

31. Provisions for risks and charges

Provisions for risks and charges totalled €103,630, up €94,108 compared with 31 December 2012 as shown in the table below:

(Values in €/000)	Work in progress expenses	Subsidiaries' losses hedge	Completed contracts risk	Legal disputes	Tax Provisions (No Deferred Tax)	Other Provisions	Total
Balance at 31 December 2012	469	2,091	20	2,318	5,571	3,777	14,246
Balance at 1 April 2013	0	10,845	0	0	0	89,613	100,459
Allocation to provisions	0	(415)	0	107	502	4,950	5,144
Balance Sheet use of the provision	0	(3)	0	(200)	(836)	(4,446)	(5,485)
Release of provision to Income Statement	(336)	0	0	(323)	0	(2,590)	(3,249)
Reclassifications and other changes	(57)	(295)	0	(231)	0	(635)	(1,218)
IFRS 5 reclassifications		(995)		(1,036)	(460)	(3,777)	(6,268)
Balance at 31 December 2013	76	11,228	20	636	4,777	86,892	103,630

The acquisition of the Impregilo Group on 1 April 2013 resulted in the full absorption of €100,459 relating to the provisions for risks and charges, consisting of €10,845 relating to the coverage of losses of subsidiaries and €89,613 relating to other provisions.

The individual items were broken down as follows:

- the provisions to cover the losses of subsidiaries has been established for commitments to cover losses exceeding subsidiaries' equity, particularly for Salini Bulgaria, Salini Polska Sp. Zoo, Salini Rus OOO, Salini Singapore, Salini Australia PTY Ltd and the Impregilo Group. The provision of €1,962 consists of €1,425 for Salini Bulgaria AD, €121 for Tokwe Mukorsi Dam and €416 of impairment losses on associates of the Impregilo Group;
- provisions for risks on completed contracts, with a balance of €20, refer to the Poland contract;
- provisions for legal disputes, which reports a decrease for the year of €646 mainly due to the release of provisions linked to social security positions closed during the 2013 (totalling €187) and the use of provisions by the parent Salini S.p.A. (amounting to €78);

- the tax provisions consist of the allocations made for contingent liabilities for pending lawsuits and provisions for legal expenses and amount to €4,777 mainly for the provision made by the Ethiopia branch in previous years;
- other provisions showed an amount of €86,892 mainly relating to the Impregilo Group. Specifically, the change for the year comprise provisions of €4,950 million, including €1.3 million for the Engineering & Plant Construction segment and €2.2 million for Imprepar following revision of its estimates of its pending litigation, with the remainder relating to the Construction segment. Utilisations of €7,036 relate to the occurrence of expenses and losses for which they had been accrued.