

REPORT**of the Court of Auditors of the European Communities on the financial statements of the European Coal and Steel Community at 31 December 1991**

1. This report concerns the regularity of accounting and financial management by the Commission (the High Authority), in accordance with Article 78f (5) of the Treaty establishing the European Coal and Steel Community, as amended by Article 8 of the Treaty of 22 July 1975 amending certain financial provisions of the Treaties establishing the European Communities and of the Treaty establishing a Single Council and a Single Commission of the European Communities.

2. The Court has audited the accounts and financial statements of the European Coal and Steel Community at 31 December 1991 in accordance with generally accepted auditing standards and carried out such checks as it considered necessary.

3. In the Court's opinion, the attached financial statements (balance sheets at 31 December 1991 and 1990, profit-and-loss accounts, for the financial years ending 21 December 1991 and 1990, the notes relating to the balance sheets and profit-and-loss accounts, allocation of profit for the financial years ending 31 December 1991 and 1990), which have been prepared in accordance with generally accepted accounting practice (and the Council's published instructions in particular), give a true and fair view of the financial situation of the European Coal and Steel Community at 31 December 1991 and of the results of its operations for the year then ended.

Luxembourg, 25 June 1992.

A. ANGIOI

President of the Court of Auditors

B. FRIEDMANN

Member of the Court of Auditors

**FINANCIAL STATEMENTS OF THE EUROPEAN COAL AND STEEL COMMUNITY
AT 31 DECEMBER 1991 AND 31 DECEMBER 1990**

(92/C 215/03)

In accordance with undertakings given by the Commission on behalf of the ECSC with regard to its borrowing activities, the following financial statements, drawn up in conformity with Article 78 of the Treaty establishing the ECSC, are published:

- balance sheets of the European Coal and Steel Community at 31 December 1991 and 31 December 1990,
- profit-and-loss accounts for the years ending 31 December 1991 and 31 December 1990;
- allocation of the surplus for the years ending 31 December 1991 and 31 December 1990.

These financial statements are accompanied by the report of the Court of Auditors provided for under Article 78f (5) of the ECSC Treaty, dealing with the financial operations of the ECSC for 1991 with the exception of those relating to revenue and expenditure of an administrative nature.

Balance sheets at 31 December 1991 and 31 December 1990

(amounts in ecus)

Before allocation of surplus

ASSETS

	31 December 1991	31 December 1990
Balances with central banks (note 3)	1 081 028	2 455 381
Loans and advances to credit institutions (note 4):		
— repayable on demand	34 036 866	36 330 473
— with agreed maturity dates or periods of notice	803 286 645	968 451 679
— loans	3 239 875 489	2 694 352 165
Total	4 077 199 000	3 699 134 317
Loans and advances to customers etc. (note 5):		
— loans	4 276 210 661	4 212 720 400
— levy	13 845 058	1 818 180
— fines	1 754 070	1 702 087
Total	4 291 809 789	4 216 240 667
Bonds and other fixed-income securities (note 6):		
— issued by public bodies	1 069 105 622	1 007 034 384
— issued by other borrowers (including own-debt securities: 88 954 023 in 1991 and 104 283 876 in 1990)	244 402 965	237 273 716
Total	1 313 508 587	1 244 308 100
Tangible and intangible assets (note 7)	6 021 801	5 991 681
Other assets (note 8)	10 722 601	6 660 664
Prepayments and accrued income (note 9)	335 432 183	294 513 076
TOTAL ASSETS	10 035 774 989	9 469 303 886

Off-balance-sheet commitments (note 24)

3 793 241 962

*Before allocation of profit***LIABILITIES**

	31 December 1991	31 December 1990
LIABILITIES VIS-A-VIS THIRD PARTIES		
Amounts owed to credit institutions (note 10):		
— repayable on demand	0	1 946 183
— with agreed maturity dates or periods of notice	85 978 663	90 177 871
— borrowings	2 936 886 431	3 210 329 694
Total	3 022 865 094	3 302 453 748
Debts evidenced by certificates, (note 11)	4 202 296 133	3 462 281 500
Other liabilities (note 12)	107 922 528	145 747 865
Accruals and deferred income (note 13)	284 484 893	257 939 731
Provisions for liabilities and charges (note 14)	7 084 687	5 437 682
Commitments for the ECSC Operating Budget (note 15)	1 288 934 244	1 176 182 496
TOTAL LIABILITIES VIS-A-VIS THIRD PARTIES	8 913 587 579	8 350 043 022
NET ASSETS		
Provisions for financing the ECSC Operating Budget (note 16)	385 058 170	383 939 347
RESERVES (note 17):		
— Guarantee fund	482 885 000	482 885 000
— Special reserve	188 980 000	188 980 000
— Former pension fund	56 150 435	54 887 556
Total	728 015 435	726 752 556
Value adjustment reserve	7 773 845	7 139 997
Surplus brought forward	166 085	485 186
Surplus for the financial year	1 173 875	943 778
NET TOTAL	1 122 187 410	1 119 260 864
TOTAL LIABILITIES	10 035 774 989	9 469 303 886

Off-balance-sheet commitments (note 24.2)

6 057 194 847

Profit-and-loss accounts for the years ending 31 December 1991 and 31 December 1990

(amounts in ecus)

CHARGES

	31 December 1991	31 December 1990
Interest payable and similar charges:		
— interest	853 945 655	706 897 548
— issuing costs and redemption		
— premiums	16 185 304	14 853 731
Total	870 130 959	721 751 279
Commissions payable	2 419 396	2 817 495
Net losses on financial operations:		
— foreign-exchange losses	0	81 272
— losses on securities	3 163 224	4 236 067
— value adjustments in respect of securities	0	
Total	3 163 224	4 317 339
Administrative expenses (note 19)	5 000 000	5 000 000
Value adjustments in respect of tangible assets (note 7)	895 511	9 007 495
Other operating charges (note 20)	751 705	601 021
Value adjustments in respect of loans and advances and provisions for contingent liabilities and for commitments:		
— value adjustment in respect of loans and advances	1 000 069	2 742 950
— allocation to the provision for liabilities and charges	1 946 642	730 885
Total	9 593 927	18 082 351
TOTAL OPERATING CHARGES	885 307 506	746 968 464
Extraordinary charges	444 491	32 272
Conversion difference	0	5 659 172
Allocation to the value adjustment reserve	633 848	
Legal commitments for the financial year (note 15)	454 375 588	445 277 280
Allocation to reserves for financing the ECSC Operating Budget	313 304 101	311 851 569
TOTAL CHARGES	1 654 065 534	1 509 788 757
Profit for the financial year	1 173 875	943 778
TOTAL	1 655 239 409	1 510 732 535

	INCOME	
	31 December 1991	31 December 1990
Interest receivable and similar income (note 21):		
— interest (including interest on fixed-income securities: 125 091 970 in 1991 and 106 346 129 in 1990)	1 081 577 404	927 491 072
— issuing and redemption premiums	12 670 676	10 944 940
Total	1 094 248 080	938 436 012
Net profit on financial operations:		
— foreign-exchange profits	23 286	—
— profits on securities	8 931 669	—
— value adjustments in respect of securities	20 110 244	2 770 868
Total	29 065 199	2 770 868
Value adjustments in respect of loans and advances and provisions:		
— value adjustments in respect of loans and advances	10 676 489	10 772 378
— transfer from the provision for liabilities and charges	324 254	—
Total	11 000 743	10 772 378
Other operating income (note 22)	720 849	1 785 786
Extraordinary income (note 7)	0	9 640 148
TOTAL OPERATING INCOME	1 135 034 871	963 405 192
Conversion difference	633 848	0
Transfer from the value adjustment reserve	0	5 659 172
Income relating to the Operating Budget (note 23)	207 401 206	291 280 321
Transfer from the provision for financing the ECSC Operating Budget	311 851 569	250 387 850
Transfer from the provision for fines to be collected	317 915	—
TOTAL INCOME	1 655 239 409	1 510 732 535

Allocation of surplus for the years ending 31 December 1991 and 31 December 1990
(amounts in ecus)

	1991	1990
Surplus not allocated at 1 January	166 085	485 186
Surplus for the year to be allocated	1 173 875	943 778
	1 339 960	1 428 964
Allocation to the former pension fund	1 319 542	1 262 879
Surplus not allocated at 31 December	20 418	166 085

NOTES RELATING TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 1991 AND 31 DECEMBER 1990

(amounts in ecus)

1. PRESENTATION OF THE FINANCIAL STATEMENTS

- 1.1. The European Coal and Steel Community (ECSC) was established by the Treaty of 18 April 1951. According to the Treaty, the task of the ECSC is to contribute to the economic expansion of the Member States through the establishment of a common market for coal and steel. Most of the ECSC's funds come from the levy, the net profit from its financial activity, borrowings raised on the financial markets and direct bank loans.
- 1.2. The ECSC's financial statements for 1991 and 1990 and the notes thereto are presented in accordance with Council Directives 78/660/EEC and 86/635/EEC on the annual accounts and consolidated accounts of banks and other financial institutions (OJ No L 222, 14. 8. 1978 and OJ No L 372, 31. 12. 1986).
- 1.3. ECSC accounts are kept in the various currencies used for its financial activity. The financial statements are expressed in ecus.

The following rates have been used for converting year-end balance-sheet amounts expressed in currency into ecus:

	31 December	
	1991	1990
Belgian and Luxembourg francs	41,9308	42,1839
German marks	2,03553	2,04195
Dutch guilders	2,29352	2,30384
Pound sterling	0,716117	0,707840
Danish kroner	7,92945	7,88260
French francs	6,95338	6,95010
Italian lira	1 542,4	1 540,26
Irish pounds	0,766332	0,767840
Spanish pesetas	129,668	130,604
Portuguese escudos	179,886	182,818
Greek drachma	235,065	214,065
United States dollars	1,34093	1,36330
Swiss francs	1,81763	1,741620
Canadian dollars	1,55078	1,581430
Japanese yen	167,549	184,932

- 1.4. At 31 December 1991 the various currencies listed in 1.3, together with the ecu, made up the ECSC's balance sheet as follows:

(ECU 1 000)

Currency	Assets	Liabilities
Belgian francs	315 928	231 548
Luxembourg francs	151 476	143 683
German marks	4 014 775	3 785 030
Dutch guilders	277 023	225 155
Pounds sterling	905 997	826 132
Danish krone	2 450	—
French francs	998 551	853 472
Italian lira	1 349 953	1 325 244
Irish pounds	1 384	—
Spanish pesetas	327 196	284 353
Portuguese escudos	30 937	28 167
Greek drachma	4 310	2
United States dollars	1 727 080	1 667 006
Swiss francs	336 005	323 543
Canadian dollars	53 521	55 335
Japanese yen	247 926	245 153
Ecus	-708 737	41 952
Total	10 035 775	10 035 775

NB: The ecu has a much larger place in the ECSC's accounts than suggested by the above table.

The apparently small share in ecus is explained by certain accounting operations, mainly the offsetting of accounts receivable and payable relating to currency swaps.

The offsetting of these items on the assets and liabilities sides is designed to prevent artificial inflation of the balance sheet.

This accounting operation is carried out in ecus and involved a total of ECU 6 371 064 642 in 1991.

The real weight of the ecu in the ECSC's accounts can therefore be assessed more accurately if this amount is added both to the assets and to the liabilities sides of the balance sheet.

2. ACCOUNTING POLICIES AND METHODS

- 2.1. The financial statements are drawn up in accordance with generally recognized accounting principles.
- 2.2. Charges and income for the financial year are entered in currency and converted to ecus at the monthly accounting rate in force on the day of the transaction.

3. BALANCES WITH CENTRAL BANKS

This item represents the ECSC's balances with the central banks of the 12 Member States.

4. LOANS AND ADVANCES TO CREDIT INSTITUTIONS

4.1. Repayable on demand

This item comprises loans and advances to CEDEL repayable on demand.

4.2. With agreed maturity dates or periods of notice

The breakdown of the time to maturity of these loans is as follows:

(in ecus)

	31 December	
	1991	1990
up to three months	421 074 157	661 447 294
three months to one year	382 212 488	307 004 385
over one year	—	—
Total	803 286 645	968 451 679

4.3. Loans.

The breakdown of the time to maturity of these loans is as follows:

(in ecus)

	31 December	
	1991	1990
up to three months	51 050 748	7 569 415
three months to one year	294 276 498	261 163 095
one year to five years	2 217 629 092	1 663 077 026
over five years	676 919 151	762 542 629
Total	3 239 875 489	2 694 352 165

6. BONDS AND OTHER FIXED-INCOME SECURITIES

6.1. Valuation

Bonds and other fixed-income securities are valued at average purchase price or market value at 31 December 1991, whichever is the lower.

This principle is not applied in the case of securities considered as financial fixed assets (cf. 6.5).

6.2. Composition

Bonds and other fixed-income securities break down as follows:

(in ecus)

	Value adjustments on securities (withdrawal)	31 December	
		1991	1990
ISSUED BY PUBLIC BODIES			
— gross value		1 077 382 650	1 032 162 619
— value adjustment	(16 851 207)	(8 277 028)	(25 128 235)
— net value		1 069 105 622	1 007 034 384
OWN-DEBT SECURITIES			
— gross value		88 954 023	107 293 671
— value adjustment	(3 009 795)	—	(3 009 795)
— net value		88 954 023	104 283 876
ISSUED BY OTHER BORROWERS			
— gross value		156 392 171	134 182 311
— value adjustment	(249 242)	(943 229)	(1 192 471)
— net value		155 448 942	132 989 840
TOTAL			
— gross value		1 322 728 844	1 273 638 601
— value adjustment	(20 110 244)	(9 220 257)	(29 330 501)
— net value		1 313 508 587	1 244 308 100

6.3. Maturities in 1992

Securities in the portfolio reaching final maturity during 1992 represent the following amounts (in ecus):

— issued by public bodies:	146 031 345
— own-debt securities:	1 142 071
— issued by other borrowers:	<u>16 828 268</u>
Total	164 001 684

6.4. Listed/unlisted securities

The securities portfolio comprises ECU 1 180 532 879 of securities with a stock-exchange listing, the balance of ECU 132 975 708 being unlisted securities.

6.5. Financial fixed assets

6.5.1. Financial fixed assets are defined as securities that will remain in the portfolio until their final maturity. They comprise mainly short-term paper and own-debt securities repurchased for servicing ECSC borrowings.

6.5.2. Financial fixed assets are valued at average purchase price or redemption value, whichever is the lower. The redemption value of these securities exceeds the average purchase price by a total of ECU 9 973 206.

6.5.3. Financial fixed assets are made up as follows (in ecus):

— issued by public bodies:	4 115 389
— own-debt securities:	88 954 023
— issued by other borrowers:	<u>13 596 669</u>
Total	106 666 081

7. TANGIBLE AND INTANGIBLE ASSETS

(in ecus)

	Year of acquisition	Acquisition price	31 December	
			1991	1990
Tangible assets:				
— Paris buildings	1990	8 804 938	1	1
— Washington building	1971	882 654	529 524	588 360
— Lisbon building	1986	1 265 526	843 600	927 960
— New York building	1987	2 132 944	1 539 901	1 645 650
— Canberra building	1987	2 350 603	2 136 056	2 169 787
— Marseilles building	1991	406 679	372 789	
			5 421 871	5 331 758
Intangible assets				
— Lease on Milan building	1986	879 883	599 930	659 923
Total tangible and intangible assets			6 021 801	5 991 681

The building at 61-63 rue des Belles Feuilles in Paris was sold for ECU 9,6 million on 20 December 1990. The proceeds of the sale were used to purchase two buildings: the first, in Avenue d'Eylau, houses the offices of the Commission's delegation to the OECD; the second, in Avenue H. Martin, will serve as the residence of the head of the delegation once the necessary work has been carried out. In June 1991 the ECSC purchased for ECU 324 254 eight car-parking spaces in rue Commandant Schloesing.

The building purchases were undertaken for non-speculative reasons, primarily to provide the delegation with more modern offices.

ECU 8 480 683 from the proceeds of the sale of the building in rue des Belles Feuilles, which was fully amortized, was used to purchase the new buildings in 1990. The surplus from the operation was used to create a provision for liabilities and charges at 31 December 1990 in the sum of ECU 1 159 465 for the purchase of the above-mentioned parking facilities in 1991. The balance of the provision, amounting to ECU 835 211, will be used to equip the building in Avenue H. Martin.

In 1991 the ECSC purchased the offices at 2 rue Barbusse which currently accommodate the Marseilles branch of the Paris office.

In 1986 the ECSC took a 45-year lease on a building in Milan. At the end of this period, the building will revert to its owner.

These buildings are rented by the Commission of the European Communities.

8. OTHER ASSETS

(in ecus)

	31 December	
	1991	1990
Loans, payments due and not received	4 992 807	4 161 222
Portfolio taxes and VAT to be re-claimed	2 577 892	1 540 499
Loans to officials — miscellaneous	5 713 640	2 339 605
Miscellaneous	1 176 995	2 475 861
	14 461 334	10 517 187
Cumulative value adjustments	(3 738 733)	(3 856 523)
Total	10 722 601	6 660 664

9. PREPAYMENTS AND ACCRUED INCOME

(in ecus)

	31 December	
	1991	1990
Interest on loans	207 561 591	165 685 027
Interest on deposits and securities portfolio	88 627 521	70 579 666
Levy declared for November and December but payable after 31 December	20 673 918	32 415 112
Issuing costs and redemption premiums	18 569 153	25 532 481
Other	—	300 790
Total	335 432 183	294 513 076

10. AMOUNTS OWED TO CREDIT INSTITUTIONS

The time to maturity on these operations is as follows:

(in ecus)

	31 December	
	1991	1990
repayable on demand		1 946 183
up to three months	332 641 259	99 715 772
three months to one year	536 923 621	550 114 510
one year to five years	1 495 925 208	1 775 574 039
over five years	657 375 006	875 103 244
Total	3 022 865 094	3 302 453 748

11. DEBTS EVIDENCED BY CERTIFICATES

Part of the borrowings outstanding at 31 December 1991 will reach maturity during the 1992 financial year. These borrowings amount to ECU 345 793 262.

12. OTHER LIABILITIES

(in ecus)

	31 December	
	1991	1990
Exchange value in ecus of the difference between currency receivable and payable under currency exchange operations (swaps)	93 395 325	109 209 665
Current account, ECSC Operating Budget	8 882 422	32 738 588
Other	5 644 781	3 799 612
Total	107 922 528	145 747 865

13. ACCRUALS AND DEFERRED INCOME

(in ecus)

	31 December	
	1991	1990
Interest on borrowings and credit lines	273 292 973	242 088 297
Commission on loans	786 920	856 434
Redemption premiums on loans	10 405 000	14 995 000
Total	284.484 893	257 939 731

14. PROVISIONS FOR LIABILITIES AND CHARGES

(in ecus)

	31 December	
	1991	1990
Provision for withholding tax to be paid ⁽¹⁾	4 367 533	4 078 217
Provision for purchases and sales of securities on the forward contracts ⁽²⁾	1 681 943	—
Provision for equipping the Paris residence ⁽³⁾	835 211	1 159 465
Provision for assistance costs ⁽⁴⁾	200 000	200 000
Total	7 084 687	5 437 682

⁽¹⁾ This provision was created to allow the ECSC to meet its obligations in respect of a securities transaction on which there is a difference of interpretation regarding the applicability of withholding tax.

⁽²⁾ This provision was created to cover the risk of price movements on the futures contracts existing at the end of the financial year for the purchase and sale of securities.

⁽³⁾ This provision was created from the profit on the sale of the Paris building at the end of 1990 with a view to equipping the residence in Avenue H. Martin (cf. note 7).

⁽⁴⁾ This provision was created to cover any assistance costs and other unforeseen expenditure. The risk in question is primarily in the legal field because the ECSC has less recourse, for its operations, to national agents who bear all expenditure relating to loan operations.

15. COMMITMENTS FOR THE ECSC OPERATING BUDGET

In 1991, commitments for the ECSC Operating Budget were as follows:

(in ecus)

	Commitments at 31 December 1990	New legal commitments	Payments	Cancellations	Commitments at 31 December 1991
Redeployment	550 981 469	166 078 949	161 482 351	15 267 231	540 310 836
Research	185 255 693	128 072 175	77 677 007	2 881 537	232 769 324
Interest subsidies Article 54	33 079 047	3 298 206	5 451 079	4 022 525	26 903 649
Interest subsidies Article 56	246 247 339	101 233 000	34 781 375	10 140 559	302 558 405
Social measures steel industry	120 459 507	20 000 000	24 745 962	—	115 713 545
Social measures coal industry (RECHAR)	40 159 441	35 693 258	5 174 214	—	70 678 485
Total	1 176 182 496	454 375 588	309 311 988	32 311 852	1 288 934 244

16. PROVISIONS FOR FINANCING THE ECSC OPERATING BUDGET

(in ecus)

	Provisions at 31 December 1990	Changes at 31-Dezember 1991		Provisions at 31 December 1991
		Withdrawal	Allocation	
Net balance for the financial year (*)				
1990	220 500 000	220 500 000	—	—
1991	—	—	253 500 000	253 500 000
Contingency reserve (*)	70 000 000			70 000 000
Surplus from the implementation of the Operating Budget				
1990	91 351 569	91 351 569	—	—
1991	—	—	59 804 101	59 804 101
Total allocations withdrawn from provisions to finance the OB		311 851 569	313 304 101	
Provision for fines and surcharges to be paid subsequently (*)	2 087 778	333 709		1 754 069
Total	383 939 347			385 058 170

(*) The net balance of the ECSC's financial activity allocated to provisions at the end of the year adds to the resources of the ECSC Operating Budget for the next financial year.

(*) This amount includes ECU 20 million to cover any shortfall in resources compared with forecasts or any overshoot of the requirements provided for in the budget. The balance of ECU 50 million is intended for financing priority measures in the next few years, in particular to cover the expected increase in certain requirements (e.g. for the environment).

(*) Fines are considered as ECSC resources only when they have actually been paid. Fines imposed but not yet paid are therefore allocated to provisions. The amount of ECU 333 709 comprises ECU 317 915 entered under 'Transfer from the provision for fines to be collected' and ECU 15 794 representing a reduction in the corresponding asset figure.

17. RESERVES

The pattern of reserves was as follows:

(in ecus)

	Reserves at 31 December 1990 prior to allocation	Allocations at 31 December 1990	Reserves at 31 December 1991 prior to allocation	Allocations at 31 December 1991	Reserves at 31 December 1991 after allocation
Guarantee fund	482 885 000		482 885 000		482 885 000
Special reserve	188 980 000		188 980 000		188 980 000
Former pension fund	54 887 556	1 262 879	56 150 435	1 319 542	57 469 977
Total	726 752 556	1 262 879	728 015 435	1 319 542	729 334 977

The guarantee fund is intended to cover lending and borrowing operations.

The special reserve is used to grant loans from ECSC own funds to finance subsidized housing.

The former pension fund originally represented the ECSC's total pension obligations prior to 5 March 1968. Since that date, the Member States have assumed responsibility for the payment of staff pensions. This fund is used to finance housing loans for officials of the European Communities and has also been used to grant special loans to the coal and steel industries.

18. ANALYSIS OF THE RESULT FOR THE FINANCIAL YEAR

Overall ECSC performance is influenced by both the result of non-budgetary operations (loans/borrowing — investment — exchange-rate variations) and the outturn of the ECSC Operating Budget.

18.1. Non-budgetary operations

These operations closed on 31 December 1991 with a net surplus in excess of that at 31 December 1990.

Result	<i>(in ecus)</i>	
	31 December	
	1991	1990
GROSS OPERATING MARGIN BEFORE CHANGES IN PROVISIONS		
— Loan/borrowing operations	6 524 561	5 040 038
— Interest on bank accounts	89 620 755	101 798 777
— Transactions concerning portfolio securities	150 829 272	104 880 930
— Miscellaneous	(1 343 285)	(3 964 567)
Total	245 631 303	207 755 178
CHANGES IN PROVISIONS		
Change in ecu rates ⁽¹⁾	(633 848)	5 659 172
Value adjustments in respect of loans and advances	9 676 420	8 029 428
RESULT ON NON-BUDGETARY OPERATIONS	254 673 875	221 443 778

⁽¹⁾: During the 1991 financial year, changes in exchange rates led to a conversion profit of ECU 633 848, which was offset by the transfer of the same amount to the value adjustment reserve. In 1990, the loss of ECU 5 659 172 was offset by the transfer of that amount from the reserve.

18.2. Implementation of the ECSC Operating Budget

(in ecus)

	31 December	
	1991	1990
IMPLEMENTATION OF THE BUDGET		
Expenditure:		
— Administrative expenditure	5 000 000	5 000 000
— Legal commitments	454 375 588	445 277 280
— Miscellaneous	73 086	39 322
Total	459 448 674	450 316 602
Revenue		
— Levy (note 23)	175 054 804	178 494 591
— Fines (note 23)	—	6 893 489
— Deposits (note 23)	18 348	92 813
— Cancellations of legal commitments (note 23)	32 311 852	105 795 816
— Miscellaneous	16 202	3 612
— Surplus from the last budget (note 16)	91 351 569	44 387 850
— Net balance from the last financial year (note 16)	220 500 000	206 000 000
Total	519 252 775	541 668 171
BUDGET OUTFURN	59 804 101	91 351 569

(in ecus)

	31 December	
	1991	1990
Result on non-budgetary operations	254 673 875	221 443 778
Budget outturn	59 804 101	91 351 569
Total	314 477 976	312 795 347
Allocation to the provisions for financing the Operating Budget for the following financial year		
— Surplus from the implementation of the budget	59 804 101	91 351 569
— Net balance	253 500 000	220 500 000
SURPLUS BEFORE ALLOCATION	1 173 875	943 778

19. ADMINISTRATIVE EXPENSES (FIXED AMOUNT)

The ECSC paid a lump sum of ECU 5 million to the general budget of the Commission of the European Communities to cover its administration costs.

20. OTHER OPERATING CHARGES

(in ecus)

	31 December	
	1991	1990
Borrowing costs	601 827	469 157
Swift/Reuters charges	137 716	118 839
Other	12 162	13 025
Total	751 705	601 021

21. INTEREST RECEIVED

(in ecus)

	31 December	
	1991	1990
Interest on loans	866 686 298	718 983 189
Payment and redemption premiums	12 670 676	10 944 939
Bank interest	89 799 136	102 161 755
Interest on fixed-income securities	125 091 970	106 346 129
Total	1 094 248 080	938 436 012

22. OTHER OPERATING INCOME

(in ecus)

	31 December	
	1991	1990
Lapsed coupons and bonds	27 779	51 613
Income from buildings	683 299	898 339
Miscellaneous	9 771	835 834
Total	720 849	1 785 786

23. INCOME RELATING TO THE OPERATING BUDGET

(in ecus)

	31 December	
	1991	1990
Levy (*)	175 054 804	178 494 591
Fines (†)	—	6 893 489
Deposits	18 348	92 813
Cancellation of legal commitments	32 311 852	105 795 816
Miscellaneous	16 202	3 612
Total	207 401 206	291 280 321

(*) The ECSC is authorized under the Treaty to impose a levy on coal and steel produced by undertakings in the Community. The levy is calculated on the basis of the average values in the Community of the various products concerned. The levy rate had been 0,31 % since 1 January 1980. The rate applicable during 1991 was 0,29 %. On 18 December 1991 the Commission decided to set the levy rate for the 1992 financial year at 0,27 %. At 31 December 1991 levy income included ECU 276 819 in respect of surcharges for late payment (ECU 66 836 at 31 December 1990).

(†) This item comprises the revenue from fines imposed by the Commission in accordance with Articles 58 and 60 of the ECSC Treaty, together with surcharges for late payment.

24. OFF-BALANCE-SHEET COMMITMENTS

24.1. Commitments received

(in ecus)

	31 December	
	1991	1990
(a) Commitments arising from swaps		
— notional capital commitments relating to interest-rate swaps	498 370 172	295 757 588
— capital commitments relating to interest-rate and currency swaps	3 232 090 075	2 172 710 653
(b) Commitments on securities		
— securities bought forward	62 781 715	—
— securities sold forward	—	7 350 793
Total	3 793 241 962	2 475 819 034

24.2. Commitments given

(in ecus)

	31 December	
	1991	1990
(a) Loans granted		
— global loan contracts, lines still to be used	1 778 170 000	2 164 867 090
— loans from borrowed funds signed but not yet paid	365 528 748	—
— loans from own funds	26 412 033	23 973 730
(b) Commitments arising from swaps		
— notional capital commitments relating to interest-rate swaps	498 370 172	295 757 588
— capital commitments relating to interest-rate and currency swaps	3 325 904 400	2 281 920 317
(c) Commitments on securities		
— securities bought forward	62 781 715	—
— securities sold forward	—	7 350 793
(d) Receipts from lapsed coupons and bonds	27 779	48 898
Total	6 057 194 847	4 773 918 416

**CHANGES IN THE FINANCIAL SITUATION FOR THE YEARS ENDING 31 DECEMBER 1991
AND 31 DECEMBER 1990**

	<i>(ECU '000)</i>	
	1991	1990
Origin of funds:		
Balance of profit-and-loss account	1,1	1,0
Items not involving a movement of funds:		
— Amortization of issuing costs and redemption premiums	3,0	3,5
— Value adjustments in respect of securities	(20,1)	(2,8)
— Value adjustments in respect of tangible assets	0,9	9,—
— Value adjustments in respect of loans and advances (net)	(9,7)	(8,—)
— Increase (decrease) in 'Provision for legal commitments'	112,7	55,9
— Increase (decrease) in 'Provision for financing of ECSC Operating Budget	1,2	58,7
— Increase (decrease) in accruals and deferred income (liabilities)	31,1	(13,1)
— Decrease (increase) in accruals and deferred income (assets) and issuing costs and redemption premiums	(48,4)	(32,4)
— Increase (decrease) in 'Other liabilities'	(37,9)	60,5
— Decrease (increase) in 'Other assets'	(16,0)	73,3
— Allocation to the provision for risks and charges	1,7	0,7
— Increase (decrease) in the provision for changes in the ecu rate	0,7	(5,7)
— Contribution not yet received from new Member States	—	—
— Exchange adjustments in respect of borrowings and loans	6,4	(37,—)
TOTAL FUNDS	26,7	163,6
Other resources:		
— Proceeds of borrowings	1 445,7	1 085,9
— Loan repayments	889,8	935,3
— Contribution from new Member States (paid up)	—	—
TOTAL RESOURCES	2 362,2	2 184,8
Use of funds:		
— Loan disbursements	1 471,2	995,2
— Redemption of borrowings	1 003,7	1 029,5
— Increase (decrease) in bank balances and portfolio	(113,6)	151,6
— Acquisition and construction of buildings	0,9	8,5
TOTAL USES	2 362,2	2 184,8