

# **ANNUAL ACCOUNTS OF THE EURATOM SUPPLY AGENCY**

**Financial year 2022**

**Date: 06/06/2023**

**Financial Statements  
Reports on the Implementation of the Budget**

# TABLE OF CONTENTS

<b>1. INTRODUCTION .....</b>	<b>4</b>
1.1. MANDATE AND CORE ACTIVITIES.....	4
1.2. EXECUTIVE SUMMARY OF THE ANNUAL ACCOUNTS.....	5
<b>2. FINANCIAL STATEMENTS.....</b>	<b>8</b>
2.1. STATEMENT OF FINANCIAL PERFORMANCE.....	8
2.2. BALANCE SHEET.....	9
2.3. CASH FLOW STATEMENT.....	10
2.4. STATEMENT OF CHANGES IN NET ASSETS.....	11
<b>3. NOTES TO THE FINANCIAL STATEMENTS 1/1-31/12/2022.....</b>	<b>12</b>
3.1. APPLICABLE FINANCIAL REGULATION.....	12
3.2. NON-CONSOLIDATION.....	12
3.3. ACCOUNTING PRINCIPLES.....	12
3.4. IT SYSTEMS .....	13
3.5. BASIS OF PREPARATION.....	14
3.5.1. <i>Chart of Accounts</i> .....	14
3.5.2. <i>Transactions and balances</i> .....	14
3.5.3. <i>Use of estimates</i> .....	14
3.5.4. <i>Exchange and non-exchange transactions</i> .....	14
3.6. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE.....	15
3.6.1. <i>Operating revenue</i> .....	15
3.6.2. <i>Other operating revenue</i> .....	15
3.6.3. <i>Administrative expenses</i> .....	15
3.6.3.1. <i>Administrative expenses covered by the European Commission</i> .....	15
3.6.3.2. <i>Administrative expenses covered by the Agency</i> .....	18
3.6.4. <i>Operating expenses</i> .....	19
3.6.5. <i>Financial operations revenue and expenses</i> .....	19
3.7. NOTES TO THE BALANCE SHEET.....	20
3.7.1. <i>Intangible and tangible fixed assets</i> .....	20
3.7.1.1. <i>Intangible assets</i> .....	20
3.7.1.1.1. <i>Internally generated intangible assets</i> .....	20
3.7.1.1.2. <i>Tangible assets</i> .....	21
3.7.1.1.3. <i>Depreciation/Amortisation</i> .....	22
3.7.2. <i>Investments</i> .....	23
3.7.3. <i>Short term receivables</i> .....	23
3.7.4. <i>Cash and cash equivalents</i> .....	23
3.7.5. <i>Non-current provisions</i> .....	24
3.7.5.1. <i>The United Kingdom's withdrawal from the European Union and Euratom</i> .....	24
3.7.6. <i>Accounts payable</i> .....	25
3.7.7. <i>Capital</i> .....	25
3.7.8. <i>Fair value reserve</i> .....	26
3.7.9. <i>Contingent assets and liabilities, and other disclosures</i> .....	27
3.7.10. <i>Other significant disclosures</i> .....	27
3.7.10.1. <i>The war in Ukraine</i> .....	27
3.7.11. <i>Changes in accounting policies</i> .....	27
3.7.12. <i>Related third parties</i> .....	28
3.7.12.1. <i>Key management entitlements</i> .....	28
3.7.12.1. <i>Post balance sheet events</i> .....	28
3.8. FINANCIAL RISK MANAGEMENT .....	29
3.8.1. <i>Financial instruments</i> .....	29
3.8.2. <i>Market risk</i> .....	29
3.8.3. <i>Credit risk</i> .....	30

3.8.4.	Liquidity risk.....	31
<b>4.</b>	<b>REPORT ON THE IMPLEMENTATION OF THE BUDGET .....</b>	<b>33</b>
4.1.	BUDGETARY PRINCIPLES AND STRUCTURE.....	33
4.1.1.	Legal basis.....	33
4.1.2.	Budgetary principles.....	34
4.1.3.	Budgetary structure.....	35
4.1.4.	Budgetary procedure.....	35
4.1.5.	Audit by the European Court of Auditors.....	35
4.1.6.	Discharge.....	36
4.2.	BUDGETARY IMPLEMENTATION.....	37
4.2.1.	BUDGET IMPLEMENTATION AT A GLANCE.....	37
4.2.2.	Final budget.....	37
4.2.2.1.	Initial adopted budget.....	37
4.2.2.2.	Amending budget.....	37
4.2.2.3.	Internal transfers.....	37
4.2.3.	Revenues cashed.....	37
4.2.4.	Commitments of the current year - C1.....	38
4.2.4.1.	Cancellation of appropriations of the current year (C1).....	39
4.2.4.2.	Payments of the current year C1.....	39
4.2.5.	Outstanding commitments.....	39
4.2.6.	Appropriations carried over from previous year – C8.....	39
4.2.6.1.	Payments on carried over funds – C8.....	39
4.2.6.2.	Cancellation on carried over funds – C8.....	39
4.3.	BUDGETARY OUTTURN ACCOUNT.....	40
4.3.1.	Budgetary outturn calculation.....	40
4.4.	RECONCILIATION OF ACCRUAL BASED RESULT WITH BUDGET RESULT.....	41
4.5.	BUDGETARY TABLES & FINANCIAL STATEMENTS OF 31/12/2022.....	42
4.5.1.	Comparison table of initial to final adopted budget.....	43
4.5.2.	Budget tables.....	44

# 1. INTRODUCTION

## 1.1. MANDATE AND CORE ACTIVITIES

The Supply Agency of the European Atomic Energy Community, also known as the Euratom Supply Agency (ESA), was established by Article 52 of the Euratom Treaty<sup>1</sup> ('the Treaty'). It was set up to further the common supply policy for ores, source materials and special fissile materials with the purpose of ensuring the regular supply of the materials concerned in the nuclear common market set up by the Treaty. The policy is based on the principle of equal access of all users in the Community to sources of supply.

The Agency has the exclusive right to conclude contracts for the supply of nuclear materials, coming from inside or outside the Community, as well as a right of option on nuclear materials produced in the Community. It also monitors transactions for the provision of services in the nuclear fuel cycle, including by acknowledging the notifications that market players must submit, which give details of their commitments.

In the interest of its Treaty missions, its Statutes<sup>2</sup> entrust the Agency with a market observatory role to identify market trends that could affect security of the European Union's supply of nuclear materials and services. This mission extends to aspects of the supply of medical radioisotopes in the EU in the light of Council Conclusions on this issue<sup>3</sup>.

The Agency is endowed with legal personality and financial autonomy (Art. 54 of the Euratom Treaty) and operates under the supervision of the Commission (Art. 53 of the Euratom Treaty) on a non-profit making basis. The Statutes define the governance of the Agency in more detail.

The seat of ESA is in Luxembourg (Art. 2 of the Statutes). The Agency has concluded a seat agreement with the Luxembourgish Government, together with the European Commission.

---

<sup>1</sup> Treaty establishing the European Atomic Energy Community (OJ L 27, 6/12/1958, p.534)

<sup>2</sup> [Council Decision of 12 February 2008 establishing Statutes for the Euratom Supply Agency \(O.J. L 41, 15/02/2008\)](#).

<sup>3</sup> 'Towards the secure supply of radioisotopes for medical use in the EU', 3053rd Employment, Social Policy Health and Consumer Affairs Council meeting, 6 December 2010 and 17453/12, ATO 169/ SAN 321, 7 December 2012.

## 1.2. EXECUTIVE SUMMARY OF THE ANNUAL ACCOUNTS

### Financial regulation

The final annual accounts have been prepared in accordance with the Agency’s Statutes and in accordance with the EU Financial Regulation (FR).

The annual accounts of the Euratom Supply Agency include:

- the Financial Statements, which comprise: the balance sheet as at 31 December 2022, the statement of financial performance, the cash flow statement, the statement of change in net assets/liabilities, and the notes to the financial statements.
- the Report on the implementation of the budget, which comprises: the budgetary outturn account, the reconciliation of accrual-based result with the budget result, the report, and the budgetary execution tables.

### Financial Statements

In 2022, the assets owned by the Agency totalled EUR 932 902 (EUR 963 933 in 2021). They were financed by liabilities of EUR 96 741 (10%) and equity of EUR 836 159 (90%) (ref. § 2.2).

The liabilities include the long-term provision in connection with Brexit (ref. § 3.7.5.1). The provision relates to the repayment of the UK called-up share in the Agency’s capital of EUR 67 200 and the equal decrease of the Agency’s capital (see § 3.7.7). On 31 December 2022, the amount of the instalment called up and reflected in ESA’s accounts stood at EUR 518 400 (see § 3.7.7) to align with the UK’s withdrawal from the EU and Euratom.

The fixed assets have decreased by EUR 37 524, mainly due to the amortisation charge related the ICT project NOEMI (“Nuclear Observatory and ESA Management of Information”). The stage 1 of the project was put in production in December 2021 (ref. § 3.7.1.1.1).

Furthermore, cash and cash equivalents increased slightly by EUR 7 413.95 amounting to EUR 693 170.10 (EUR 680 474 in 2021).



Total (see § 2.1), revenues<sup>4</sup> amounted to EUR 161 612 (EUR 209 523 in 2021), or 23% lower in comparison with 2021 due to a lower Euratom contribution received. Financial income related to interest received from the banks amounted to EUR 2 138 (nil in 2021). On the other hand, administrative expenses amounted to EUR 114 931, or 25% lower than the previous year (EUR 169 405 in 2021),

<sup>4</sup> Total revenue equals total operating revenue and surplus/deficit from non-operating activities.

whereas depreciation increased by EUR 29 782, or 334%, due to amortisation related to the ICT project NOEMI. Staff expense increased also by EUR 31 217, or 487%, due to higher cost for missions and training.

Accordingly, the financial year 2022 resulted in a negative economic result of EUR 28 331 (EUR 40 119 positive in 2021).

## Budget implementation

The Agency's adopted budget 2022<sup>5</sup> amounted to EUR 167,000, which is 20.47% lower compared to 2021 (EUR 210 000). ESA was financed entirely by the EU budget through the EC budget line 20 03 14 01 'Euratom contribution for operation of the Supply Agency'. Its revenue and expenditure were in balance.

There were no budget amendments to 2022 budgets. However, the Director-General signed three (3) decisions to perform small internal transfers within the budget that appeared necessary i.e., from one article to another (reference §5.5.1) in order to adjust arisen needs.

On 31 December 2022, ESA had a high budget execution of current year's funds (C1) of EUR 161 782.84 (ref. § 4.2.4), or 96.88% of commitment appropriations (EUR 209 489.28 or 99.76% in 2021) with cancellations amounting only to EUR 5 217.16 (3.12%). The executed payments on C1 (current year funds) amounted to EUR 58 137.37 (ref. § 4.2.6), giving an implementation rate of 34.81% of available appropriations (EUR 107 522.90 or 51.20% in 2021).

The carrying-forward of outstanding commitments of 2022 (Rèste à Liquider, committed amounts not yet paid for) to the financial year 2023 stood at EUR 103 645.47 or 64.06% of committed amounts (EUR 101 966.38 or 49% in 2021). The amount involves mainly IT services for the ICT project NOEMI, not fully provided (90.37% or EUR 93 668.08).

Moreover, in 2022 as in the previous year, the Agency achieved a very high implementation rate on payments under carried-over funds (C8) from the previous year, which totalled EUR 101 515.88 or 99.56% of available funds (EUR 176 329.90 or 99.30% in 2021). Cancellation of carried over (C8) payment appropriations transferred from the previous year amounted to EUR 450 or 0.44% of the C8 budget.

The budget outturn result (see § 4.3.1), was positive, calculated at EUR 5 787.67 (against EUR 1 660.21 in 2021) to be returned to the Commission budget.

## Revenues

The possibility for ESA to collect a charge on transactions in order to defray its operating expenses, as per Article 54 of the Euratom Treaty, was postponed *sine die*, by the Council, in 1960. Consequently, the Agency's administrative expenses must be covered entirely by the European Union budget, the Agency's only own income being the interests on its capital (ref. § 3.6.1).

In 2022, the Euratom contribution amounted to EUR 167 000 (ref. § 4.2.3) or 99.67% of revenues (EUR 267 000 in 2021). Income from the Agency's bank deposits amounted to EUR 2 138.35 (nil in 2021), of which EUR 546.45 related to the subsidy received from the Commission.

---

<sup>5</sup> Commission decision C(2021)8432 of 29.11.2021

## Administrative expenses covered by the Commission

ESA's budget structure consists only of administrative appropriations. The Agency does not manage operational budget lines and does not provide grants. The bulk of the Agency's administrative expenses, including salaries, is covered directly by the budget of the Commission, and is not recognised in the Agency's accounts nor budget (ref. § [3.6.3.1](#)). Those costs and the underlying transactions are included in the EU financial annual accounts and are considered as non-exchange transactions (ref. § [3.5.4](#)).

The Commission support to the Agency consists of:

- i. *A Euratom contribution:* Since 1960, the Agency has been granted a contribution from the EU budget. In 2022, the contribution amounted to EUR 167 000 (EUR 210 000 in 2021).
- ii. *Staff salaries:* In accordance with the ESA's Statutes<sup>6</sup>, the staff of the Euratom Supply Agency is European Commission officials, whose salaries are paid directly by, the Commission. According to an internal estimate, the salaries of the Agency's staff<sup>7</sup>, covered by the Commission, were calculated at EUR 1 937 817 in 2022 (EUR 1 784 258 in 2021).
- iii. *Advantages in kind:* According to the same estimate, other operating costs (buildings and IT related expenses) amounted to EUR 467 708 (EUR 486 000 in 2021) and hosting of the IT system NOEMI to EUR 84 644 (provided and calculated for the first time).

## Other significant disclosures

The war in Ukraine did not have any financial impact on the Agency in 2022 and it is not foreseen to negatively impact its operations and financial stability in the near future.

---

<sup>6</sup> Council Decision 2008/114/EC, Euratom of 12/2/2008 establishing Statutes for the Euratom Supply Agency; OJ L 41, 15.2.2008, Art.4

<sup>7</sup> At the end of 2022, the Agency occupied 16 permanent posts (8 administrators and 8 assistants) and had one vacant post.

## 2. FINANCIAL STATEMENTS

### 2.1. STATEMENT OF FINANCIAL PERFORMANCE

(Amounts in EUR)

	Note	2022	2021
<b>Operating revenue</b>	<a href="#">3.6.1</a>		
Contribution from Euratom		161 212.33	208 339.79
<b>Other operating revenue</b>	<a href="#">3.6.2</a>		
Exchange gains		399.38	1 183.43
Other exchange revenue			
<b>TOTAL OPERATING REVENUE</b>		<b>161 611.71</b>	<b>209 523.22</b>
<b>Administrative expenses</b>	<a href="#">3.6.3.2</a>		
Staff expenses		37 633.02	6 415.93
Fixed asset related expenses		38 691.32	8 908.48
Other administrative expenses		114 931.08	152 797.45
<b>Operating expenses</b>	<a href="#">3.6.4</a>	-	-
Exchange losses		825.82	1 282.71
<b>TOTAL ADMINISTRATIVE AND OPERATING EXPENSES</b>		<b>192 081.24</b>	<b>169 404.57</b>
<b>SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES</b>		<b>(30 469.53)</b>	<b>40 118.65</b>
Financial operations revenues	<a href="#">3.6.5</a>	2 138.35	-
Financial operations expenses	<a href="#">3.6.5</a>		
<b>SURPLUS/(DEFICIT) FROM NON OPERATING ACTIVITIES</b>		<b>2 138.35</b>	<b>-</b>
<b>SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES</b>		<b>(28 331.18)</b>	<b>40 118.65</b>
<b>ECONOMIC RESULT OF THE YEAR (SURPLUS)</b>		<b>(28 331.18)</b>	<b>40 118.65</b>



## 2.2. BALANCE SHEET

(Amounts in EUR)

	Note	2022	2021
<b>I</b>	<b>NON CURRENT ASSETS</b>		
	<b>Intangible fixed assets</b>		
	<a href="#">3.7.1.1</a>		
	Computer software	235 245.47	268 456.47
	Intangible assets under construction	-	-
	<b>Tangible fixed assets</b>		
	<a href="#">3.7.1.2</a>		
	Plants & Equipment	-	-
	Furniture	431.43	493.80
	Computer hardware	4 054.66	8 305.77
	Other fixtures & fittings	-	-
	<b>Investments</b>		
	<a href="#">3.7.2</a>		
	Available for sale assets	-	-
	<b>Total non-current assets</b>	<b>239 731.56</b>	<b>277 256.04</b>
<b>II</b>	<b>CURRENT ASSETS</b>		
	<b>Short term receivables</b>		
	<a href="#">3.7.3</a>		
	Short term receivables	-	-
	Prepaid expenses and accrued income	5 282.21	6 202.58
	<b>Cash and cash equivalents</b>		
	<a href="#">3.7.4</a>		
	Accounts with banks	687 887.89	680 473.94
	<b>Total current assets</b>	<b>693 170.10</b>	<b>686 676.52</b>
	<b>TOTAL ASSETS</b>	<b>932 901.66</b>	<b>963 932.56</b>
<b>III</b>	<b>NON-CURRENT LIABILITIES</b>		
	<b>Non-current provisions</b>		
	<a href="#">3.7.5</a>		
	Long term provisions -Other	67 200.00	67 200.00
	<b>Total non-current liabilities</b>	<b>67 200.00</b>	<b>67 200.00</b>
<b>IV</b>	<b>CURRENT LIABILITIES</b>		
	<b>Accounts payables</b>		
	<a href="#">3.7.6</a>		
	Current payables	-	-
	Current payables with EU entities	-	-
	Accrued expenses and deferred income	23 754.25	30 581.43
	Pre-financing received from EU entities	5 787.67	1 660.21
	<b>Total current liabilities</b>		
	<b>TOTAL LIABILITIES</b>	<b>29 541.92</b>	<b>32 241.64</b>
<b>V</b>	<b>NET ASSETS/LIABILITIES</b>		
	Capital from Euratom Member States	518 400.00	518 400.00
	Fair value reserve	-	-
	Accumulated surplus/deficit	346 090.92	305 972.27
	Economic result of the year	(28 331.18)	40 118.65
	<b>TOTAL NET ASSETS</b>	<b>836 159.74</b>	<b>864 490.92</b>
	<b>TOTAL NET ASSETS/LIABILITIES</b>	<b>932 901.66</b>	<b>963 932.56</b>

## 2.3. CASH FLOW STATEMENT

Amounts in Euro

	2022	2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Surplus/(deficit) from operating activities	(30 469.53)	40 118.65
<u>Adjustments</u>	-	-
Amortization (intangible fixed asset)	34 377.84	3 621.92
Depreciation (tangible fixed asset)	4 313.48	5 286.56
(Increase)/decrease in short term receivables	-	-
(Increase)/decrease in prepaid expenses	920.37	145.47
(Increase)/decrease in provisions	-	67 200.00
Increase/(decrease) in payables to EU entities	-	-
Increase/(decrease) in accounts payables	-	-
Increase/(decrease) in accrued expenses	(6 827.18)	(30 558.77)
Increase/(decrease) in pre-financing from EU entities	4 127.46	(9 132.76)
Other non-cash movements	-	-
	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>6 442.44</b>	<b>76 681.07</b>
	-	-
<b>CASH FLOW FROM INVESTING AND FINANCING ACTIVITIES</b>	<b>-</b>	
Purchase of tangible and intangible fixed assets	(1 166.84)	(94 226.85)
(Increase)/decrease in investments	-	-
Increase/(decrease) in fair value reserve	-	-
Increase/(decrease) in capital	-	(67 200.00)
Financial revenue	2 138.35	-
Financial expenses	-	-
<b>NET CASH FLOW FROM INVESTING AND FINANCIAL ACTIVITIES</b>	<b>971.51</b>	<b>(161 426.85)</b>
	-	-
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>7 413.95</b>	<b>(84 745.78)</b>
Cash and cash equivalents at the beginning of period	680 473.94	765 219.72
Cash and cash equivalents at the end of period	687 887.89	680 473.94

## 2.4. STATEMENT OF CHANGES IN NET ASSETS

Net assets	Capital		Accumulated Surplus / Deficit	Economic outturn for the year	Total
	Fair value reserve	Capital from Member States			Net Assets/ Liabilities
<b>Balance at 31/12/2021</b>	<b>0</b>	<b>518 400.00</b>	<b>305 972.27</b>	40 118.65	<b>864 490.92</b>
Variations in fair value					-
Allocated result			40 118.65	(40 118.65)	-
Capital called-up					
Economic outturn for the year				(28 331.18)	( 28 331.18)
<b>Balance at 31/12/2022</b>	<b>0</b>	<b>518 400.00</b>	<b>346 090.92</b>	<b>(28 331.18)</b>	<b>836 159.74</b>

Amounts in Euro

# 3. NOTES TO THE FINANCIAL STATEMENTS

## 1/1-31/12/2022

### 3.1. APPLICABLE FINANCIAL REGULATION

ESA applies directly the EU Financial Regulation<sup>8</sup> (FR).

Article 68 of FR stipulates that *"This regulation shall apply to the implementation of the budget for the Euratom Supply Agency"*. The Euratom Supply Agency falls outside the scope of Art. 70 of FR. It was established by the Euratom Treaty and hence is not deemed to belong to *"bodies...set up under the TFEU and the Euratom Treaty"*, referred to in Art. 70 (1).

### 3.2. NON-CONSOLIDATION

The Euratom Supply Agency's accounts are not consolidated in the EU Accounts<sup>9</sup>.

### 3.3. ACCOUNTING PRINCIPLES

The financial statements shall be drawn up in accordance with the generally accepted accounting principles, as laid down in EU Accounting rule 2 and are the same as those described in the International Public Sector Accounting Standards (IPSAS) 1, namely:

#### Fair presentation

Financial statements shall present fairly the financial position, financial performance and cash flows of an entity. Fair presentation requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, revenue and expenses set out in EC accounting rules. The application of EC accounting rules, with additional disclosures when necessary, is presumed to result in financial statements that achieve a fair presentation (EU Accounting Rule 2).

#### Accrual Basis

In order to meet their objectives, financial statements are prepared on the accrual basis of accounting. Under this basis, the effects of transactions and other events are recognised when they occur (and not as cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate (EU Accounting Rule 2).

#### Going concern basis

When preparing financial statements an assessment of an entity's ability to continue as a going concern shall be made. Financial statements shall be prepared on a going concern basis unless there is an intention to liquidate the entity or to cease operating, or if there is no realistic alternative but to do so. These financial statements have been prepared in accordance with the going concern principle, which means that ESA is deemed to have been established for an indefinite duration (EU Accounting Rule 2).

---

<sup>8</sup> Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18/07/2018 on the financial rules applicable to the general budget of the Union, repealing Regulation (EU, Euratom) No 966/2012 (2012 Financial Regulation).

<sup>9</sup> OJ ref. C306/201-17.12.2007, Art.10

### **Consistency of presentation**

According to this principle the presentation and classification of items in the financial statements shall be retained from one period to the next (EU Accounting Rule 2).

### **Aggregation**

Each material class of similar items shall be presented separately in the financial statements. Items of a dissimilar nature or function shall be presented separately unless they are immaterial (EU Accounting Rule 2).

### **Offsetting** (no netting)

Assets and liabilities, and revenue and expenses, shall not be offset unless required or permitted by an EU Accounting rule (EU Accounting Rule 2).

### **Comparative Information**

Except when an EU accounting rule permits or requires otherwise, comparative information shall be disclosed in respect of the previous period for all amounts reported in the financial statements. When the presentation or classification of items in the financial statements is amended, comparative amounts shall be reclassified unless the reclassification is impracticable (EU Accounting Rule 2). The qualitative characteristics of financial reporting are relevance, reliability, understandability and comparability which are explained in EU Accounting Rule 2 and IPSAS 1.

Figures of the financial year 2022 are compared with those of the previous year.

## **3.4. IT SYSTEMS**

The financial and accounting activities of the Agency are supported by the SAP and ABAC information systems. A validation of the accounting systems is duly performed. Since 2015, the Agency has used its own inventory management centre, supported by the applications ABAC Assets and SAP Accounting.

## **3.5. BASIS OF PREPARATION**

### **3.5.1. Chart of Accounts**

The chart of accounts used by ESA follows the structure of the chart of accounts of the European Commission (PCUE).

### **3.5.2. Transactions and balances**

The financial statements are presented in EUR.

Year-end balances of monetary assets and liabilities denominated in foreign currencies, when present, are converted into EUR on the basis of the exchange rates applying on 31 December. Foreign currency transactions are converted into EUR using the exchange rates prevailing at the dates of the transactions.

### **3.5.3. Use of estimates**

In accordance with generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions by management. Significant estimates include, but are not limited to, accrued incomes and charges, provisions, contingent assets and liabilities, and degree of impairment of fixed assets. Actual results could differ from those estimates. Changes in estimates are reflected in the period in which they become known.

### **3.5.4. Exchange and non-exchange transactions**

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity in exchange. They are recognised in the ESA's financial statements.

Non-exchange transactions are transactions that are not exchange transactions as above defined.

ESA's revenue is made up of the contribution it receives and financial income (both non-exchange revenues) from the interest received on its cash deposits with BCEE.

Where services in-kind are provided as well as goods in-kind are delivered to the Agency, they are not recognised because the Agency either has insufficient control over the services provided, or it may not be able to measure them reliably. The major classes of services in-kind received, including those which are not recognised, are disclosed in the current notes (ref. § [3.6.3.1](#)). However, in 2022, similarly as in the past, those goods or services were delivered or provided solely by the Commission (or by other EU Bodies and Institutions). No goods or services in-kind were directly delivered or provided to the Agency by individuals or private companies.

## 3.6. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

### 3.6.1. Operating revenue

Revenues of the Agency consist solely of the Euratom contribution from the EU budget received from the European Commission as non-exchange transaction (non-exchange revenue).

ESA has been operating since 1 June 1960. The possibility for ESA to collect a charge on transactions in order to defray its operating expenses, as per Article 54 of the Euratom Treaty, was postponed sine die, by the Council, in 1960. Consequently, the Agency's administrative expenses must be financed by the Euratom (the only Agency's own income being the interests of its capital, when positive).

Thus, the operating revenue of the Agency, since 1960, consists mainly of a contribution from the Euratom (the EU budget).

### 3.6.2. Other operating revenue

Exchange gains which arise from everyday activities which are made in currencies other than the Euro, income from write-off of debts from operational activities and fixed assets adjustments are included under the heading 'Other operating revenue'.

### 3.6.3. Administrative expenses

#### 3.6.3.1. Administrative expenses covered by the European Commission

##### i. Staff-related expenses

The Director General and staff of the Euratom Supply Agency are officials of the European Commission (EC), in accordance with Article 4 of ESA's Statutes. Their salaries are paid directly by the EC and are not charged to the Agency's budget.

Pursuant to Article 7 of the ESA's Statutes, the Agency's establishment plan is incorporated in the establishment plan for the Commission but shown separately<sup>10</sup>. The staff is governed in accordance with the Staff Regulations<sup>11</sup>.

At the end of 2022, the Agency occupied 16 permanent posts (8 administrators and 8 assistants) and had on vacant assistant post.

Human resources	2022		
	authorised	actually filled as of 31.12.2022	effective throughout the year
<b>Number of officials (or temporary agents)</b>			
Administrators (AD)	7	8	8,0
Assistants (AST)	10	7	6,5
Assistants/secretarial (AST/SC)		2	1,6
<b>Total</b>	<b>17</b>	<b>17</b>	<b>16,1</b>

<sup>10</sup> Adopted EU General Budget 2022, OJ L 45, 24.2.2022 p.1136, footnote (1).

<sup>11</sup> EEC/EAEC Council: Regulation No 31 (EEC), 11 (EAEC), laying down the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Economic Community and the European Atomic Energy Community.

## ii. Other operating expenses

Most of the Agency's operating costs are directly financed by the Commission. In addition, in 2022, the Euratom Supply Agency did not pay charge-back on any baseline services provided to it by the Commission, including for hosting the IT system in a secure environment.

The basic categories of expenditure covered are described in the following table:

<b>Overview of expenditure financed directly by the Commission</b>
<b>STAFF EXPENDITURE</b>
<b>Salaries &amp; allowances</b>
<b>Socio-medical infrastructure</b>
<b>Training</b>
<b>INFRASTRUCTURE &amp; OPERATING EXPENDITURE</b>
<b>Rental of buildings and associated costs</b>
- <i>Buildings and associated costs</i>
<b>Information and communication technology</b>
- <i>EC software applications (ABAC, SAP, ...)</i>
- <i>EC consolidated IT infrastructure and services (ITIC)</i>
- <i>Telecommunications and cybersecurity</i>
<b>Movable property and associated costs</b>
<b>Current administrative expenditure</b>
- <i>Stationery and office supplies</i>
<b>ICT Infrastructure</b>
- <i>Computer hardware (servers, PCs and equipment)</i>
- <i>Hosting of ESA's IT systems NOEMI</i>
<b>Information and publishing</b>
- <i>Publications – Official journal</i>

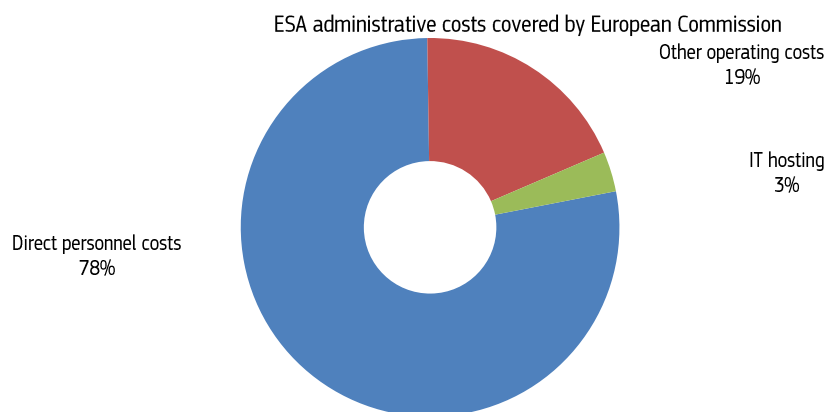


### iii. Estimate of total operating costs covered by the EC

In 2022 the Agency's total operating cost covered by the Commission amounted to EUR 2 490 169 (EUR 2 270 258 in 2021).<sup>12</sup>

Amounts in EUR	(1)	(2)	(3)	4=(2)x(3)	(5)	(6)=(4)+(5)
Category of cost	Establishment plan	Number of effective personnel	Average direct personnel costs <sup>13</sup>	Total direct personnel costs <sup>(2)</sup>	Other operating costs <sup>14</sup>	Total costs <sup>(2,3)</sup>
<b>Official or Temporary Agent</b>	<b>17</b>	<b>16.1</b>				
<i>Administrator</i>	7	8.0	152 300	1 218 400	175 100	1 393 400
<i>Assistant</i>	10	8.1	89 000	719 417	250 000	969 417
<b>External Staff</b>	<b>n/a</b>	<b>1.7</b>	<i>n/a</i>	-	72 900	72 900
<b>IT hosting</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	84 644	84 644
Total	<b>17</b>	<b>17.8</b>	-	<b>1 937 817</b>	<b>552 353</b>	<b>2 490 169</b>

The direct personnel costs for the Agency's staff, as covered by the Commission, were estimated at EUR 1 937 817 (EUR 1 784 258 in 2021). Other operating costs totalled EUR 467 708 (EUR 486 000 in 2021). The hosting of the IT system NOEMI amounted to EUR 84 644 (provided and calculated for the first time).



<sup>12</sup> The estimate is based on European Commission guidance on the charge-back process within the Commission (Annex XXI to the Internal Rules).

<sup>13</sup> Average annual costs for salaries and allowances

<sup>14</sup> The average operating cost amounts to €25 000 per year per person. It corresponds to infrastructure, mainly buildings and IT, and some other administrative costs. The total costs are calculated based on the establishment plan posts and the effective external staff.

### 3.6.3.2. Administrative expenses covered by the Agency

<b>Staff</b>
- Missions and travel
- Representation and internal meetings
<b>Operating expenses</b>
Information and communication technology
- Equipment, software and services for information systems
- Information systems development
Other operating expenses
- ESA Advisory Committee meetings
- Subscriptions and purchase of information media
- Membership of nuclear organisations
- Conferences
- Studies
- Publications - reports
- Information and communication
- Financial and legal charges

#### i. Staff-related expenses

Both mission and training expenses increased compared to the previous year due to end of some Covid-related constraints, especially concerning travel and participation to conferences and training.

Amounts in EUR	2022	2021
<b>Expenditure concerning staff</b>	<b>37 633.02</b>	<b>6 415.93</b>
Mission expenses, travel and other incidental expenses	16 731.53	2 290.81
Training costs (Participation fees)	20 901.49	4 125.12

#### ii. Other administrative expenses

Fixed assets related expenses are the depreciation and written-off amounts on assets (computer software, furniture, and computer hardware) bought by the Agency's budget. The increase in amortization expense is related to the full year impact of the amortisation expense for the NOEMI IT system.

Amounts in EUR	2022	2021
<b>Fixed assets related expenses</b>	<b>38 691.32</b>	<b>8 908.48</b>
Amortisation	34 377.84	3 621.92
Depreciation	4 313.48	4 654.76
Written-off fixed assets	0.00	631.80

Table 1 – Fixed assets related expenses covered by the Agency

All other costs are included in the heading 'Other administrative expenses'.

Amounts in EUR	2022	2021
<b>Other administrative expenses</b>	<b>114 931.08</b>	<b>152 645.72</b>
IT development expenses for NOEMI (non-capitalised)	28 897.92	110 950.70
Other administrative expenses (IT maintenance, memberships, purchase of information media etc.)	73 593.90	31 897.10
Information & communication	831.00	8 280.73
Advisory Committee meetings	11 608.26	1 517.19

### 3.6.4. Operating expenses

Exchange losses which arise from everyday activities which are made in currencies other than the Euro are included under the heading 'Operating expenses'.

### 3.6.5. Financial operations revenue and expenses

This heading includes interest from the two bank accounts bank accounts, one current and one saving account, both with BCEE Luxembourg.

Since the second half of 2022 interest was paid on both accounts for a total of EUR 2 138.35.

Financial operations revenue	EUR 0.00
Bank interest	2 138.35

## **3.7. NOTES TO THE BALANCE SHEET**

### **I. NON-CURRENT ASSETS**

#### **3.7.1. Intangible and tangible fixed assets**

Items acquired with purchase price at EUR 420 or above and with a period of use greater than one (1) year are recorded in the fixed assets account. Assets with an acquisition price lower than EUR 420 are recognised as expenses to the statement of financial performance.

Fixed assets are entered on the assets side of the balance sheet as long as they are controlled by the Agency and generate future economic benefits for the Agency.

They are divided in intangible and tangible fixed assets depending on if they are identifiable assets without or with physical substance.

Since October 2015, the Agency has been running its own inventory management centre, supported by the applications ABAC Assets and SAP Accounting.

##### **3.7.1.1. Intangible assets**

Intangible fixed assets are identifiable non-monetary assets without physical substance. They are stated at historical cost (acquisition price/ development cost) converted to EUR at the rate applying when purchased, less accumulated amortisation and impairment losses.

The intangible (fixed) assets at ESA include mainly computer software, acquired licences and the development cost of the internally developed intangible assets. The amortisation is calculated using the straight-line method with a 25 % rate for computer software and 12.5% for internally generated intangible assets (ref. § [3.7.1.3](#)).

##### **3.7.1.1.1. Internally generated intangible assets**

Intangible assets (mainly IT development) are recognised if the criteria of recognition are met in accordance with the Accounting Rule 6 and the cumulative development costs, exceeds the set threshold. The capitalisation threshold for internally generated intangible assets (IGIA) in ESA is set at EUR 200 000. The capitalised costs include all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. Costs associated with research activities, non-capitalised development costs and maintenance costs are recognised as expenses as incurred.

#### **NOEMI IT system**

The Agency develops internally a new software to support the management of ESA core tasks under the Treaty and the Statutes. The NOEMI system (“Nuclear Observatory and ESA Management of Information”) supports the processing of nuclear supply contracts and is envisaged to enable fully digital processing of contracts and nuclear fuel market information.

The project stage 1 was implemented during 2020-2021 and its capitalised cost amounted to EUR 269 466.69. The system went operational in December 2021 and it has been amortised since that date. No additional related capital investments were made in 2022 (all related costs were expenses since they did not develop further the assets).

Non-capitalised cost of NOEMI	Research cost	Not capitalised development cost
Cost of the year (excl. amortisation)	EUR 0	EUR 28 897.92

The system went operational in December 2021 and it has been amortised since that date. No additional related capital investments were made in 2022 (all related costs were expenses since they did not develop further the assets).

Intangible assets			
	21001000		
2022	Other computer software	Internally generated intangible assets	Total
<b>Gross Carrying amount at 01.01.2022</b>	<b>8 690.36</b>	<b>269 466.69</b>	<b>278 157.05</b>
Purchases/ Additions during the year	1 166.84	0.00	1 166.84
Disposals	0.00	0.00	0.00
Transfers between asset categories	0.00	0.00	0.00
Other changes (assets under construction)	0.00	0.00	0.00
<b>Gross carrying amount at 31.12.2022</b>	<b>9 857.20</b>	<b>269 466.69</b>	<b>279 323.89</b>
<b>Accumulated depreciation at 01.01.2022</b>	<b>6 893.63</b>	<b>2 806.95</b>	<b>9 700</b>
Depreciation charge for the year	694.50	33 683.34	34 377.84
Disposals	0.00	0.00	0.00
Transfers between asset categories	0.00	0.00	0.00
Other changes	0.00	0.00	0.00
Accumulated depreciation at 31.12.2022	7 588.13	36 490.29	44 078.42
<b>Net carrying amount at 31.12.2022</b>	<b>2 269.07</b>	<b>232 976.40</b>	<b>235 245.47</b>

### 3.7.1.2. Tangible assets

Tangible fixed assets comprise categories: computer hardware and furniture, plant machinery and equipment and other fixture and fittings. The depreciation is calculated using the straight-line method with rates as described in § [3.7.1.3](#).

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition, construction, or transfer of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to the EU and its cost can be measured reliably. Repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred.

Tangible assets	2022				
	Furniture	Computer hardware	Plant, Machinery, Equipment	Other fixtures & Fittings	TOTAL
<b>Carrying amount at 1/1/2022</b>	<b>6 721.82</b>	<b>54 235.67</b>	<b>1 266.17</b>	<b>1 369.26</b>	<b>63 592.92</b>
Purchases during the year	0.00	0.00	0.00	0.00	2 063.90
Disposals	0.00	0.00	0.00	0.00	0.00
Transfers between asset categories	0.00	0.00	0.00	0.00	0.00
Other changes	0.00	0.00	0.00	0.00	0.00
<b>Gross carrying amount at 31/12/2022</b>	<b>6 721.82</b>	<b>54 235.67</b>	<b>1 266.17</b>	<b>1 369.26</b>	<b>63 592.92</b>
<b>Accumulated depreciation at 1/1/2022</b>	<b>6 222.82</b>	<b>45 929.89</b>	<b>1 266.17</b>	<b>1 369.26</b>	<b>54 793.34</b>
Depreciation charge for the year	62.37	4 251	0.00	0.00	4 313.37
Disposals	0.00	0.00	0.00	0.00	0.00
Transfers between asset categories	0.00	0.00	0.00	0.00	0.00
Other changes	0.00	0.00	0.00	0.00	0.00
<b>Accumulated depreciation at 31/12/2022</b>	<b>6 290.39</b>	<b>50 180.89</b>	<b>1 266.17</b>	<b>1 369.26</b>	<b>59 106.71</b>
<b>Net carrying amount at 31/12/2022</b>	<b>431.43</b>	<b>4 054.77</b>	<b>0.00</b>	<b>0.00</b>	<b>4 486.20</b>

## Leases

Leases where the lessor retains a significant portion of the risks and rewards inherent to ownership are classified as operating leases. Payments made under operating leases are recognised as an expense in the statement of financial performance on a straight-line basis over the period of the lease.

As of 31 December 2022, the Agency was not subject to any financial lease arrangement.

### 3.7.1.3. Depreciation/Amortisation

Depreciation/Amortisation of fixed assets is the systematic allocation of the depreciable amount of an asset over its useful life (EU Accounting Rule 6 and 7). The depreciation method used is the straight-line method and depreciation is calculated monthly. Assets under construction are not depreciated, as these assets are not yet available for use. The estimated useful lives of intangible assets depend on their specific economic lifetime or legal lifetime determined by an agreement.

The depreciation/amortisation is calculated as follows:

Type of Asset	Depreciation rate
Intangible assets (computer software)	25%
Intangible assets under construction (AUC)	0%
Internally generated intangible assets (NOEMI computer software)	12.5%
Plant, machinery and equipment	25%
Other fixture & fittings	25%
Computer hardware	25%
Furniture	10%

### 3.7.2. Investments

Investments are initially recognised at fair value and changes in fair value are recorded through equity at each balance sheet date. The classification on the investments is determined at initial recognition.

The investments for different bonds are classified as available-for-sale financial assets and are valued at their fair value. The fair values of quoted instruments in active markets are based on the current bid prices. The unrealised differences between the purchase price and the market price are recorded under the fair value reserve.

At 31 December 2022, the Agency did not hold any investment.

Total Investments	EUR 0.00
Bonds & Securities in EUR	0.00

## II. CURRENT ASSETS

### 3.7.3. Short term receivables

Short-term receivables consist of sundry receivables (advances on mission costs), accrued incomes and deferred charges.

Short term receivables	2022	2021
Short term receivables	0.00	0.00
Accrued income	0.00	0.00
Deferred Charges	5 282.21	6 202.58
<b>Deferred charges &amp; Accrued Income</b>	<b>5 282.21</b>	<b>6 202.58</b>

### 3.7.4. Cash and cash equivalents

Cash and cash equivalents are financial instruments and include cash at hand, deposits held at call or at short notice with banks and other short-term highly liquid investments with original maturities of three months or less.

At the end of the 2022, the Agency held two bank accounts in EUR. These accounts were open in Luxembourg.

Cash and cash equivalents	Balance at 31/12/2022	Balance at 31/12/2021
Bank accounts in EUR	157 506.05	151 684.00
Savings / Short term bank deposits <3 months in EUR	530 381.84	528 789.94
<b>Total in EUR</b>	<b>687 887.89</b>	<b>680 473.94</b>

### III. NON-CURRENT LIABILITIES

#### 3.7.5. Non-current provisions

Provisions are recognised when the Agency has a present legal or constructive obligation towards third parties because of past events, it is more likely than not, that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated (EU Accounting rule 10). The amount of the provision is the best estimate of the expenditures expected to be required to settle the present obligation at the reporting date.

##### 3.7.5.1. The United Kingdom's withdrawal from the European Union and Euratom

The United Kingdom (UK) left the European Union and the European Atomic Energy Community (Euratom) on 31 January 2020 in accordance with the terms established by its Withdrawal Agreement<sup>15</sup>, previously concluded based on Article 50 of the Treaty on the European Union. The same Agreement provided for a time-limited transition period, from 1 February 2020 to 31 December of the same year, in which the European Law continued to apply to and in the United Kingdom, but the former Member State was not anymore represented in the EU/Euratom institutions, agencies, bodies and offices.

The UK as a Member State had subscribed a share of EUR 672 000 in the capital of the Euratom Supply Agency (amounting, since 2013, to EUR 5 856 000). It paid 10% of its share, i.e. EUR 67 200, at the time of its accession to Euratom. Since then, this latter sum of money has been held with the Agency's bank account.

In connection with that, paid-off, part of the UK's share, nothing is provided for in the Withdrawal Agreement (or in any other agreement or arrangement or legal act, to-date). Until 31 December 2020 (i.e. the end of the transition period) the legal situation was not affected by the exit of the United Kingdom from the EU and Euratom.

Regarding the period as from 1 January 2021 onwards, the Agency, which cannot act unilaterally in this field, has registered an accounting provision in its financial statements on the UK share repayment in order to record the future liability of ESA i.e. EUR 67 200 and decreasing ESA's paid-in capital, which since 2021 amounts to EUR 518 400. Any payment, return or remuneration to the United Kingdom in the subsequent periods because of the termination of UK's membership will follow the decisions by the EU Institutions.

<sup>15</sup> OJ C144 I of 25.4.2019



Description	Amounts 31.12.2021	Additional provisions	Unused amounts reversed	Amounts used	Transfer to current	Present value adjustments (discount)	Other	Amount at 31.12.2022
	(+)	(+)	(-)	(-)	(-)	(+/-)	(+/-)	
<b>Legal cases</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>Other – non legal</b>	67 200.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>67 200.00</b>
<b>Total</b>	<b>67 200.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>67 200.00</b>

Table 2 – Provisions

### III. CURRENT LIABILITIES

#### 3.7.6. Accounts payable

Payables arising from the purchase of goods and services are recognised at invoice reception for the original amount and corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by ESA.

Accrued charges consist of the services or goods received but not invoiced in the financial year. According to the EU accounting rules, transactions and events are recognised in the financial statements in the period to which they relate. At the end of the accounting period, accrued expenses are recognised based on an estimated amount of the transfer obligation of the period.

Pre-financing from the EU entities corresponds to the result of the budget outturn account to be reimbursed to the Commission.

Accounts payable	2022	2021
Current payables	1 166.84	0.00
Current payables with EU entities	0.00	0.00
Accrued expenses and Deferred income	22 587.41	30 581.43
Pre-financing received from EU entities	5 787.67	1 660.21
<b>Deferred charges &amp; Accrued Income</b>	<b>29 541.92</b>	<b>32 241.64</b>

### IV. NET ASSETS/LIABILITIES

#### 3.7.7. Capital

In accordance with its Statutes, the Agency has a capital of EUR 5 856 000. An instalment of 10% of the capital is paid at the time of a Member State's accession to the EU. The amount of the instalment called-up was EUR 518 400 on 31 December 2022.

In 2021, following the United Kingdom's withdrawal from the European Union and Euratom, the Agency has decreased its capital by the paid up instalment of the UK's share by recording a long-term provision (ref. paragraph [3.7.5.1](#)). In addition, the Agency sees the need for its Statutes to be amended with a view to adapting the amount of the Agency's capital. The Statutes being established by decision of the Council, a Commission proposal launching the relevant legislative procedure will be required at the first stage. ESA has already addressed the matter with the European Commission.

No other movement of capital was recorded in 2022.

CAPITAL Participating Member State	Member States' subscription in EUR	
	2022	2021
Belgique/België – Belgium	192 000	192 000
Republika Bulgaria – Republic of Bulgaria	96 000	96 000
Česká Republika - Czech Republic	192 000	192 000
Danmark – Denmark	96 000	96 000
Deutschland – Germany	672 000	672 000
Eesti – Estonia	32 000	32 000
Ellas – Greece	192 000	192 000
España – Spain	416 000	416 000
France	672 000	672 000
Hrvatska – Croatia	32 000	32 000
Ireland	32 000	32 000
Italia – Italy	672 000	672 000
Kypros – Cyprus	32 000	32 000
Latvija – Latvia	32 000	32 000
Lietuva – Lithuania	32 000	32 000
Magyarország – Hungary	192 000	192 000
Nederland – Netherlands	192 000	192 000
Österreich – Austria	96 000	96 000
Polska – Poland	416 000	416 000
Portugal	192 000	192 000
România – Romania	288 000	288 000
Slovenija – Slovenia	32 000	32 000
Slovensko – Slovakia	96 000	96 000
Suomi – Finland	96 000	96 000
Sverige – Sweden	192 000	192 000
United Kingdom <sup>16</sup>	0	0
<b>Total capital in EUR</b>	<b>5 184 000</b>	<b>5 184 000</b>
<b>Value of first call of 10% in EUR</b>	<b>518 400</b>	<b>518 400</b>

### 3.7.8. Fair value reserve

The adjustment to fair value of available-for-sale assets is accounted for through the fair value equity reserve. The fair value reserve consists of the change between the purchase price and the market value of investments (available-for-sale assets) converted into euros using the prevailing rate on 31 December.

<sup>16</sup> Ref. paragraph [4.7.5.1](#).

No purchase of financial assets was performed during 2022. As the Agency does not hold any other investments, there is no fair value calculation applicable.

<b>FAIR VALUE RESERVE</b>	<b>Amount</b>
<b>Balance at 31.12.2021</b>	0.00
Result on sale securities	0.00
Change in market value	0.00
<b>Balance at 31.12.2022</b>	0.00

## **V. OFF BALANCE SHEET DISCLOSURES**

### **3.7.9. Contingent assets and liabilities, and other disclosures**

Contingent assets and liabilities are off balance sheet items. It is uncertain whether they may occur in the future and are dependent on the future outcome of past events.

A contingent asset is a possible asset that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of ESA. It is not recognised because the amount of the obligation cannot be measured with sufficient reliability. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

A contingent liability is a possible obligation that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of ESA; or a present obligation that arises from past events but is not recognised because: it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation or, in the rare circumstances where the amount of the obligation cannot be measured with sufficient reliability.

In 2022, there were neither contingent assets nor contingent liabilities to be disclosed, according to the described accounting principles.

As at 31 December 2022, the Agency was not involved in legal disputes.

### **3.7.10. Other significant disclosures**

#### **3.7.10.1. The war in Ukraine**

The war in Ukraine did not have any financial impact on the Agency in 2022 and it is not foreseen to negatively impact its operations and financial stability in the near future.

#### **3.7.11. Changes in accounting policies**

As of 1 January 2021, extended disclosures for financial assets and liabilities are required based on the revised EU Accounting Rule 11. The disclosures relating to financial assets and liabilities, concern amongst others the risk management relating to financial assets and liabilities: Credit risk, liquidity risk, market risk (ref. § [3.8](#)).

There have been no other changes in accounting policies for financial year 2022.

### 3.7.12. Related third parties

The related parties of the Agency is the European Commission and the key management personnel. Transactions between these parties take place within normal ESA operations and therefore no specific disclosure requirements are necessary for these transactions, in accordance with the EU accounting rules.

#### 3.7.12.1. Key management entitlements

The highest-graded official of the Agency in 2022 was the Director General, Authorising Officer for ESA budget, in grade AD15. The Director General is remunerated in accordance with the Staff Regulations of the EU. There were no transactions (loans), of any kind, to the Director General from the Agency.

Loans to related parties				
Highest grade description	Grade	Number of persons of this grade	Nominal amount	Remaining open amount as of 31/12/2022
Director	AD15	1	0.00	0.00

### 3.7.13. Post balance sheet events

At the date of signature of these accounts, no other significant issue subsequent to the balance sheet date came to the attention of the Accounting officer of the Agency, or was reported to her that would have a material impact on the financial statements.

The accounts and related notes were prepared using the most recently available information and this is reflected in the information presented.

## **3.8. FINANCIAL RISK MANAGEMENT**

### **3.8.1. Financial instruments**

Financial instruments comprise cash, current receivables and recoverables, current payables, available-for-sale assets (Bonds). Financial instruments give rise to market, credit and liquidity risks, information about which and how they are managed is set out below.

### **3.8.2. Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate, because of changes in market prices. Market risk embodies not only the potential for loss, but also the potential for gain. It comprises currency risk, interest rate risk and other price risk (ESA has no significant other price risk).

#### **Interest rate risk**

Interest rate risk is the possibility of a reduction in the value of a security, especially a bond, resulting from an increase in interest rates. In general, higher interest rates will lead to lower prices of fixed rate bonds, and vice versa.

No investments were placed in 2022.

ESA's treasury neither borrows nor lends money. It does, however, earn interest on balances it holds on its bank accounts. The Agency has put in place measures to ensure that interest earned on its bank accounts regularly reflects market interest rates, as well as their possible fluctuation.

#### **Foreign currency risk**

Currency risk is the risk that the entity's operations or its investments' value may be affected by changes in exchange rates. This risk arises from the change in price of one currency against another.

All the Agency's financial assets, including the bank accounts, are denominated in EUR.

The only exposure to exchange rate fluctuations is due to certain payments of suppliers in foreign currencies. ESA accepts this risk.

At the end of 2022, there were neither assets nor liabilities in foreign currency.

According to EAR11, deferred charges are not included in the credit risk.

**Table A: overview of the foreign currencies to which the EU entity is exposed**

	F5 – Market risk disclosures								
	EAR 11 – §269-271								
	Currency exposure (amounts in EUR to be included in the table)								
	USD EUR equivalent	GBP EUR equivalent	DKK EUR equivalent	SEK EUR equivalent	RON EUR equivalent	PLN EUR equivalent	EUR	Other <sup>1</sup> EUR equivalent	Total EUR
31/12/2022									
Financial assets	0.00	0.00	0.00	0.00	0.00	0.00	687 887.89	0.00	687 887.89
Loans (including term deposits over 3 months)							0.00		0.00
Financial assets at FVSD - non-derivatives							0.00		0.00
Receivables excluding receivables with consolidated entities							0.00		0.00
Receivables with consolidated entities							0.00		0.00
Cash and cash equivalent							687 887.89		687 887.89
Financial liabilities	0.00	0.00	0.00	0.00	0.00	0.00	5 787.67	0.00	5 787.67
Payables with third parties							0.00		0.00
Payables with consolidated entities							5 787.67		5 787.67
Net Position	0.00	0.00	0.00	0.00	0.00	0.00	693 675.56	0.00	693 675.56

### 3.8.3. Credit risk

Credit risk<sup>17</sup> is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation (either the principal or interest or both).

The Agency neither lends money nor provides grants.

ESA's treasury resources are kept in a commercial bank (Banque et Caisse d'Epargne de l'Etat – Luxembourg, or BCEE) with a high credit rating. The accounts used are a current account and a short term deposit account < 3 months.

The current rating for long term bank deposits for BCEE is Aa2 according to Moody and AA+ according to S&P which makes it one of the safest banks in the world and is 100% owned by the State of Luxembourg. Rating is periodically monitored.

<sup>17</sup> EU Accounting rule 11

On 31 December 2022, the Agency did not hold any sovereign debt. According to EAR11, deferred charges are not included in the credit risk. The exposure to credit risk is listed in the following table.

<b>F3-Credit risk</b>				
<b>EAR11 §264</b>				
<b>Table A: credit quality analysis - loans, term deposits and cash and cash equivalents</b>				
Amounts in EUR				
<b>2021</b>	<b>Loans* in Stage 1</b>	<b>Loans* in Stage 2</b>	<b>Loans* in Stage 3</b>	<b>Cash and Cash equivalent**</b>
<b>Counterparties with external credit rating<sup>1</sup>:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>687 887.89</b>
Prime and high grade	0.00	0.00	0.00	687 887.89
Upper medium grade	0.00	0.00	0.00	0.00
Lower medium grade	0.00	0.00	0.00	0.00
Non-investment grade	0.00	0.00	0.00	0.00

\*including term deposits of > 3 months  
\*\*including short-term deposits of < 3 months

<b>The name of the bank</b>
Banque et Caisse d'Épargne Luxembourg

Table 3 – Credit quality analysis

On 31 December 2022, the Agency did not have any open receivables. According to the revised EAR11, as of 2021 the credit risk rating of the receivables is no longer required. Deferred charges are not included in the credit risk.

<b>Table C: Analysis of the age of receivables</b>						
<b>EAR11 § 265</b>						
<b>31/12/2022</b>	<b>Not past due</b>	<b>Past due 0-30 days</b>	<b>Past due 31-90 days</b>	<b>Past due 91 days - 1 year</b>	<b>Past due &gt; 1year</b>	<b>Total</b>
Amounts in EUR						
<b>Receivables gross carrying amount</b>	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>Impairment (-)*</b>	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>Net receivables</b>	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>

### 3.8.4. Liquidity risk

Liquidity risk is the risk that the Agency will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from the on-going financial obligations, including settlement of payables.

EU budget principles ensure that overall cash resources for a given year are always sufficient for the execution of all payments. The Agency has no own revenues. The budget is wholly financed by an EU budget contribution, included in and transferred from the Commission's section of the budget. It is generally received in two instalments at the beginning of every semester, while payments are executed during the whole year.

ESA manages liquidity risk by continually monitoring forecasted and actual cash flows.

In case of need, there is the possibility of immediate or short-term withdrawal of cash.

According to EAR11, only non-current financial liabilities are included in the analysis. The entity's liabilities have remaining contractual maturities as summarised below (accrued charges are excluded):

<b>Liquidity risk EAR11 §268a</b>			
<b>At 31/12/2022</b>	<b>1 - 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
Other financial liabilities	0.00	0.00	0.00
<b>Total liabilities</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



## 4. REPORT ON THE IMPLEMENTATION OF THE BUDGET

### 4.1. BUDGETARY PRINCIPLES AND STRUCTURE

#### 4.1.1. Legal basis

The Agency is endowed with legal personality and financial autonomy (Art.54 of the Euratom Treaty), and it operates under the supervision of the Commission (Art.53 of the Euratom Treaty) on a non-profit making basis.

Legal basis for the implementation of ESA budget		
Decision	Date	Mission / Tasks / Functions
Treaty establishing the European Atomic Energy Community, and in particular Articles 52, 53, 54 and 171 thereof (OJ L 27, 6.12.1958, p.534)	6/12/1958	<ul style="list-style-type: none"> <li>- establishment of the Euratom Supply Agency, with legal personality and financial autonomy</li> <li>- an exclusive right to conclude contracts relating to the supply of ores, source materials and special fissile materials coming from inside the Community or from outside;</li> <li>- right of option on materials produced in the territories of Member States, exercised by concluding contracts with producers of ores, source materials and special fissile materials</li> </ul>
Council Decision 2008/114/EC, Euratom establishing Statutes for the Euratom Supply Agency (OJ L41, 15.2.2008, p. 15), and in particular Article 1 and Chapter 2 thereof	12/2/2008	<ul style="list-style-type: none"> <li>- a market-monitoring role by monitoring and identifying market trends that could affect security of the EU supply of nuclear materials and services;</li> <li>- expertise, information and advice to the Euratom Community on any subjects connected with the operation of the market in nuclear materials and services</li> <li>- financial provisions (Chapter 2)</li> </ul>
Strategic Agenda for Medical Ionising Radiation Applications (SAMIRA), (SWD(2021) 14 final)	5/2/2021	<ul style="list-style-type: none"> <li>- securing the supply of specialised nuclear fuels and materials for production of medical radioisotopes (high enriched uranium HEU and high assay low enriched uranium – HALEU)</li> <li>- setting up a system for monitoring and long-term forecasts for a broad spectrum of radioisotopes and production methods of medical radioisotopes</li> <li>- assisting the Commission services in the implementation of the European Radioisotope Valley Initiative (ERVI)</li> </ul>
Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union repealing Regulation (EU, Euratom) No 966/2012, and in particular article 68 thereof.	3/8/2018	<ul style="list-style-type: none"> <li>- financial regulation applicable to the ENER</li> </ul>

The budgetary accounts of ESA are kept in accordance with the Financial Regulation (FR)<sup>18</sup>, which applies to the implementation of the budget for the Euratom Supply Agency (Art. 68).

Pursuant to Article 7 of the Statutes for the Euratom Supply Agency<sup>19</sup> :

*'The revenue and expenditure shown in the budget shall be in balance.'*

<sup>18</sup> Regulation (EU, Euratom) 2018/1046

<sup>19</sup> Council Decision 2008/114/EC, Euratom of 12 February 2008 establishing Statutes for the Euratom Supply Agency (OJ L 41, 15/2/2008, p. 15), and in particular Articles 4, 6 and 7 of the Annex thereto.

*'The Agency's revenue shall consist of a contribution from the Community, bank interest and income from its capital and bank investments, and, if necessary, a charge as provided for in Article 54 of the Treaty and borrowings.'*

*'The expenditure of the Agency shall consist of administrative expenses of its staff and of the Committee, as well as expenses resulting from contracts entered into with third parties.'*

Off-budget expenditures represent most of ESA's administrative expenses (ref. § [3.6.3.1](#)), which are financed directly by the Commission, on the appropriate lines of the EU budget. Salaries are paid by the Commission and not charged to the Agency's budget, in line with the provisions of Article 4 of ESA's Statutes. The basic categories of off-budget expenditure include salaries, other staff expenses like training, buildings, furniture and IT equipment and services.

#### **4.1.2. Budgetary principles**

The budget of ESA has been established in compliance with the principles of unity, budget accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency as set out in the Financial Regulation of the EU.

**The principle of unity and budget accuracy** means that all ESA's revenue and expenditure, when this is charged to the budget, must be incorporated in a single budget document, which is the vehicle for every item of expenditure and revenue.

**The principle of annuality** means that appropriations cover the requirements of a specific financial year and may be used only during that year (from 1 January to 31 December).

**The principle of equilibrium** between revenue and expenditure is respected mathematically when the budget is drawn up so as revenue and payment appropriations to be in balance. However, the revenue outturn can be higher or lower than forecast.

**The principle of unit of account** means that the budget must be drawn up and implemented in euro and that the accounts must be presented in euro.

**The principle of universality** means that total revenue covers total expenditure without any specific link between a given item of revenue and a given item of expenditure.

**The principle of specification** means that appropriations may be used only for the purpose for which they have been provided and are earmarked for specific reasons by title and chapter; the chapters are further subdivided into articles and items.

**The principle of sound financial management** dictates that budget appropriations must be used in accordance with the principles of **economy** (requires that the resources used in the pursuit of an activity be made available in due time, in appropriate quantity and quality and at the best price), **efficiency** (best relationship between resources employed and results achieved) and **effectiveness** (attaining the specific objectives set and the intended results).

**The principle of transparency** takes the form of a requirement to publish the budget, amending budgets and financial statements and a requirement to provide the budgetary authority and the European Court of Auditors with certain information.

#### **4.1.3. Budgetary structure**

The budget of ESA consists of statements of revenue and expenditure. The statement of expenditure is set out on the basis of a budget nomenclature and classified according to the purpose of the expenditure.

The budget of ESA consists only of administrative appropriations, which are non-differentiated, meaning that the commitment and the payment appropriations are of the same amount. The Agency does not manage operational budget lines and does not provide grants.

#### **Origin of Appropriations**

The possibility for ESA to collect a charge on transactions in order to defray its operating expenses, as per Article 54 of the Euratom Treaty, was postponed *sine die*, by the Council, in 1960. Consequently, the major part of the Agency's administrative expenses has to be covered by the European Commission (the Agency's only own income being the interests on its capital, if any).

#### **4.1.4. Budgetary procedure**

Pursuant to Art. 7 of ESA Statutes, every year the Director General is to produce an estimate of revenue and expenditure for the Agency for the following financial year. This estimate, which includes a draft establishment plan, must be forwarded to the Commission by 31 March after obtaining the opinion of the Advisory Committee. In practice, the Agency submits the estimate by 31 January, the deadline foreseen in the budget circular.

On the basis of the estimate, the Commission enters in the draft budget of the European Union the estimates it deems necessary for the establishment plan and the amount of the subsidy to be charged to the general budget.

In the framework of the budgetary procedure, budgetary authority authorises – in the final EU budget – the appropriations for the subsidy to the Agency and adopts the establishment plan for the Agency, which appears separately in the establishment plan of the Commission.

The ESA budget is adopted as a Commission decision. It becomes final following final adoption of the general budget of the European Union. Where appropriate, it is adjusted accordingly. The Agency's budget is published on its website.

#### **4.1.5. Audit by the European Court of Auditors**

The European Court of Auditors (ECA) performs an audit of ESA's financial and budgetary accounts and the underlying transactions on an annual basis in line with internationally accepted public-sector auditing standards. The Court's responsibility is to provide the European Parliament and the Council with a

statement of assurance as to the reliability of the annual accounts and the legality and regularity of the underlying transactions.

ESA duly notes the Court's observations and takes the necessary measures as needed. It also follows carefully the observations of cross-cutting nature accompanying the Annual Report of the EU agencies<sup>20</sup>.

#### **4.1.6. Discharge**

The European Parliament, acting on a Council recommendation, is the discharge authority for ESA.

On 4 May 2022, the European Parliament granted ESA Director General Discharge for the implementation of the budget for the 2020 financial year<sup>21</sup>. The Agency submitted on 22 July 2022 its follow-up reply to the observations of the discharge authority.

---

<sup>20</sup> [Annual report on EU agencies for the financial year 2021 \(europa.eu\)](#)

<sup>21</sup> Decision (EU, Euratom) of the European Parliament of 4 May 2022 on discharge in respect of the implementation of the budget of the Euratom Supply Agency for the financial year 2020, OJ L 258, p. 371 of 5.10.2022

## 4.2. BUDGETARY IMPLEMENTATION

### 4.2.1. BUDGET IMPLEMENTATION AT A GLANCE

ITEM	2022 Amount (in EUR)
Euratom Contribution <sup>22</sup>	167 000
Committed appropriations <sup>23</sup>	167 000
Payment appropriations <sup>24</sup> (C1)	167 000
Payment appropriations (C8)	101 966
Payments made (C1)	5 8137
Payments made (C8)	101 516
Cancelled	5 217
Carried over to 2023	103 645

### 4.2.2. Final budget

#### 4.2.2.1. Initial adopted budget

Euratom Supply Agency's 2022 adopted budget<sup>25</sup> amounted to EUR 167 000 in commitment and payment appropriations (EUR 210 000 in 2021). It was financed by the Euratom contribution under the EU budget heading 20 03 14 01 "Euratom contribution for operation of the Supply Agency".

#### 4.2.2.2. Amending budget

No budget amendments were made in 2022.

#### 4.2.2.3. Internal transfers

In 2022, in accordance with Art. 28 and 68 of EU Financial Regulation, the Director General signed three (3) decisions<sup>26</sup> to perform small internal transfers within the budget, i.e. from one article to another (reference § 4.5.1), which appeared necessary in order to adjust to the arisen needs.

### 4.2.3. Revenues cashed

In 2022, total cashed revenues for the budget 2022 were EUR 169 138.35 (EUR 210 00.00 in 2021). ESA was granted a Euratom contribution of EUR 167 000, lower by 20.47% in comparison to 2021 (EUR 210 000) and EUR 2 138.35 interest from the Agency's capital held in bank accounts (0.00 in 2021). Only the interest related to the subsidy-based account (EUR 546.45) is part of the budget outturn and

<sup>22</sup> Funds cashed in Year N, excluding assigned revenues

<sup>23</sup> Funds committed in Year N (fund source C1 and C8), excluding appropriations arising from assigned revenues.

<sup>24</sup> Funds paid in Year N (fund sources C1 and C8), excluding appropriations arising from assigned revenues.

<sup>25</sup> C(2021) 8432 of 29.11.2021

<sup>26</sup> Decision of the Director General No 1/2022 of 31/3/2022, Ares(2022)2398754 -Internal transfer No. 1/2022 of appropriations in the budget 2022 of the Euratom Supply Agency.

Decision of the Director General No 2/2022 of 7/7/2022, Ares(2022)4988592 -Internal transfer No. 2/2022 of appropriations in the budget 2022 of the Euratom Supply Agency.

Decision of the Director General No 3/2022 of 22/11/2021, Ares(2022)8333616 -Internal transfer No. 3/2022 of appropriations in the budget 2022 of the Euratom Supply Agency.

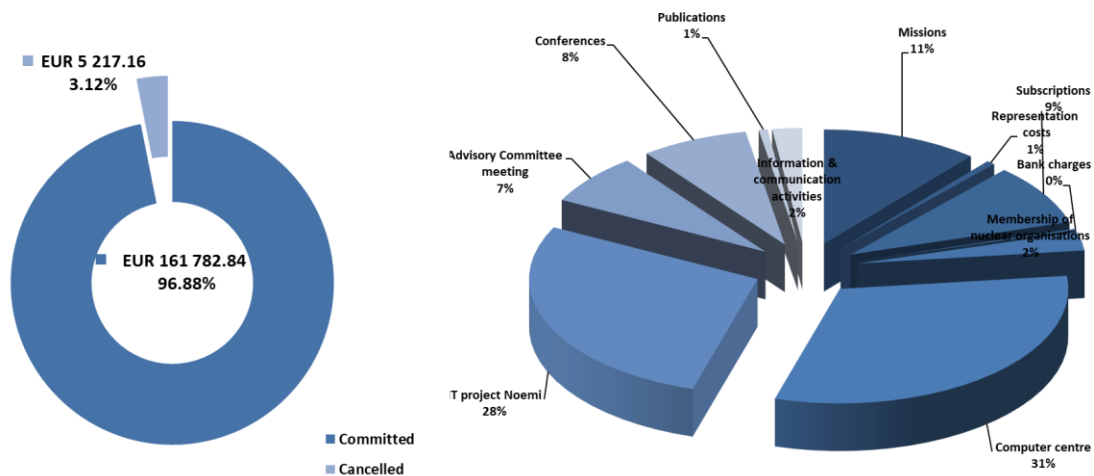
will be returned to the EU budget. The rest, or EUR 1 591.90, originated from the savings account which was established to host the contributions from the Member States.

Revenues	Amounts in EUR	%
Euratom Contribution	167 000.00	98.74%
Bank Interest from the current account (subsidy related)	546.45	0.32%
Bank Interest from the savings account (subsidy related)*	1 591.90	0.94%
<b>Total</b>	<b>169 138.35</b>	<b>100%</b>
<ul style="list-style-type: none"> <li>• Not part of the budget outturn as it is related to the paid capital by the Member States</li> </ul>		

#### 4.2.4. Commitments of the current year - C1

The executed commitment amount in 2022 totalled EUR 161 782.84 (96.88%). This compares to 2021 executed commitments of EUR 209 489.28 (99.76%). The basic expenditure categories are the computer infrastructure (59%), missions (11%) organisation and participation of conferences (8%) and subscriptions and purchase of information media (9%).

C1 Funds of the year	Amounts in EUR	%
Commitment Appropriations	167 000.00	
Executed commitments	161 782.84	96.88%
Cancelled appropriations	5 217.16	3.12%



Implementation rate

Allocation of Commitments - C1

#### 4.2.4.1. Cancellation of appropriations of the current year (C1)

Uncommitted appropriations (C1) of the current year amounted to EUR 5 217.16 or a cancellation rate of 3.12% (510.72 in 2021).

#### 4.2.4.2. Payments of the current year C1

The executed payments in 2022 amounted to EUR 58 137.37, giving an implementation rate of 34.81% of available appropriations. This compares to payments in 2021 of EUR 107 522.90 (or 51.20%).

C1 Funds	Amounts in EUR	%	
Payments Appropriations (1)	167 000.00		
Executed commitments (2)	161 782.84	96.88%	(2)/(1)
Executed Payments (3)	58 137.37	34.81%	(3)/(1)

#### 4.2.5. Outstanding commitments

The carrying-forward of outstanding commitments (Rèste à Liquider, committed amounts not yet paid for) of 2022 to the financial year 2023 stood at EUR 103 645.47 or 64.06% of committed amounts (EUR 101 966.38 or 49% in 2021). The amount involves mainly IT services for the IT project NOEMI, not fully provided (90.37% or EUR 93 668.08).

C1 Funds	Amounts in EUR	%	
Carrying forward of outstanding commitments to 2023 (RAL) (4)	103 645.47	64.06%	(4)/(2)

#### 4.2.6. Appropriations carried over from previous year – C8

Carry-over of payment appropriations from 2021 to 2022 amounted to EUR 101 966.38<sup>27</sup> (EUR 177 578.67 in 2021).

##### 4.2.6.1. Payments on carried over funds – C8

Payments executed in 2022 under carry-overs (C8) from the previous year totalled to EUR 101 515.88 giving a very high implementation rate of 99.56% on carried-over (C8) funds.

##### 4.2.6.2. Cancellation on carried over funds – C8

Cancellation of carried-over (C8) payment appropriations transferred from the previous year amounts to EUR 450 or 0.44% of the C8 budget which is less in comparison to 2021 (EUR 1 248.77 or 0.70%).

Carried over (C8) funds from previous year (from 2020 to 2021)	Amounts in EUR	%
Appropriations carried over from 2021	EUR 101 966.38	
Payments executed on C8 funds in 2022	EUR 101 515.88	99.56%
Cancelled appropriations on C8 funds	EUR 450.00	0.44%

<sup>27</sup> See 5.5.2: Budget implementation of carried over appropriations from previous year (C8)

### 4.3. BUDGETARY OUTTURN ACCOUNT

The Agency's budgetary outturn is calculated at EUR 5 787.67 to be returned to the EU budget.

#### 4.3.1. Budgetary outturn calculation

The revenue entered in the accounts is the amount actually received during the course of the year. For the purposes of calculating the budget result for the year, expenditure comprises payments made against the year's appropriations plus any of the appropriations for that year that are carried over to the following year. Payments made against the year's appropriations means payments that are made by the accounting officer by 31 December of the financial year.

The following are added to or deducted from the resulting figure:

- the net balance of cancellations of payment appropriations carried over from previous years, and
- the balance of exchange-rate gains and losses recorded during the year.

Amounts in EUR			2022	2021
<b>REVENUE</b>				
	Balancing Commission subsidy	+	167 000	210 000
	Other subsidy from Commission (Phare, IPA,...)	+	0.00	0.00
	Fee income	+	0.00	0.00
	Other income	+	546.45	0.00
	<b>TOTAL REVENUE (A)</b>		<b>167 546.45</b>	<b>210 000</b>
<b>EXPENDITURE</b>				
TITLE I: STAFF				
	Payments	-	17 717.01	3 261.81
	Appropriations carried over	-	1 282.99	209.19
TITLE II: ADMINISTRATIVE EXPENSES				
	Payments	-	40 420.36	104 261.09
	Appropriations carried over	-	102 362.48	101 757.19
TITLE III: OPERATING EXPENDITURE				
	Payments	-	0.00	0.00
	Appropriations carried over	-	0.00	0.00
	<b>TOTAL EXPNDITURE (B)</b>		<b>161 782.84</b>	<b>209 489.28</b>
<b>OUTTURN FOR THE FINANCIAL YEAR (A-B)</b>			<b>5 763.61</b>	<b>510.72</b>
	Cancellation of unused payment appropriations carried over from previous year	+	450.50	1 248.77
	Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	+	0.00	0.00
	Exchange differences for the year (gain +/-/loss -)	+/-	(426.44)	(99.28)
<b>BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR</b>			<b>5 787.67</b>	<b>1 660.21</b>
	Balance year N-1	+/-	1 660.21	10 792.97
	Positive balance from year N-1 reimbursed in year N to the Commission	-	(1 660.21)	(10 792.97)
	Result used for determining amounts in general accounting		<b>5 787.67</b>	<b>1 660.21</b>
	Commission subsidy - agency registers accrued revenue and Commission accrued expense		<b>161 212.33</b>	<b>208 339.79</b>
	Pre-financing remaining open to be reimbursed by agency to Commission in year N+1		<b>5 787.67</b>	<b>1 660.21</b>



## 4.4. RECONCILIATION OF ACCRUAL BASED RESULT WITH BUDGET RESULT

The economic result (financial performance) of the year is calculated based on accrual accounting principles. The budget result is however based on modified cash accounting rules, in accordance with the Financial Regulation. In the latter, only payments made, and revenue cashed in the period as well as carry-over of appropriations are recorded. As the economic result and the budget result both cover the same underlying operational transactions, their reconciliation is a useful control.

Amounts in EUR			2022	2021
<b>ECONOMIC RESULT OF THE YEAR (N=2020)</b>			<b>(28 331.18)</b>	<b>40 118.65</b>
<b>Adjustments for accrual items</b>				
(Items included in the economic result but not in the budgetary result)				
	Accrual cut-off (reversal 31.12.N-1) (net)	+/-	24 378.85	52 111.55
	Accrual cut-off (cut-off 31.12.N) (net)	+/-	17 305.19	(24 378.85)
	Unpaid invoices at year end but booked in charges	+	0.00	0.00
	Depreciation/amortisation of assets	+	38 691.32	8 908.48
	Provisions	+	0.00	0.00
	Recovery orders issued in year N and not yet cashed	-	0.00	0.00
	Payments made from carry-over of payment appropriations	+	101 515.88	176 329.90
	Other	+/-	(14 587.87)	(212.90)
<b>Adjustments for budgetary items</b>				
(Items included in the budgetary result but not in the economic result)				
	Assets acquisitions (less unpaid amounts)	-	(1 166.84)	(152 159.12)
	Pre-financing received in year N and remaining open as at 31.12.N	+	5 787.67	1 660.21
	Payment appropriations carried over to N+1	-	(103 645.47)	(101 966.38)
	Cancellation of unused carried over appropriation from N-1	+	450	1 248.77
	Other	+/-	0.00	0.00
<b>BUDGETARY RESULT</b>			<b>5 787.67</b>	<b>1 660.21</b>

**4.5. BUDGETARY TABLES & FINANCIAL STATEMENTS OF 31/12/2022**

## 4.5.1. Comparison table of initial to final adopted budget

STATEMENT OF REVENUE							
Title Chapter Article Item	Heading	Final Budget 2022	Internal Transfer 3/2022 <sup>(1)</sup>	Internal Transfer 2/2022 <sup>(2)</sup>	Internal Transfer 1/2022 <sup>(3)</sup>	Adopted Budget 2022 <sup>(4)</sup>	Comments
4	EU contribution						
100	EU contribution	167,000.00	0.00	0.00	0.00	167,000.00	
	Article 100 - Total	167,000.00	0.00	0.00	0.00	167,000.00	
	Chapter 10 - Total	167,000.00	0.00	0.00	0.00	167,000.00	
	Title 1 - Total	167,000.00	0.00	0.00	0.00	167,000.00	
5	Administrative activity						
520	Bank interest	0.00	0.00	0.00	0.00	0.00	This item is intended to record revenue from bank interest on the Agency's accounts.
	Article 520 - Total	0.00	0.00	0.00	0.00	0.00	
	Chapter 52 - Total	0.00	0.00	0.00	0.00	0.00	
	Title 5 - Total	0.00	0.00	0.00	0.00	0.00	
	TOTAL	167,000.00	0.00	0.00	0.00	167,000.00	
STATEMENT OF EXPENDITURE							
Title Chapter Article Item	Heading	New amount Budget 2022	Internal Transfer 3/2022 <sup>(1)</sup>	Internal Transfer 2/2022 <sup>(2)</sup>	Internal Transfer 1/2022 <sup>(3)</sup>	Budget 2022 <sup>(4)</sup>	Comments
1	Staff						
13	Missions and duty travel						
130	Mission expenses, travel and other incidental expenses	18,000.00	0.00	0.00	0.00	18,000.00	This appropriation is intended to cover expenditure on transport costs, daily subsistence allowances and the ancillary or exceptional expenses incurred by staff while on mission in the interest of the service, in accordance with the provisions of the Staff Regulations of officials of the European Union.
1300	Mission expenses, travel and other incidental expenses	18,000.00	0.00	0.00	0.00	18,000.00	
	Article 130 - Total	18,000.00	0.00	0.00	0.00	18,000.00	
	Chapter 13 - Total	18,000.00	0.00	0.00	0.00	18,000.00	
17	Entertainment and representation expenses						
170	Representation expenses for staff	4,000.00	0.00	0.00	0.00	4,000.00	This appropriation is intended to cover the cost officially incurred by persons officially representing the Agency including costs incurred for miscellaneous receptions and internal meetings.
1700	Representation expenses, events and internal meetings	4,000.00	0.00	0.00	0.00	4,000.00	
	Article 170 - Total	4,000.00	0.00	0.00	0.00	4,000.00	
	Chapter 17 - Total	4,000.00	0.00	0.00	0.00	4,000.00	
	Title 1 - Total	19,000.00	0.00	0.00	0.00	19,000.00	
2	Building, equipment and miscellaneous operating expenditure						
22	Movable property and associated costs						
225	Documentation and library expenditure	14,000.00	0.00	0.00	0.00	14,000.00	This appropriation is intended to cover: the purchase of books and other works in hard copy and in electronic form for the library; expenditure on subscriptions to newspapers, specialist periodicals, official journals, parliamentary papers, foreign trade statistics, press agency bulletins and various other specialised publications; the cost of subscriptions and access to electronic information services and external data bases and the acquisition of electronic media (CD-ROMs etc.); the training and support required for accessing this information computer files.
2255	Subscriptions and purchase of information media	14,000.00	0.00	0.00	0.00	14,000.00	
	Article 225 - Total	14,000.00	0.00	0.00	0.00	14,000.00	
	Chapter 22 - Total	14,000.00	0.00	0.00	0.00	14,000.00	
23	Current administrative expenditure						
232	Financial charges	500.00	-200.00	0.00	0.00	500.00	This appropriation is intended to cover bank charges and the cost of the connection to the inter-bank telecommunications network.
2320	Bank charges	500.00	-200.00	0.00	0.00	500.00	
	Article 232 - Total	500.00	-200.00	0.00	0.00	500.00	
233	Legal charges	0.00	0.00	0.00	0.00	0.00	This appropriation is intended to cover costs which may be awarded against the Agency by the Court of Justice, the General Court or national courts, the cost of hiring outside lawyer/legal advisers to represent the Agency in Union and national courts.
2330	Legal costs	0.00	0.00	0.00	0.00	0.00	This appropriation is intended to cover the damages and interest payments, agreed compensation through amicable settlement and administrative fines.
2339	Fines	0.00	0.00	0.00	0.00	0.00	
	Article 233 - Total	0.00	0.00	0.00	0.00	0.00	
235	Other operating expenditure	4,000.00	200.00	0.00	0.00	4,000.00	This appropriation is intended to cover membership of nuclear organisations relevant to the Agency's activities.
2350	Membership of nuclear organisations	4,000.00	200.00	0.00	0.00	4,000.00	
	Article 235 - Total	4,000.00	200.00	0.00	0.00	4,000.00	
	Chapter 23 - Total	4,000.00	200.00	0.00	0.00	4,000.00	
24	Information and communication technology						
242	Equipment, software and services for information systems <sup>(5)</sup>	15,000.00	0.00	0.00	0.00	15,000.00	This appropriation is intended to cover the costs of operating information systems (notably NOBIS), and of other costs related to information technology necessary to meet business needs. It includes in particular: the purchase or maintenance of hardware, IT infrastructure and service costs related to the environment of information systems and to other business needs; purchase, licensing, maintenance and support for the operation of off-the-shelf software; information systems support and maintenance: the operations, support, security and compliance costs to define, establish, enforce and measure security, compliance, and disaster recovery readiness for information systems; software necessary to maintain information systems and to meet other business needs: purchase, licensing, maintenance and support for the operation of off-the-shelf software; information systems management costs in relation to the management, administration and planning of IT, in particular the cost of related studies. It will also cover the purchase or maintenance of computers, peripherals and software for the computer centre hosting efforts system, and related IT infrastructure and services costs until the transfer of the hosting to the Commission services.
2420	Equipment, software and services for information systems <sup>(5)</sup>	15,000.00	0.00	0.00	0.00	15,000.00	
2421	Information systems development <sup>(5)</sup>	81,000.00	0.00	0.00	0.00	81,000.00	This appropriation is intended to cover the cost of development of information systems, notably the NOBIS system. It covers in particular resources involved with the analysis, design, development, code, test and release packaging services associated with application development projects.
	Article 242 - Total	96,000.00	0.00	0.00	0.00	96,000.00	
	Chapter 24 - Total	96,000.00	0.00	0.00	0.00	96,000.00	
25	Expenditure on formal and other meetings						
252	Euratom Supply Agency's Advisory Committee meetings	11,008.28	-1,391.74	-4,000.00	-4,000.00	18,000.00	This appropriation is intended to cover travel/per-diem and ancillary expenses of experts, and expenses related to the organisation of meetings of the Advisory Committee and its sub-groups.
2520	Euratom Supply Agency's Advisory Committee meetings	11,008.28	-1,391.74	-4,000.00	-4,000.00	18,000.00	
	Article 252 - Total	11,008.28	-1,391.74	-4,000.00	-4,000.00	18,000.00	
255	Miscellaneous expenditure on the organisation of and participation in conferences, congresses and meetings	12,391.74	1,391.74	1,000.00	4,000.00	6,000.00	This appropriation is intended to cover expenditure on the organisation of and participation in conferences (equipment fees etc), congresses and meetings relevant to its activities. It is also intended to cover the costs relating to the organisation of external meetings not covered by the existing infrastructure.
2552	Conferences, congresses and meetings	12,391.74	1,391.74	1,000.00	4,000.00	6,000.00	
	Article 255 - Total	12,391.74	1,391.74	1,000.00	4,000.00	6,000.00	
	Chapter 25 - Total	23,000.00	0.00	0.00	0.00	23,000.00	
26	Consultations, studies						
260	Limited consultations, studies and surveys	5,000.00	0.00	0.00	0.00	5,000.00	Appropriation for contracting studies out to highly-qualified experts when the Commission or the Agency does not have suitable staff available to allow these studies to be carried out in-house.
2600	Limited consultations, studies and surveys	5,000.00	0.00	0.00	0.00	5,000.00	
	Article 260 - Total	5,000.00	0.00	0.00	0.00	5,000.00	
	Chapter 26 - Total	5,000.00	0.00	0.00	0.00	5,000.00	
27	Publication & information						
271	Publications	4,765.80	-734.80	0.00	0.00	2,500.00	This appropriation is intended to cover the costs of publishing the Agency's annual report and other publication activities (on paper or electronic form) directly linked to the achievement of the objectives of the Agency.
2710	Publications	4,765.80	-734.80	0.00	0.00	2,500.00	
	Article 271 - Total	4,765.80	-734.80	0.00	0.00	2,500.00	
272	Expenditure on information and communication activities	2,734.80	734.80	0.00	0.00	2,000.00	This appropriation is intended to cover the costs on information and participation in public events, multiplier activities (organisation of seminars, reception of groups of visitors etc) and communication activities directly linked to the achievement of the objectives of the Agency.
2720	Expenditure on information and communication activities	2,734.80	734.80	0.00	0.00	2,000.00	
	Article 272 - Total	2,734.80	734.80	0.00	0.00	2,000.00	
	Chapter 27 - Total	4,000.00	0.00	0.00	0.00	4,000.00	
	Title 2 - Total	148,000.00	0.00	0.00	0.00	148,000.00	
	TOTAL	167,000.00	0.00	0.00	0.00	167,000.00	

## 4.5.2. Budget tables

Fund Source : C1

Budget Line Position	Official Budget Item Desc (Fr)	Commit. Approp. Transact. Amnt. (1)	Commitment Amount Accepted (2)	Commitment Amnt. In Workflow (3)	% Committed (2/1)	Paym. Approp. Transact. Amount (4)	Payment Amnt. Accepted (5)	Payment Amnt. In Workflow (6)	% Paid (5/4)	RAL (2-5)	cancelled C1 appropriations	Carry-over to 2020 appropriations
A-1300	Mission expenses travel and other incidental expenses	18,000.00	18,000.00	0.00	100.00 %	18,000.00	16,731.53	0.00	92.95 %	1,268.47	0.00	1,268.47
	<b>Total Article</b>	<b>Sum: 18,000.00</b>	<b>18,000.00</b>	<b>0.00</b>	<b>100.00 %</b>	<b>18,000.00</b>	<b>16,731.53</b>	<b>0.00</b>	<b>92.95 %</b>	<b>1,268.47</b>	<b>0.00</b>	<b>1,268.47</b>
A-1700	Representation expenses events and internal meetin	1,000.00	1,000.00	0.00	100.00 %	1,000.00	985.48	0.00	98.55 %	14.52	0.00	14.52
	<b>Total Article</b>	<b>Sum: 1,000.00</b>	<b>1,000.00</b>	<b>0.00</b>	<b>100.00 %</b>	<b>1,000.00</b>	<b>985.48</b>	<b>0.00</b>	<b>98.55 %</b>	<b>14.52</b>	<b>0.00</b>	<b>14.52</b>
	<b>TOTAL TITILE 1</b>	<b>19,000.00</b>	<b>19,000.00</b>	<b>0.00</b>		<b>19,000.00</b>	<b>17,717.01</b>	<b>0.00</b>		<b>1,282.99</b>	<b>0.00</b>	<b>1,282.99</b>
A-2255	Subscriptions and purchase of information media	14,000.00	13,998.71	0.00	99.99 %	14,000.00	13,559.71	0.00	96.86 %	439.00	1.29	439.00
	<b>Total Article</b>	<b>Sum: 14,000.00</b>	<b>13,998.71</b>	<b>0.00</b>	<b>99.99 %</b>	<b>14,000.00</b>	<b>13,559.71</b>	<b>0.00</b>	<b>96.86 %</b>	<b>439.00</b>	<b>1.29</b>	<b>439.00</b>
A-2320	Bank charges	300.00	300.00	0.00	100.00 %	300.00	250.00	0.00	83.33 %	50.00	0.00	50.00
	<b>Total Article</b>	<b>Sum: 300.00</b>	<b>300.00</b>	<b>0.00</b>	<b>100.00 %</b>	<b>300.00</b>	<b>250.00</b>	<b>0.00</b>	<b>83.33 %</b>	<b>50.00</b>	<b>0.00</b>	<b>50.00</b>
A-2350	Membership of nuclear organisations	4,200.00	4,200.00	0.00	100.00 %	4,200.00	1,022.00	0.00	24.33 %	3,178.00	0.00	3,178.00
	<b>Total Article</b>	<b>Sum: 4,200.00</b>	<b>4,200.00</b>	<b>0.00</b>	<b>100.00 %</b>	<b>4,200.00</b>	<b>1,022.00</b>	<b>0.00</b>	<b>24.33 %</b>	<b>3,178.00</b>	<b>0.00</b>	<b>3,178.00</b>
A-2420	Equipment software and services for information s	50,800.00	50,800.00	0.00	100.00 %	50,800.00	2,263.12	0.00	4.45 %	48,536.88		
A-2421	Information systems development	45,200.00	45,131.20	0.00	99.85 %	45,200.00				45,131.20		
	<b>Total Article</b>	<b>Sum: 96,000.00</b>	<b>95,931.20</b>	<b>0.00</b>	<b>99.93 %</b>	<b>96,000.00</b>	<b>2,263.12</b>	<b>0.00</b>	<b>2.36 %</b>	<b>93,668.08</b>	<b>68.80</b>	<b>93,668.08</b>
A-2520	Advisory Committee meetings of ESA	11,608.26	11,608.26	0.00	100.00 %	11,608.26	11,608.26	0.00	100.00 %	0.00	0.00	0.00
	<b>Total Article</b>	<b>Sum: 11,608.26</b>	<b>11,608.26</b>	<b>0.00</b>	<b>100.00 %</b>	<b>11,608.26</b>	<b>11,608.26</b>	<b>0.00</b>	<b>100.00 %</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
A-2552	Conferences congresses and meetings	12,391.74	12,295.39	0.00	99.22 %	12,391.74	10,701.49	0.00	86.36 %	1,593.90	96.35	1,593.90
	<b>Total Article</b>	<b>Sum: 12,391.74</b>	<b>12,295.39</b>	<b>0.00</b>	<b>99.22 %</b>	<b>12,391.74</b>	<b>10,701.49</b>	<b>0.00</b>	<b>86.36 %</b>	<b>1,593.90</b>	<b>96.35</b>	<b>1,593.90</b>
A-2600	Limited consultations studies and surveys	5,000.00			0.00 %	5,000.00					5,000.00	0.00
	<b>Total Article</b>	<b>Sum: 5,000.00</b>			<b>0.00 %</b>	<b>5,000.00</b>					<b>5,000.00</b>	<b>0.00</b>
A-2710	Publications	1,015.78	1,015.78	0.00	100.00 %	1,015.78	1,015.78	0.00	100.00 %	0.00	0.00	0.00
	<b>Total Article</b>	<b>Sum: 1,015.78</b>	<b>1,015.78</b>	<b>0.00</b>	<b>100.00 %</b>	<b>1,015.78</b>	<b>1,015.78</b>	<b>0.00</b>	<b>100.00 %</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
A-2720	Expenditure on information and communication activ	3,484.22	3,433.50	0.00	98.54 %	3,484.22				3,433.50		
	<b>Total Article</b>	<b>Sum: 3,484.22</b>	<b>3,433.50</b>	<b>0.00</b>	<b>98.54 %</b>	<b>3,484.22</b>				<b>3,433.50</b>	<b>50.72</b>	<b>3,433.50</b>
	<b>TOTAL TITILE 2</b>	<b>148,000.00</b>	<b>142,782.84</b>	<b>0.00</b>	<b>96.47 %</b>	<b>148,000.00</b>	<b>40,420.36</b>	<b>0.00</b>	<b>27.31 %</b>	<b>102,362.48</b>	<b>5,217.16</b>	<b>102,362.48</b>
	<b>GRAND TOTAL 2022</b>	<b>167,000.00</b>	<b>161,782.84</b>	<b>0.00</b>	<b>96.88 %</b>	<b>167,000.00</b>	<b>58,137.37</b>	<b>0.00</b>	<b>34.81 %</b>	<b>103,645.47</b>	<b>5,217.16</b>	<b>103,645.47</b>

Fund Source : C8

Budget Line Position	Official Budget Item Desc (Fr)	Commit. Approp. Transact. Amnt. (1)	Commitment Amount Accepted (2)	Commitment Amnt. In Workflow (3)	% Committed (2/1)	Paym. Approp. Transact. Amount (4)	Payment Amnt. Accepted (5)	Payment Amnt. In Workflow (6)	% Paid (5/4)	RAL (2-5)	cancelled C8 appropriations
A-1300	Mission expenses travel and other incidental expen	209.19	0.00	0.00	0.00 %	209.19					0.00
	<b>Total Article</b>	<b>Sum: 209.19</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00 %</b>	<b>209.19</b>					<b>0.00</b>
	<b>TOTAL TITILE 1</b>	<b>209.19</b>	<b>-</b>	<b>-</b>		<b>209.19</b>	<b>-</b>	<b>-</b>			<b>-</b>
A-2320	Bank charges	100.00	15.50	0.00	15.50 %	100.00	15.50	0.00	15.50 %	0.00	0.00
	<b>Total Article</b>	<b>Sum: 100.00</b>	<b>15.50</b>	<b>0.00</b>	<b>15.50 %</b>	<b>100.00</b>	<b>15.50</b>	<b>0.00</b>	<b>15.50 %</b>	<b>0.00</b>	<b>84.50</b>
A-2350	Membership of nuclear organisations	2,200.00	2,144.64	0.00	97.48 %	2,200.00	2,144.64	0.00	97.48 %	0.00	55.36
	<b>Total Article</b>	<b>Sum: 2,200.00</b>	<b>2,144.64</b>	<b>0.00</b>	<b>97.48 %</b>	<b>2,200.00</b>	<b>2,144.64</b>	<b>0.00</b>	<b>97.48 %</b>	<b>0.00</b>	<b>55.36</b>
A-2420	Equipment software and services for information s	6,838.31	6,736.86	0.00	98.52 %	6,838.31	6,736.86	0.00	98.52 %	0.00	0.00
A-2421	Information systems development	81,318.16	81,318.16	0.00	100.00 %	81,318.16	81,318.16	0.00	100.00 %	0.00	0.00
	<b>Total Article</b>	<b>Sum: 88,156.47</b>	<b>88,055.02</b>	<b>0.00</b>	<b>99.88 %</b>	<b>88,156.47</b>	<b>88,055.02</b>	<b>0.00</b>	<b>99.88 %</b>	<b>0.00</b>	<b>101.45</b>
A-2552	Conferences congresses and meetings	10,200.00	10,200.00	0.00	100.00 %	10,200.00	10,200.00	0.00	100.00 %	0.00	0.00
	<b>Total Article</b>	<b>Sum: 10,200.00</b>	<b>10,200.00</b>	<b>0.00</b>	<b>100.00 %</b>	<b>10,200.00</b>	<b>10,200.00</b>	<b>0.00</b>	<b>100.00 %</b>	<b>0.00</b>	<b>0.00</b>
A-2720	Expenditure on information and communication activ	1,100.72	1,100.72	0.00	100.00 %	1,100.72	1,100.72	0.00	100.00 %	0.00	0.00
	<b>Total Article</b>	<b>Sum: 1,100.72</b>	<b>1,100.72</b>	<b>0.00</b>	<b>100.00 %</b>	<b>1,100.72</b>	<b>1,100.72</b>	<b>0.00</b>	<b>100.00 %</b>	<b>0.00</b>	<b>0.00</b>
	<b>TOTAL TITILE 2</b>	<b>101,757.19</b>	<b>101,515.88</b>	<b>-</b>		<b>101,757.19</b>	<b>101,515.88</b>	<b>-</b>		<b>-</b>	<b>241.31</b>
	<b>GRAND TOTAL 2022</b>	<b>101,966.38</b>	<b>101,515.88</b>	<b>0.00</b>	<b>99.56 %</b>	<b>101,966.38</b>	<b>101,515.88</b>	<b>0.00</b>	<b>99.56 %</b>	<b>0.00</b>	<b>450.50</b>