



EURATOM SUPPLY AGENCY

Luxembourg
ENER.AAE.001/AV

To: Mr Klaus-Heiner LEHNE
President of the European Court of Auditors
European Court of Auditors
12 Rue Alcide de Gasperi,
L-1615 Luxembourg

Subject: Management representation letter covering the 2019 provisional accounts of the Euratom Supply Agency.

Dear Mr President,

In accordance with Article 246 of the Financial Regulation, I have the honor to send you the Management Representation Letter of the **Euratom Supply Agency**, concerning its final accounts for the financial year 2019.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Aikaterini VRAILA', is written over a light blue circular stamp.

Aikaterini VRAILA
Accounting officer

Enclosure: Management representation letter

c.c.: Rimantas Šadžius (ECA), Maria-Rosa Aldea-Busquets (BUDG.DGA1), Agnieszka Kaźmierczak (ESA), Stefano Ciccarello (ESA), Stefanos Kardaras (ESA)

Copies by email: Valeria Rota (ECA), Ioanna Metaxopoulou (ECA), Hans-Christian Monz (ECA), Sevdalina Todorova (ECA), the Court's functional mailbox (ECA-Agency-Audit@eca.europa.eu), the functional mailbox of DG BUDG (Budg-C02-Reporting@ec.europa.eu).

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Aikaterini.VRAILA@ec.europa.eu



To the President of the European Court of Auditors

Subject: Management Representation letter covering the 2019 final accounts of the EURATOM SUPPLY AGENCY (ESA).

This representation letter is provided in connection with your audit of the "Final annual accounts of the EURATOM SUPPLY AGENCY", hereafter ESA, consisting of the financial statements¹ and the budget implementation reports for the financial year ended 31 December 2019 for the purpose of expressing an opinion as to whether these present fairly, in all material respects, the financial position of the Euratom Supply Agency as of 31 December 2019 and of the results of its operations, its cash flows, and the changes in net assets for the year then ended.

I have fulfilled my responsibilities concerning the design, implementation and maintenance of internal control relevant to the preparation and presentation of the accounts of the Euratom Supply Agency that are free from material misstatement, whether due to fraud or error.

In line with Article 77 of the EU General Financial Regulation, the accounting systems laid down by the accounting officer, and where appropriate, systems laid down by the authorising officers to supply and justify accounting information have been validated.

All the information necessary for the production of the final accounts of the Euratom Supply Agency, which give a true and fair view of the assets and liabilities and of the budgetary implementation, has been obtained.

I confirm, to the best of my knowledge and belief, having made such inquiries as I considered necessary for the purpose of appropriately informing myself, the following representations:

¹ The "financial statements" comprise the balance sheet, the statement of financial performance, the cash-flow statement, the statement of changes in net assets and the notes to the financial statements.

Final accounts

1. The "Final accounts of the Euratom Supply Agency" for the financial year ended 31 December 2019 referred to above, are presented in accordance with its FR² and with the accounting rules adopted by the accounting officer of the European Commission based on internationally accepted accounting standards for the public sector.
2. No issue requiring a reservation has been brought to my attention.
3. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
4. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the accounting rules.
5. All events subsequent to the date of the accounts and for which the accounting rules and methods require adjustment or disclosure have been adjusted or disclosed.
6. The effects of any uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole.
7. There are no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements. The carrying value of receivables and recoverable which are potentially irrecoverable has been corrected, where necessary.
8. The Euratom Supply Agency has satisfactory title to all assets and there are no liens or encumbrances on the assets.
9. All types of assets have been reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where appropriate, such assets have been written down to their recoverable amount.
10. All liabilities, both actual and contingent, have been recorded or disclosed, as appropriate, and all guarantees that have been given to third parties have been disclosed in the notes to the financial statements.

² Regulation(EU, Euratom) No 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union.

11. All claims against the Euratom Supply Agency are reflected in the financial statements as a provision or, where relevant, as a contingent liability.

12. There are no formal or informal compensating balance arrangements with any of our cash and investment accounts. There are no lines of credit arrangements.

Information Provided

With regard to the information provided and the representations below, I highlight that I have provided you with such information for the Euratom Supply Agency.

13. I have provided you with:

- Access to all information of which I am aware that is relevant to the preparation of the accounts such as records, documentation and other matters;
- Additional information that you have requested for the purpose of the audit; and
- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

14. All transactions have been recorded in the accounting records and are reflected in the accounts.

15. I have communicated to you all deficiencies concerning the design, implementation and maintenance of internal control relevant to the preparation and presentation of the accounts of which management is aware.

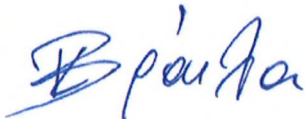
16. I have disclosed to you the results of my assessment of the risk that the accounts may be materially misstated as a result of fraud.

17. I have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the agency's accounts that I have been informed of by management, current or previous employees or other relevant services, including the European Anti-Fraud Office (OLAF).

18. I have disclosed to you all instances of non-compliance and of suspected non-compliance with laws and regulations that we are aware of and whose effects should be considered when preparing the accounts.

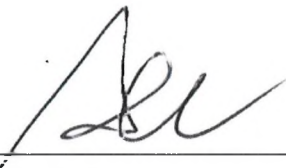
19. Apart from the above, I confirm that:

- the accounts disclose adequately the final nature of those operations which are subject to future clearance of accounts or closure procedures;
- for all "probable" but not yet definitive receivables an adequate disclosure, including when possible an estimate of the amounts involved, is given in the notes to the accounts;
- the accounts include all the recovery orders issued by the Authorising Officers concerning the operations giving rise to reimbursement.
- Authorising officers have not informed me of delays or other problems in the establishment of recovery orders.



Aikaterini VRAILA
The Accounting Officer of Euratom Supply Agency

19/6/2020



Agnieszka KAZMIERCZAK
The Director General of Euratom Supply Agency

19/6/2020