



2014 Summary

INRIA BUDGET FOR 2014

Inria's **initial budget** for 2014 was set at €232.6 M, for resources and expenditures combined (a €0.3 M decrease, or -0.13% compared with the 2013 initial budget).

The budget forecast (including carry-overs from 2013) was raised to €266.442 M in the 2014 corrected budget.

As for income, **state funding** was reduced by €2.5 M, falling from €170.8 M in 2013 to €168.3 M in 2014.

The **grant to offset public service costs (SCSP)** accounted

for 72.9 % of net income and covered 72.7 % of expenses. It is broken down into €166.1 M in basic funding and €2.2 M in grants for post-doctoral students.

After a 6.6% rise in 2013, the **Institute's own resources** declined by 2.5% in 2014, from €64.2 M to €62.6 M, which is due mainly to a decrease in research contracts with private and public third parties (-€5.2 M).

Similarly, within the framework of the **Future Investments Programme**, Inria received €5.07 M in 2014 compared with €7.8 M in 2013, a 35.9% cut.

The Institute's own resources accounted for 37.2% of total funding in 2014 and were derived from the following sources:

- Finalised research contracts and support: €50.2 M (of which €19.7 million in European research contracts and €7.4 M in ANR research contracts);
- Income from research and provisioning of services €3.5 M;
- Subsidies and miscellaneous income: €8.9 M.

Excluding calculated income and expenditures, collected revenue amounted to €230.8 M in 2014 versus €234.9 M in 2013. The overall rate of revenue achievement was 98.9% (versus 99.6% in 2013), which translates to a loss of €2.7 M compared with the last corrected budget.

Total resources were €263.7 M in 2014 (including carry-overs and other working capital recaptures for €32.8 M).

BREAKDOWN OF INRIA BUDGET

Carry-overs and other working capital recaptures: **€32.8 M**

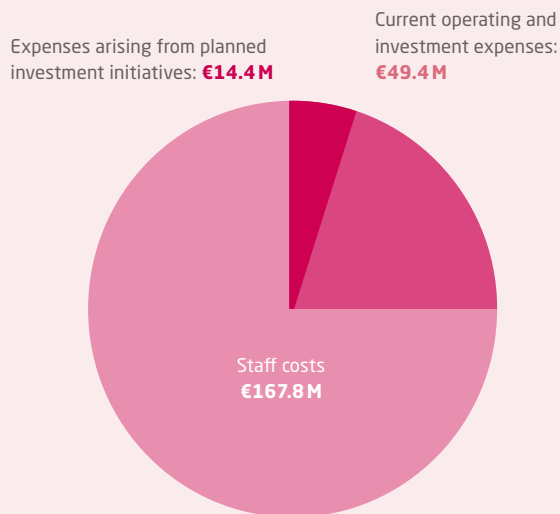
Own resources: **€62.6 M**

Total resources: **€263.7 M**

State funding: **€168.3 M**

PURPOSE AND TYPE OF EXPENDITURES

MANDATED EXPENDITURES BY TYPE



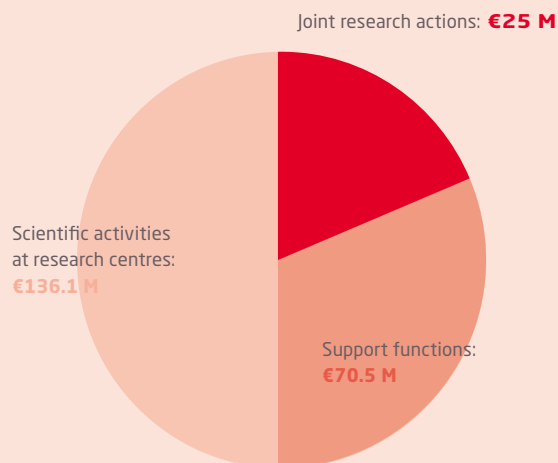
BY TYPE, these expenditures break down as follows :

- €167.8 M in staff costs (72.5% of expenditures compared with 71.6% in 2013), of which €129.3 M on limiting wage bill and €38.5 M on non limiting-wage bill. The number of "capped" staff (i.e. whose remuneration is based on state funding) reached 1,664 full-time equivalents worked (FTEWS) in 2014, whereas the cap associated with the initial budget was 1,674 FTEWS (the FTE ceiling established by finance legislation is 1,794 FTES). The number of "non-capped" staff (i.e. whose remuneration is based on the Institute's own resources) was 849.6 FTEWS;
- €49.4 M in **current operating and investment expenses** in 2014 compared with €53.4 M in 2013;
- €14.4 M in expenses **arising from planned investment initiatives**, or 6.2% of total spending versus 5% in 2013.

BY PURPOSE, mandated spending (€231.6 M) was allocated as follows:

- €136.1 M on scientific activities at the research centres (Subtotal 1), or 58.8% of 2014 expenditures. This rate is stable relative to previous year;
- €25 M on joint research efforts (subtotal 2) or 10.8% in 2014 versus 11.2% in 2013;
- €70.5 M on support functions (subtotal 3) or 30.4% in 2014 compared with 29.9% in 2013.

MANDATED EXPENDITURES BY PURPOSE



CERTIFICATION OF 2014 FINANCIAL ACCOUNT

Since 2010, the Institute's annual financial statements have been certified by a panel of statutory auditors and include accounting adjustments to assets and liabilities (deferred income, accrued income, prepaid expenses and expenses to be paid).

The accounts for the reporting period were certified by the statutory auditors. The certification was accompanied by two of the six reservations originally issued. These pertain to the tallying of trade receivables and the tracking of fixed assets, which are aspects of Inria's internal auditing scheme that need improvement.

After the implementation of the Instruction of 20 November 2013 issued by the French General Directorate of Public Finance (DGFIP) on the recognition of grants received, the

2013 income statement was restated on a pro forma basis in accordance with the new accounting classification system. These reclassifications affected only the "operating income" entry.

The 2014 financial account yielded an income statement with total income of €241.50 M and total expenses of €244.74 M. Operating income was + €3.01 M and extraordinary income was - €6.25 M, while non-operating income was negligible. The accounting result for the year was negative, totalling - €3.25 M versus - €6.79 M in 2013. Operating income became profitable again in 2014, which is the main reason for the improved accounting result.

The balance sheet total (assets and liabilities) was €231.80 M versus €224.06 M in 2013.

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2014 INCOME STATEMENT

	2014	PRO FORMA 2013	2013	Change 2014/2013
Entry	Amount (in euros)	Amount (in euros)	Amount (in euros)	%
Sales of merchandise				
Contract revenue	48,022,738	46,640,493	44,885,371	3.0%
Revenue from related activities	3,474,492	4,148,205	4,148,205	-16.2%
NET TURNOVER	51,497,230	50,788,698	49,033,576	1.4%
Change in inventory				
Own work capitalized				
Grants and subsidies	170,696,019	175,188,907	176,944,029	-2.6%
Reversals of provision and cost transfers	17,854,049	10,460,511	10,460,511	70.7%
Other revenue from everyday operations	1,023,285	1,266,183	1,266,183	-19.2%
OPERATING REVENUE	241,070,583	237,704,299	237,704,299	1.4%
COST OF GOODS AND SERVICES REQUIRED FOR PRODUCTION	40,587,676	42,103,004	42,103,004	-3.6%
Purchases of merchandise	3,566,245	3,665,038	3,665,038	-2.7%
Other purchases and external costs	37,021,431	38,437,966	38,437,966	-3.7%
TAXES AND DUTIES	11,969,725	12,042,178	12,042,178	-0.6%

	2014	PRO FORMA 2013	2013	Change 2014/2013
Entry	Amount (in euros)	Amount (in euros)	Amount (in euros)	%
STAFF COSTS	153,560,016	153,551,874	153,551,874	0.0%
Wages and salaries (except 645 and 647)	95,599,490	95,653,368	95,653,368	-0.1%
Payroll taxes	57,960,526	57,898,506	57,898,506	0.1%
OPERATING ALLOWANCES	28,226,701	28,242,249	28,242,249	-0.1%
Amortization expense	15,985,195	16,058,837	16,058,837	-0.5%
Provisions	12,241,505	12,183,412	12,183,412	0.5%
OTHER COSTS FROM EVERYDAY OPERATIONS	3,716,155	4,171,755	4,171,755	-10.9%
OPERATING EXPENSES	238,060,273	240,111,060	240,111,060	-0.9%
OPERATING INCOME	3,010,310	-2,406,761	-2,406,761	-225.1%
Income from shareholding				
Income from marketable securities				
Reversals of provision and financial cost transfers				
Positive foreign currency translation differences	2,685	6,997	6,997	-61.6%
Income from disposal of marketable securities				
Other financial revenue				
FINANCIAL REVENUE	2,685	6,997	6,997	-61.6%
Financial amortization expense and provisions				
Interest and other expenses				
Negative foreign currency translation differences	4,311	2,119	2,119	103.4%
Net expenses from disposal of marketable securities				
FINANCIAL EXPENSES	4,311	2,119	2,119	103.4%
NON-OPERATING INCOME	-1,626	4,878	4,878	-133.3%
PRE-TAX INCOME EXCLUDING EXTRAORDINARY ITEMS	3,008,684	-2,401,883	-2,401,883	-225.3%
Extraordinary gains from operations	77,948	39,191	39,191	98.9%
Extraordinary gains from capital transactions	119,715	42,110	42,110	184.3%
Reversals of provision and cost transfers	224,294	0	0	
EXTRAORDINARY GAINS	421,957	81,301	81,301	419.0%
Extraordinary losses from operations	6,384,108	4,454,145	4,454,145	43.3%
Extraordinary losses from capital transactions	29,603	12,330	12,330	140.1%
Extraordinary amortization expense and provisions	262,235	0	0	
EXTRAORDINARY EXPENSES	6,675,946	4,466,475	4,466,475	49.5%
EXTRAORDINARY ITEMS	-6,253,988	-4,385,174	-4,385,174	42.6%
TOTAL INCOME	241,495,226	237,792,597	237,792,597	1.6%
TOTAL EXPENSES	244,740,529	244,579,654	244,579,654	0.1%
RETAINED EARNINGS FOR THE YEAR (PROFIT OR LOSS)	-3,245,304	-6,787,057	-6,787,057	-52.2%