & Car Parking[7]	-	11,522
In 2 to 5 years inclusive		
HPC (Cray) service contract[1]	1,461,681	2,060,000
HPC (ATOS) Implementation[2]	-	716,075
HPC (ATOS) Service Contract[2]	15,460,204	13,573,335
HPC (SocGen) Operating Lease[2]	44,737,835	39,766,964
Konica Minolta Business Solutions[3]	-	7,589
Konica Minolta Business Solutions[3]	-	2,238
Konica Minolta Business Solutions[5]	63,678	-
Portakabin Ltd[6]	66,278	100,858
Total	**69,804,941**	**68,684,535**

1. A contract was entered into with Cray UK Ltd to cover the operational period of the High Performance Computer from 1 October 2014 to 30 September 2018 (initially agreed as 1 July 2014 - 30 June 2018 and subsequently moved by 3 months), In 2015, this lease was extended until 30 September 2020 with an extension to 30th September 2021. Prices now pre-negotiated to end of 2022 and lease can be unilaterally extended by 1 or 3 months at any time with 3 months' notice. Planned extension currently to end Q1 2022.
2. Contract signed in December 2019 for New High-Performance Computer with ATOS and SocGen replacing the Cray HPC. Service contract and operating lease planned commencement from September 1st 2021 following implementation and acceptance testing of the HPC. The implementation and subsequent operation have been delayed with a revised commencement date of April 1st 2022.
3. Two lease agreement entered into during 2016 with Konica Minolta Business Solutions Ltd for 36 months were extended for 24 months from 13th September 2019 to 12th September 2021. One for photocopier rental and the other for cards readers and print management software.
4. One lease agreement for photocopier rental was entered into during 2017 with Konica Minolta Business Solutions Ltd, for 36 months from 1st November 2017 to 31st October 2020.
5. One lease agreement for photocopier rental was entered into during 2020 with Konica Minolta Business Solutions Ltd, for 36 months from 30th October 2020 to 29th October 2023.
6. A 5-year lease was entered into during 2018 with Portakabin Ltd to accommodate staff moving from Reading Enterprise Centre to the main Shinfield site and covers the period from December 2018 to November 2023.
7. A short term agreement was entered into with Regus for office rental and car parking from 1st October 2019 to 31st May 2020.

21. Personnel

The average number of personnel employed by the Centre in 2020 was 365 (2019: 357).

22. Key management personnel

ECMWF was established by a Convention that entered into force on 1 November 1975 (amended June 2010). The organisational structure of ECMWF comprises the Council and the Director-General with six committees assisting this structure.

In accordance with IPSAS 20 ‘Related Party Disclosures’ key management personnel have been identified as follows:

- Director-General and other directors
- Senior managers

The aggregate remuneration for those key management personnel was as follows:

	Number of individuals 2020	Aggregate 2020	Number of individuals 2019	Aggregate 2019
		£		**£**
The Director-General and other directors	6	1,165,428	7*	1,172,335
Senior managers	9	1,486,248	9*	1,375,033
Total key management personnel	15	**2,651,676**	16	**2,632,109**

There was no other remuneration or compensation to key management personnel or their close family members.
* The number of both senior managers and directors in 2019 reflects an overlap between the outgoing senior managers and directors and their replacements.

23. Related party transactions

There were no material transactions with related parties during the year 2020.

There were no loans to key management personnel or their close family members that were not available to other categories of staff.

Due to its status as an international organisation and the rules of its Convention, the Centre does not consider its Member Statesto be related parties.

24. Statement of Financial Performance by Segment as at 31 December 2020

Notes: Costs which are directly attributable to these activities are allocated to Segments. Support costs are allocated to Core, however the revenue received is still shown in the relevant segment.

		Core Activities		Externally Funded Projects		Optional Programme		Third Party Activities (excluding Copernicus)		Third Party Activities (Copernicus only)		ECMWF Consolidated*	
	Notes	**2020 £**	**2019 £**	**2020 £**	**2019 £**	**2020 £**	**2019 £**	**2020 £**	**2019 £**	**2020 £**	**2019 £**	**2020 £**	**2019 £**
Revenue													
Member & Co-operating States' Contributions		51,338,558	47,986,948									51,338,558	47,986,948
Externally funded revenue				5,286,881	5,662,995	442,738	285,069	1,982,065	1,367,003	50,603,655	44,803,189	58,315,338	52,118,256
Management fee for Copernicus Services**										2,668,122	2,621,130	2,668,122	2,621,130
Sales of forecasts and data		10,982,652	10,265,249									10,982,652	10,265,249
Other operating revenue		1,902,840	(714,446)									1,902,840	(714,446)
Total operating revenue excluding taxes		**64,224,049**	**57,537,751**	**5,286,881**	**5,662,995**	**442,738**	**285,069**	**1,982,065**	**1,367,003**	**53,271,777**	**47,424,319**	**125,207,510**	**112,277,137**
Taxes												10,575,142	10,106,288
Total operating revenue including Taxes												**135,782,652**	**122,383,425**
Expenditure													
Personnel costs	15	26,168,687	26,547,123	3,942,838	4,283,098	379,279	234.914	1,415,302	971,112	6,230,242	5,882,416	38,136,347	37,918,663
Pension and post-employment benefits	12 & 15	21,602,173	5,630,792									21,602,173	5,630,792
Buildings expenditure	15	4,887,934	5,856,242									4,887,934	5,856,242
Computer expenditure	15	18,051,431	17,361,109		1,241			72,523	70,858	2,948,622	2,793,593	21,072,576	20,226,801
Other operating expenditure	15	3,490,555	4,149,622	31,354	71,895			7,275	9,741	145.824	64,767	3,675,008	4,296,025
Procured Industrial Activities										40,555,672	35,384,177	40,555,672	35,384,177
Total expenditure excluding taxes		**74,200,780**	**59,544,888**	**3,974,191**	**4,356,234**	**379,279**	**234,914**	**1,495,100**	**1,051,711**	**49,880,361**	**44,124,953**	**129,929,710**	**109,312,700**
Taxes												10,575,142	10,106,288
Total operating expenditure including taxes												**140,504,852**	**119,418,988**
Operating (deficit) / surplus for the period from continuing operations												**(4,722,200)**	**2,964,437**
Finance income												586,668	100,405
Finance costs	16											(6,390,390)	(5,955,845)
Net (deficit) for the period from continuing operations												**(10,525,922)**	**(2,891,003)**
Net (deficit) for the period												**(10,525,922)**	**(2,891,003)**

** Costs are classified according to segment and in some cases may vary in classification to that on the Statement of Financial Performance*
*** Management fee for Copernicus Services received by ECMWF, to cover support costs in line with the Copernicus Delegation Agreement.*

25. Statement of Financial Position by Segment as at 31 December 2020

		Core Activities		Externally Funded Projects		Optional Programme		Third Party Activities (excluding Copernicus)		Third Party Activities (Copernicus only)		ECMWF Consolidated	
	Notes	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		£	£	£	£	£	£	£	£	£	£	£	£
Assets													
Current Assets													
Cash & cash equivalents	4	22,675,437	14,780,134	318,217	198,198					21,977,146	20,840,183	44,970,800	35,818,515
Receivables	5	9,700,775	9,901,474	1,837,246	2,366,502		27,553		632	2,882	2,833	11,540,904	12,298,994
Prepayments and accrued revenue	6	2,347,973	2,113,056	3,453	15,588			2,845	42,185	3,185,219	5,590,423	5,539,490	7,761,252
Inventory	7	604,799	785,151									604,799	785,151
Total current assets		**35,328,985**	**27,579,815**	**2,158,917**	**2,580,288**	**-**	**27,553**	**2,845**	**42,817**	**25,165,247**	**26,433,439**	**62,655,994**	**56,663,912**
Non-current assets													
Property, plant and equipment	8	12,632,438	11,547,255									12,632,438	11,547,255
Pension investment accounts		64,702,789	58,008,940									64,702,789	58,008,940
Total non-current assets		**77,335,227**	**69,556,195**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**77,335,227**	**69,556,195**
TOTAL ASSETS		**112,664,212**	**97,136,010**	**2,158,917**	**2,580,288**	**-**	**27,553**	**2,845**	**42,817**	**25,165,247**	**26,433,439**	**139,991,221**	**126,220,107**
LIABILITIES													
Current liabilities													
Payables	9	7,099,055	6,880,669	127,775	83,151	15,990	3,563	41,982	7,242	14,274,505	12,729,897	21,559,306	19,704,522
Pre-financing	10	403,029	146,385	4,632,863	5,398,160					7,180,139	9,110,880	12,216,032	14,655,425
Deferred revenue	11	2,254,640	1,802,885									2,254,640	1,802,885
Total current liabilities		**9,756,725**	**8,829,939**	**4,760,638**	**5,481,311**	**15,990**	**3,563**	**41,982**	**7,242**	**21,454,644**	**21,840,777**	**36,029,978**	**36,162,832**
Non-current liabilities													
Employee benefits		511,533,088	398,355,032									511,533,088	398,355,032
Total non-current liabilities		**511,533,088**	**398,355,032**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**511,533,088**	**398,355,032**
TOTAL LIABILITIES		**521,289,813**	**407,184,971**	**4,760,638**	**5,481,311**	**15,990**	**3,563**	**41,982**	**7,242**	**21,454,644**	**21,840,777**	**547,563,066**	**434,517,864**
NET LIABILITIES		**(408,625,601)**	**(310,048,961)**	**(2,601,721)**	**(2,901,023)**	**(15,990)**	**23,990**	**(39,137)**	**35,575**	**3,710,603**	**4,592,662**	**(407,571,845)**	**(308,297,757)**
General reserve	13											2,394,996	2,394,996
Retained surpluses												(36,458,040)	(31,837,606)
Net surplus/(deficit) for the period												(10,525,922)	(2,891,003)
Actuarial adjustments												(271,634,024)	(184,615,289)
IPSAS adjustment reserve	14											(91,348,855)	(91,348,855)
TOTAL NET LIABILITIES												**(407,571,845)**	**(308,297,757)**

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