



Annual accounts of the
European Union Agency for
the Space Programme

Financial year 2022

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CERTIFICATION OF THE ACCOUNTS

I acknowledge my responsibility for the preparation and presentation of the annual accounts of EUSPA, the European Union Agency for the Space Programme in accordance with Article 102 of the Framework Financial Regulation ('FFR')¹ and I hereby certify that the annual accounts of the EUSPA for the year 2022 have been prepared in accordance with Title IX of the FFR and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and union bodies.

I have obtained from the Authorising Officer, who certified its reliability, all the information necessary for the production of the accounts that show the EUSPA's assets and liabilities and the budgetary implementation. Based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of the EUSPA.

Rosa ALDEA BUSQUETS

Accounting Officer of the

European Union Agency for the Space Programme

¹ COMMISSION DELEGATED REGULATION (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

BACKGROUND INFORMATION NOTE

1. General background on the entity

Establishment

The European GNSS Supervisory Authority (GSA) was established as a Community Agency on 12 July 2004 in order to ensure that public interest in the field of European satellite positioning and navigation, including the programmes EGNOS² and GALILEO³, is adequately defended and represented.

With Regulation (EU) No. /912/2010, which entered into force on 9 November 2010, and which was subsequently amended by Regulation (EU) No. 512/2014 of 16 April 2014, the GSA was restructured into the EU agency called the European Global Navigation Satellite Systems Agency (European GNSS Agency or GSA), ensuring the continuity of its activities.

With Regulation (EU) 2021/696 of 28 April 2021, which entered into force on 12 May 2021, the European GNSS Agency (GSA) was restructured into the European Union Agency for the Space Programme (EUSPA). Building on the legacy of the European GNSS Agency, and with an increased scope of activities, EUSPA will create even more opportunities from space for EU citizens and the economy.

The Agency is based in Prague, Czechia.

Mission

As defined by the EU Space Programme, EUSPA's mission is to be the user-oriented operational Agency of the EU Space Programme, thus contributing to sustainable growth, security and safety of the European Union.

Main operational activities

The main operational activities supporting the mission are:

- (1) Provide long-term, state-of-the-art safe and secure Galileo and EGNOS positioning, navigation and timing services and cost-effective satellite communications services for GOVSATCOM, whilst ensuring service continuity and robustness;
- (2) Communicate, promote, and develop the market for data, information and services offered by Galileo, EGNOS, Copernicus and GOVSATCOM;
- (3) Provide space-based tools and services to enhance the safety of the Union and its Member States. In particular, to support PRS (Public Regulated Services) usage across the EU;
- (4) Implement and monitor the security of the EU Space Programme and to assist in and be the reference for the use of the secured services, enhancing the security of the Union and its Member States;
- (5) Contribute to fostering a competitive European industry for Galileo, EGNOS, and GOVSATCOM, reinforcing the autonomy, including technological autonomy, of the Union and its Member States;
- (6) Contribute to maximising the socio-economic benefits of the EU Space Programme by fostering the development of a competitive and innovative downstream industry for Galileo, EGNOS, and Copernicus, leveraging also Horizon 2020 & Horizon Europe, other EU funding mechanisms and innovative procurement mechanisms; and
- (7) Contribute to fostering the development of a wider European space ecosystem, with a particular focus on innovation, entrepreneurship and start-ups, and reinforcing know-how in Member States and Union regions.

² European Geostationary Navigation Overlay Service (EGNOS) is a system that uses geostationary satellites and a network of ground stations to receive, analyse and augment navigation signals and makes them suitable for safety critical applications such as flying aircrafts or navigating ships through narrow channels.

³ Galileo is an European-controlled global satellite navigation system, that will, unlike systems developed by Russia (GLONASS) and the United States (GPS), always remain under civilian control.

The implementation of these activities is facilitated by the delegation of the European Commission⁴ of the following specific tasks:

- Tasks delegated by the Commission under the 2014-2020 financial perspective:
 - The Public Regulated Service (PRS) delegation agreement, signed in 2011, delegates certain tasks related to the PRS pilot project and implementation of preparatory activities related to the setting up of the Galileo Security Monitoring Centre (GSMC);
 - The EGNOS Exploitation delegation agreement, signed in 2014, delegates responsibility for tasks related to the operational exploitation of the EGNOS Satellite system;
 - The Galileo Exploitation delegation agreement, signed in 2014, delegates responsibility for tasks related to the operational exploitation of the Galileo Satellite system;
 - The Horizon 2020 delegation agreement, signed in 2014, delegates to the Agency the management of GNSS-related Research and Development (R&D) projects for the H2020 programme, with the objective of generating further innovative European Global Navigation Satellite System (EGNSS) applications; and
 - The European Union Governmental Satellite Communications (GOVSATCOM) preparatory activities contribution agreement, signed in 2020, delegates responsibility to the GSA to allow support to the Commission in the areas of user uptake and coordination, security aspects and secure ground infrastructure for the GOVSATCOM initiative.
- Tasks delegated by the Commission (DG DEFIS) under the 2021-2027 financial perspective through a single Contribution Agreement, signed in 2021:
 - Continuation and evolution of EGNOS and GALILEO activities including management of exploitation and security of the system;
 - GOVSATCOM programme management activities including coordination of user-related aspects with stakeholders;
 - SSA (Space Situational Awareness) programme management and oversight including security aspects;
 - Downstream activities with the aim of developing downstream markets and fostering of innovation based on Galileo, EGNOS and Copernicus:
 - overall coordination of Copernicus user activities and definition of the programme's technical baselines;
 - implementation of Horizon Europe programme, including security aspects;
 - overall coordination of the CASSINI Space Entrepreneurship initiative.
 - Tasks financed by the Commission (DG MOVE) under the Contribution Agreement for the action "Enhanced Galileo Green Lane" which began implementation in 2022.

In addition to the delegated activities, the Agency is also the Coordinator of the ENTRUSTED Coordination and Support Action Grant under the H2020 programme awarded by the Research Executive Agency (REA), related to GOVSATCOM activities for which it does not receive any funding.

Governance

EUSPA is headed by an Executive Director, who is accountable to an Administrative Board which is responsible for the Agency's governance as well as all administrative and budgetary activities.

The Administrative Board is composed of one representative appointed by each Member State, five representatives appointed by the Commission and a non-voting representative appointed by the European Parliament.

The Security Accreditation Board is an EUSPA body that performs the tasks entrusted to the Agency with regard to security accreditation and takes 'security accreditation decisions in particular on the approval of the security accreditation strategy and of satellite launches, the authorisation to operate the systems in their different configurations and for the various services, the authorisation to operate the ground

⁴ Hereinafter referred to as the 'Commission'.

stations and the sensor stations located in third countries, as well as the authorisation to manufacture receivers containing PRS technology and their components. The Security Accreditation Board shall be composed of one representative per Member State, one representative from the Commission and one from the High Representative for Foreign Affairs and Security Policy.

Sources of financing

EUSPA does not receive any external financing. All the financial resources stem from the general budget of the European Union, and can be split as follows:

- Annual balancing subsidy, covering the core activities of the agency such as staff costs, administrative and IT costs as well as specific operational activities designated as core tasks within the framework of the Agency; and
- Operational subsidies, by means of:
 - Delegation agreements for specific operational activities allowing the exploitation of the EGNOS and GALILEO satellite systems, including research and development activities, through the H2020 programme, during the 2014-2020 Financial Perspective.
 - Delegation agreements for preparatory activities for Public Regulated Services and GOVSATCOM.
 - A single Contribution agreement signed in 2021 covering all operational activities for the 2021-2027 Financial Perspective including:
 - exploitation, management and oversight, research and development, market up-take, set-up and system evolution for EGNOS, GALILEO, GOVSATCOM, SSA and Copernicus;
 - further supported by research and development activities through the Horizon Europe Programme.
 - The ENTRUSTED H2020 Grant Agreement for GOVSATCOM activities, awarded by the Research Executive Agency, which does not provide direct financing for the Agency's costs but entails reception and distribution of funds to the other Public Bodies in the Consortium as per the H2020 rules.
 - The Contribution Agreement awarded by DG MOVE for the development of the Galileo Green Lane Application.

2. Annual accounts

Basis for preparation

The legal framework and the deadlines for the preparation of the annual accounts are set by the Framework Financial Regulation (FFR)⁵. As per this regulation, the annual accounts are prepared in accordance with the rules adopted by the Accounting Officer of the Commission (EU Accounting Rules, EAR), which are based on internationally accepted accounting standards for the public sector (IPSAS).

Accounting Officer

In accordance with the FFR, the Administrative Board of the entity appoints the Accounting Officer who is, amongst other tasks, responsible for preparation of the annual accounts, which are consolidated in those of the EU.

Following the decision of the EUSPA's Administrative Board of 15 October 2015, the Accounting Officer of the Commission shall, as of 3 November 2015, act as the Accounting Officer of EUSPA.

Composition of the annual accounts

The annual accounts cover the period from 1 January to 31 December and comprise the financial statements and the reports on the implementation of the budget. While the financial statements and the complementary notes are prepared on an accrual accounting basis, the budget implementation reports are primarily based on movements of cash.

Process from provisional accounts to discharge

The provisional annual accounts prepared by the Accounting Officer are transmitted, by 1 March of the following year, to the European Court of Auditors (ECA) and to the audit company selected by the entity. Following the audit, the Accounting Officer prepares the final annual accounts and submits them to the Administrative Board for opinion.

The final annual accounts, together with the opinion of the Administrative Board, are sent to the Accounting Officer of the Commission, the Court of Auditors, the European Parliament and the Council by 1 July of the following financial year. The ECA scrutinises the final annual accounts and includes any findings in the annual report for the European Parliament and the Council.

It falls to the Council to recommend, and then to the European Parliament to decide, whether to grant discharge to the Director in respect of the implementation of the budget for a given financial year. Amongst other elements this decision is also based on a review of the accounts and the annual report of the ECA.

⁵ COMMISSION DELEGATED REGULATION (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

3. Operational highlights

Achievements of the year

For EUSPA, 2022 was marked by the continued implementation of the EU Space Programme Regulation and the Financial Framework Partnership Agreement, both concluded in 2021. In addition, it is worth noting that the political agreement reached on the secure connectivity/IRIS2 regulation in November 2022 is expected to lead to new tasks being undertaken by the Agency starting in 2023, together with a set of new resources.

This translates in particular for 2022 in:

- Continuing EU space programme security accreditation activities through the Security Accreditation Board;
- Maintaining the provision of service operations for Galileo services;
- Maintaining the provision of EGNOS services;
- Operational security for Galileo and EGNOS, including operations of the Galileo Security Monitoring Centre (GSMC);
- Awarding and managing grants and prizes, in particular in support of market downstream development;
- Undertaking tasks under Horizon Europe, GOVSATCOM, Copernicus and SSA; and
- Continuing to support EU space programme activities established under the 2013-2020 financial perspective.

Based on the positive results of the surveillance audit implemented, the agency maintained its certification in accordance with the Quality Management System Standard ISO 9001, and is getting ready for re-certification in 2023, thus demonstrating its high commitment to quality and stakeholder satisfaction.

During the financial year 2022, EUSPA has achieved a number of milestones with financial impact, including:

- Approximately 3.5 billion Galileo enabled devices worldwide, first EUSPA market report covering both Earth Observation and Global Navigation Satellite Systems;
- Entry into service of 2 new Galileo satellites, contract signature of new Search and Rescue procurement, Open Service Navigation Message Authentication testing ongoing, preparation of High Accuracy Service for initial service declaration;
- EGNOS Service Provision contract signature and launch of EGNOS GEO-4 payload, progress on EGNOS Version 3 including sites;
- Horizon Europe first call completed and all grants signed, 40% SME participation, second call launched;
- GovSatCom Hub tender innovation partnership procurement further progress; and
- Acceptance of new facilities in France and Spain in support of the Agency's GSMC tasks.

It should be highlighted that the Agency has managed to maintain its full operational capacity and budgetary implementation despite taking the required measures to cope with the COVID-19 pandemic, also and in particular in the first half of 2022.

Disclosures relating to the war in Ukraine

- Interruption in the use of Soyuz launchers for Galileo satellites:

Launches of Galileo satellites have historically relied on the use of the Russian Soyuz launcher for a significant number of launches. Following the invasion of Ukraine and the unilateral withdrawal of the Russian Soyuz launcher team by ROSCOSMOS, the future use of the Soyuz platform has been put on hold. EUSPA, ESA and the Commission are actively investigating alternatives to maintain the launch schedule established for the programme without reliance on the Russian launcher.

Galileo nevertheless remains as operational and as functional as previously and there is no impact on services, recalling that future launches, financed through funds delegated by the Commission, are planned in particular for enhancing redundancy and progressive improvements of the system, as part of a standard lifecycle.

Accordingly, EUSPA does not envisage any direct, immediate impact on the financial performance of the Agency, but recognizes that intensive work is required to minimize delays in the launch of new satellites, which could then lead to delays in expense recognition and the clearing of receivable assets paid in the form of pre-financing. This amount cannot be reliably estimated at this point.

- Disruption of work carried out in Ukraine in setting-up EGNOS RIMS ground stations in Kyiv and Kharkiv:

As part of the investments in the ground infrastructure for the EGNOS system, EUSPA has financed, through funds delegated by the Commission, stations in Kyiv Sikorsky International Airport and Kharkiv International Airport, with the aim of increasing the robustness of the EGNOS system. In particular the financing has been used for equipment set-up on the grounds of the Kyiv International Airport and the assessment and planning for a second location on the grounds of Kharkiv International Airport.

From the start of the Russian invasion of Ukraine, all work on these locations has been halted until further notice. The Agency has taken all the steps that it could to protect the equipment already installed as far as possible, but its exact condition is not currently known.

The issues expressed do not have any impact on the functioning of the EGNOS system and its services today and therefore there is no major direct, immediate or long-term impact on the Agency's financial statements.

- Measures for monitoring possible direct or indirect ties with Russian and Belarusian institutions as well as other institutions funded by Russia or Belarus are in place within EUSPA; and
- Changes in the overall market conditions caused by the sanctions imposed on Russia have not had and are not foreseen to have, a direct material effect on the EUSPA.

In conclusion, no extraordinary movements in the accounts have occurred or are foreseen arising from this event relating to force majeure, conflict of interest, fines, law suits, late payments or other direct operational circumstances, on the side of the EUSPA or its contractors. Any effects on the accounts will occur within the regular accounting and budgetary exercise as the Agency will adapt its overall approach to continue to meet its goals fully without interruption and at the required level of quality for its stakeholders and customers.

Budget and budget implementation

EUSPA, as a decentralised agency of the EU, is entrusted with budget implementation tasks within the scope laid down by article 62 of the EU Financial Regulation 2018⁶ on indirect management of funds of the Commission.

Revenue

As of 2022, EUSPA does not have any self-financing capacity, the Commission funding is the only source of its revenue. It can be split into two different groups according to the nature of the funds: subsidy (administrative and core operations) and external assigned revenue (aimed to fulfil specific and tailored objectives). In 2022, EUSPA received a gross sum of circa EUR 65.4 million as a subsidy, circa EUR 1.1 billion as external assigned revenue and circa EUR 0.5 million as miscellaneous revenue.

Expenditure

Expenditure on Titles 1 and 2 is fully covered by funds received in the form of a subsidy from the Commission (balancing subsidy). Expenditure on Title 3 is partly covered by the subsidy, but mainly also by the external assigned revenue funds, received in relation to the contribution agreements with the Commission.

⁶ Official Journal L 193, 30 July 2018.

With regards to the final adopted commitment budget, EUR 70 million were implemented at 100% for all three Titles.

In terms of total commitment appropriations, which include the significant amount of assigned revenue in addition to the subsidy, the low level of consumption in Title 3 in comparison to Title 1 and Title 2 is driven by the implementation of the Financial Framework Partnership Agreement and the various Contribution Agreements associated with it (namely, the latest agreements related to Galileo, EGNOS exploitation and Horizon Europe). In order to cover the high-value multiannual contracts related to the agreements, the full amount of commitment appropriations is opened upon signature of the agreements and not on an annual basis. This implies automatic carry forward of commitment appropriations until the multiannual programme closure.

Payment appropriations are inscribed on the basis of the cash received from the Commission, on a biannual basis, in accordance with the contribution agreements, and therefore there may be some misalignment with the real timing of payments.

The implementation of payment appropriations reached 73% for the final adopted budget and the remaining final adopted payment appropriations (27%) were carried forward.

The total payment expenditure stemming from EUSPA's operations in 2022 amounted to circa EUR 1.3 billion – EUR 33 million under Title 1; EUR 11.8 million under Title 2 and EUR 1.28 billion under Title 3.

Budgetary disclosure on regulation influencing future budget periods

The Agency notes that political agreement on the security connectivity/IRIS2 regulation has been reached in November 2022 and accordingly the Agency expects to start a set of core and entrusted activities on this in 2023 following the final adoption of the regulation and the conclusion of relevant contribution agreements. In particular these activities will relate to security accreditation and the operational management of the governmental infrastructure of the programme, together with the provision of the governmental services in particular through GOVSATCOM. In order to undertake this, and in line with the draft legislative financial statement proposed by the Commission, the Agency expects to be granted additional core and entrusted budget, together with staffing, which will progressively increase during the remaining years of the financial perspective.

The Commission has also decided to transfer the provision of Space Surveillance and Tracking (SST) Frontdesk services from the European Union Satellite Centre (SatCen) to EUSPA as of 1 July 2023. Accordingly, the Agency has been provided with staff resourcing in its 2023 establishment plan and will undertake this as an entrusted activity through the existing EC-EUSPA contribution agreement signed under the Financial Framework Partnership Agreement (FFPA).

Impact of the activities in the financial statements

In the financial statements, the impact of the above-mentioned activities resulted in:

- **Increase of pre-financing** (see note **2.3**): The overall high balance of the open pre-financing is primarily due to the regular prepayments made by EUSPA to the European Space Agency (ESA) in order to provide ESA with the necessary float to carry out activities stemming from the EGNOS and GALILEO Contribution Agreement. The net increase of total pre-financing compared to 2021 amounted to EUR 150 million.
- **Decrease of exchange receivables** (see note **2.4**) from EUR 1 054 million in 2021 to EUR 893 million in 2022 can be largely explained by the decrease under the central treasury liaison accounts of EUR 164 million. This evolution in the cash available to the agency is directly linked to the use of the pre-financing received in 2021 from the Commission in order to cover increased activities related to both the EGNOS and GALILEO programmes.
- **Decrease of pre-financing received from the Commission**: The relatively high balance of these liabilities can be explained by the funds received in advance of the new Contribution Agreement for both EGNOS and GALILEO so as to cover the high prepayments to the satellite service providers (ESSP for EGNOS and GSOp for Galileo) and for activities under the Working Agreement with ESA for both systems. Overall, the liability resulting from the funds received from the Commission decreased by EUR 20 million, which is a combined effect of a decrease of the

non-current liability by EUR 41 million (see note **2.5**) and an increase of the payables by EUR 21 million (see note **2.6**).

- **Increase of revenue from non-exchange transaction** (see note **3.1**) and **operational costs** (see note **3.4**): The increase of revenues from the Commission's subsidy from EUR 1 126 million in 2021 to EUR 1 177 million in 2022 is correlated with the increase of the operating costs from EUR 1 119 million in 2021 to 1 130 million in 2022. This evolution can be explained by the continued ramp up of activities for the EGNOS and GALILEO programmes as well as the start-up of activities under other delegated activities such as GOVSATCOM, SST, Copernicus and Horizon Europe.
- **Increase of staff expenses** (see note **3.5**) by EUR 5.7 million and **other expenses** (see note **3.7**) by EUR 6.6 million is directly linked to the additional resources and support services needed by the Agency so as to cope with its increased responsibilities.

FINANCIAL STATEMENTS AND EXPLANATORY NOTES

It should be noted that due to the rounding of figures into thousands of euros (kEUR), some financial data in the tables below may appear not to add-up.

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BALANCE SHEET

EUR '000

	Note	31.12.2022	31.12.2021
NON-CURRENT ASSETS			
<i>Intangible Assets</i>	2.1	278	141
<i>Property, plant and equipment</i>	2.2	2 552	1 526
<i>Pre-financing</i>	2.3	179 958	145 011
		182 788	146 678
CURRENT ASSETS			
<i>Pre-financing</i>	2.3	643 743	528 851
<i>Exchange receivables and non-exchange recoverables</i>	2.4	892 931	1 054 091
		1 536 675	1 582 942
TOTAL ASSETS		1 719 462	1 729 621
NON-CURRENT LIABILITIES			
<i>Financial liabilities</i>	2.5	(107 731)	(148 722)
		(107 731)	(148 722)
CURRENT LIABILITIES			
<i>Payables and other liabilities</i>	2.6	(1 491 308)	(1 476 832)
<i>Accrued charges and deferred income</i>	2.7	(109 866)	(94 186)
		(1 601 174)	(1 571 018)
TOTAL LIABILITIES		(1 708 906)	(1 719 740)
NET ASSETS		10 557	9 881
<i>Accumulated surplus</i>		9 881	4 479
<i>Economic result of the year</i>		676	5 402
NET ASSETS		10 557	9 881

STATEMENT OF FINANCIAL PERFORMANCE

EUR '000

	Note	2022	2021
REVENUE			
Revenue from non-exchange transactions			
<i>Funds from the Commission</i>	3.1	1 176 774	1 125 679
<i>Recovery of expenses</i>	3.2	216	32 520
		1 176 990	1 158 199
Revenue from exchange transactions			
<i>Financial revenue</i>		9	(18)
<i>Other</i>	3.3	246	262
		256	245
Total revenue		1 177 246	1 158 443
EXPENSES			
<i>Operational costs</i>	3.4	(1 130 081)	(1 118 853)
<i>Staff costs</i>	3.5	(28 083)	(22 329)
<i>Finance costs</i>	3.6	(4)	(23)
<i>Other expenses</i>	3.7	(18 403)	(11 836)
Total expenses		(1 176 570)	(1 153 041)
ECONOMIC RESULT OF THE YEAR		676	5 402

CASHFLOW STATEMENT⁷

	EUR '000	
	2022	2021
<i>Economic result of the year</i>	676	5 402
Operating activities		
<i>Depreciation and amortization</i>	1 009	666
<i>(Increase)/decrease in pre-financing</i>	(149 840)	(430 510)
<i>(Increase)/decrease in exchange receivables and non-exchange</i>	161 160	(255 203)
<i>Increase/(decrease) in payables</i>	14 476	531 103
<i>Increase/(decrease) in accrued charges & deferred income</i>	15 680	941
<i>Increase/(decrease) in financial liabilities</i>	(40 990)	148 722
Investing activities		
<i>(Increase)/decrease in intangible assets and property, plant and</i>	(2 171)	(1 120)
NET CASHFLOW	-	-
<i>Net increase/(decrease) in cash and cash equivalents</i>	-	-
<i>Cash and cash equivalents at the beginning of the year</i>	-	-
<i>Cash and cash equivalents at year-end</i>	-	-

⁷ Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of the GSA, the treasury of GSA was integrated into the Commission's treasury system. Because of this, GSA does not have any bank accounts of its own. All payments and receipts are processed via the Commission's treasury system and registered on intercompany accounts, which are presented under the heading exchange receivables.

STATEMENT OF CHANGES IN NET ASSETS

EUR '000

	Accumulated Surplus/ (Deficit)	Economic result of the year	Net Assets
BALANCE AS AT 31.12.2020	(2 337)	6 816	4 479
<i>Allocation 2020 economic result</i>	6 816	(6 816)	-
<i>Economic result of the year</i>	-	5 402	5 402
BALANCE AS AT 31.12.2021	4 479	5 402	9 881
<i>Allocation 2021 economic result</i>	5 402	(5 402)	-
<i>Economic result of the year</i>	-	676	676
BALANCE AS AT 31.12.2022	9 881	676	10 557

NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. ACCOUNTING PRINCIPLES

The objective of financial statements is to provide information about the financial position, performance and cashflows of an entity that is useful to a wide range of stakeholders.

The overall considerations (or accounting principles) to be followed when preparing the financial statements are laid down in EU Accounting Rule 1 'Financial Statements' and are the same as those described in IPSAS 1: fair presentation, accrual basis, going concern, consistency of presentation, materiality, aggregation, offsetting and comparative information. The qualitative characteristics of financial reporting are relevance, faithful representation (reliability), understandability, timeliness, comparability and verifiability.

1.2. BASIS OF PREPARATION

1.2.1. Reporting period

Financial statements are presented annually. The accounting year begins on 1 January and ends on 31 December.

1.2.2. Currency and basis for conversion

The annual accounts are presented in thousands of euros, the euro being the EU's functional currency. Foreign currency transactions are translated into euros using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the re-translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial performance. Different conversion methods apply to property, plant and equipment and intangible assets, which retain their value in euros at the date when they were purchased.

Year-end balances of monetary assets and liabilities denominated in foreign currencies are translated into euros on the basis of the European Central Bank (ECB) exchange rates applying on 31 December.

Euro exchange rates

Currency	31.12.2022	31.12.2021	Currency	31.12.2022	31.12.2021
BGN	1.9558	1.9558	PLN	4.6808	4.5969
CZK	24.1160	26.8580	RON	4.9495	4.9490
DKK	7.4365	7.4364	SEK	11.1218	10.2503
GBP	0.88693	0.84028	CHF	0.9847	1.0331
HRK	7.5345	7.5156	JPY	140.6600	130.3800
HUF	400.8700	369.1900	USD	1.0666	1.1326

1.2.3. Use of estimates

In accordance with IPSAS and generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions by management based on the most reliable information available. Significant estimates include, but are not limited to: amounts for employee benefit liabilities, financial risk of accounts receivable and the amounts disclosed in the notes concerning financial instruments, impairment allowance for financial assets at amortised cost and for financial guarantee contract liabilities, accrued revenue and charges, provisions, degree of impairment of intangible assets and property, plant and equipment, net realisable value of inventories, contingent assets and liabilities. Actual results could differ from those estimates.

Reasonable estimates are an essential part of the preparation of financial statements and do not undermine their reliability. An estimate may need revision if changes occur in the circumstances on which the estimate was based or as a result of new information or more experience. By its nature, the revision of an estimate does not relate to prior periods and is not the correction of an error. The effect of a change in accounting estimate shall be recognised in the surplus or deficit in the periods in which it becomes known.

1.2.4. Application of new and amended European Union Accounting Rules (EAR)

New EAR which are effective for annual periods beginning on or after 1 January 2022

There are no new EAR which became effective for annual periods beginning on or after 1 January 2022.

New EAR adopted but not yet effective at 31 December 2022

There are no new EAR adopted during 2022.

1.3. BALANCE SHEET

1.3.1. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. An asset is identifiable if it is either separable, or arises from binding arrangements. Acquired intangible assets are stated at historical cost less accumulated amortisation and impairment losses. Internally developed intangible assets are capitalised when the relevant criteria of the EU accounting rules are met and the expenses relate solely to the development phase of the asset. Intangible assets are amortised on a straight-line basis over their estimated useful lives (3 to 11 years).

1.3.2. Property, plant and equipment

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 entity 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. Land is not depreciated, as it is deemed to have an indefinite useful life. Assets under construction are not depreciated as these assets are not yet available for use. Depreciation on other assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives, as follows:

Type of asset	Straight line depreciation rate
<i>Buildings</i>	4 % to 10 %
<i>Plant and equipment</i>	10 % to 25 %
<i>Furniture and vehicles</i>	10 % to 25 %
<i>Computer hardware</i>	25 % to 33 %
<i>Other</i>	10 % to 33 %

Gains or losses on disposals are determined by comparing proceeds less selling expenses with the carrying amount of the disposed asset and are included in the statement of financial performance.

Leases

A lease is an agreement whereby the lessor conveys to the lessee, in return for a payment or series of payments, the right to use an asset for an agreed period of time. Leases are classified as either finance leases or operating leases.

Finance leases are leases where substantially all the risks and rewards incidental to ownership are transferred to the lessee.

An operating lease is a lease other than a finance lease, i.e. a lease where the lessor retains substantially all the risks and rewards incidental to ownership of an asset. When entering an operating lease as a lessee, the operating lease payments are recognised as an expense in the statement of financial performance on a straight-line basis over the lease term with neither an asset nor a liability recognised in the balance sheet.

1.3.3. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation/depreciation and are tested annually for impairment. Assets that are subject to amortisation/depreciation are tested for impairment whenever there is an indication at the reporting date that an asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable (service) amount. The recoverable (service) amount is the higher of an asset's fair value less costs to sell and its value in use.

Intangible assets and property, plant and equipment residual values and useful lives are reviewed, and adjusted if appropriate, at least once per year. If the reasons for impairments recognised in previous years no longer apply, the impairment losses are reversed accordingly.

1.3.4. Financial assets

The classification of the financial instruments is determined at initial recognition. Based on the management model and the asset contractual cash-flow characteristics the financial assets can be classified in three categories: Financial assets at amortised cost ('AC'), financial assets at fair value through net assets/equity ('FVNA') or financial assets at fair value through surplus or deficit ('FVSD'). Based on this classification, the entity has only 'financial assets at amortised cost', which are exchange receivables.

Financial assets at amortised cost are non-derivative financial assets that meet two conditions: 1) The entity holds them in order to collect the contractual cash flows. 2) On specified days, there are contractual cash flows that are solely payments of the principal and interest on the outstanding principal.

Financial assets at amortised cost are included in current assets, except for those with maturity of more than 12 months from the balance sheet reporting date.

Initial recognition and measurement

Financial assets at amortised cost are initially recognised at their fair value plus the transaction costs.

Subsequent measurement

Financial assets at amortised cost are carried at amortised cost, which is the amount initially recognised minus the principal repayments, plus or minus the cumulative amortisation of the interests using the effective interest method. In addition, the entity recognises a loss allowance for expected credit losses over the lifetime of the financial assets. At each reporting date, the annual movement in the loss allowance adjusts the carrying amount of the financial asset. In the statement of financial performance, the entity recognises an impairment gain or loss for the adjustment of the loss allowance.

De-recognition

Financial assets at amortised cost are derecognised either when the rights to receive cash flows from the investments have expired or are waived, or when the entity has transferred substantially all risks and rewards of ownership to another party.

1.3.5. Pre-financing amounts

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. It may be split into a number of payments over a period defined in the particular contract, decision, agreement or basic legal act. The float or advance is either used for the purpose for which it was provided during the period defined in the agreement or it is repaid. If the beneficiary does not incur eligible expenditure, he has the obligation to return the pre-financing advance to the entity. Thus, as the entity retains control over the pre-financing and is entitled to a refund for the ineligible part, the amount is recognised as an asset.

Pre-financing is initially recognised on the balance sheet when cash is transferred to the recipient. It is measured at the amount of the consideration given. In subsequent periods pre-financing is measured at the amount initially recognised on the balance sheet less eligible expenses (including estimated amounts where necessary) incurred during the period.

1.3.6. Receivables and recoverables

The EU accounting rules require separate presentation of exchange and non-exchange transactions. To distinguish between the two categories, the term 'receivable' is reserved for exchange transactions, whereas for non-exchange transactions, i.e. when the EU receives value from another entity without directly giving approximately equal value in exchange, the term 'recoverables' is used (e.g. recoverables from Member States related to own resources).

Receivables from exchange transactions meet the definition of financial instruments. The entity classified them as financial assets at amortised cost and measured them accordingly.

Recoverables from non-exchange transactions are carried at fair value as at the date of acquisition less write-down for impairment. A write-down for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of the recoverables. The amount of the write-down is the difference between the asset's carrying amount and the recoverable amount. The amount of the write-down is recognised in the statement of financial performance.

1.3.7. Payables

Included under accounts payable are both amounts related to exchange transactions such as the purchase of goods and services, and to non-exchange transactions e.g. to cost claims from beneficiaries, grants or other EU funding, or pre-financing received (see note **1.4.1**).

Where grants or other funding are provided to the beneficiaries, the cost claims are recorded as payables for the requested amount, at the moment when the cost claim is received. Upon verification and acceptance of the eligible costs, the payables are valued at the accepted and eligible amount.

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

1.3.8. Accrued and deferred revenue and charges

Transactions and events are recognised in the financial statements in the period to which they relate. At year-end, if an invoice is not yet issued but the service has been rendered, or the supplies have been delivered by the entity or a contractual agreement exists (e.g. by reference to a contract), an accrued revenue will be recognised in the financial statements. In addition, at year-end, if an invoice is issued but the services have not yet been rendered or the goods supplied have not yet been delivered, the revenue will be deferred and recognised in the subsequent accounting period.

Expenses are also accounted for 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. The calculation of accrued expenses is done in accordance with detailed operational and practical guidelines issued by the Accounting Officer. These aim at ensuring that the financial statements provide a faithful representation of the economic and other phenomena they purport to represent. By analogy, if a payment has been made in advance for services or goods that have not yet been received, the expense will be deferred and recognised in the subsequent accounting period.

1.4. STATEMENT OF FINANCIAL PERFORMANCE

1.4.1. Revenue

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Depending on the nature of the underlying transactions in the statement of financial performance, revenue is distinguished between:

(i) Revenue from non-exchange transactions

Revenue from non-exchange transactions are taxes and transfers, because the transferor provides resources to the recipient entity, without the recipient entity providing approximately equal value directly in exchange. Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes. For the EU entities, transfers mostly comprise funds received from the Commission (e.g. balancing subsidy to the traditional agencies, operating subsidy for the delegation agreements).

The entity shall recognise an asset in respect of transfers when the entity controls the resources as a result of a past event (the transfer) and expects to receive future economic benefits or service potential from those resources, and when the fair value can be reliably measured. An inflow of resources from a non-exchange transaction recognised as an asset (i.e. cash) is also recognised as revenue, except to the extent that the entity has a present obligation in respect of that transfer (condition), which needs to be satisfied before the revenue can be recognised. Until the condition is met the revenue is deferred and recognised as a liability.

(ii) Revenue from exchange transactions

Revenue from the sale of goods and services is recognised when the significant risk and rewards of ownership of the goods are transferred to the purchaser. Revenue associated with a transaction involving the provision of services is recognised by reference to the stage of completion of the transaction at the reporting date.

1.4.2. Expenses

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or the incurring of liabilities that result in decreases in net assets. They include both the expenses from exchange transactions and expenses from non-exchange transactions.

Expenses from exchange transactions arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by the entity. They are valued at the original invoice amount. Furthermore, at the balance sheet date expenses related to the service delivered during the period for which an invoice has not yet been received or accepted are recognised in the statement of financial performance.

Expenses from non-exchange transactions relate to transfers to beneficiaries and can be of three types: entitlements, transfers under agreement and discretionary grants, contributions and donations. Transfers are recognised as expenses in the period during which the events giving rise to the transfer occurred, as long as the nature of the transfer is allowed by regulation or an agreement has been signed authorising the transfer; any eligibility criteria have been met by the beneficiary; and a reasonable estimate of the amount can be made.

When a request for payment or cost claim is received and meets the recognition criteria, it is recognised as an expense for the eligible amount. At year-end, incurred eligible expenses due to the beneficiaries but not yet reported are estimated and recorded as accrued expense.

1.5. CONTINGENT ASSETS AND LIABILITIES

1.5.1. Contingent assets

A contingent asset is a possible asset 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 the entity. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

1.5.2. Contingent liabilities

A contingent liability is either a possible obligation 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 the entity; or a present obligation where it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation.

A contingent liability also arises in the rare circumstances where a present obligation exists but cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the accounts. They are disclosed unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

1.6. CONSOLIDATION

The accounts of this entity are fully consolidated in the consolidated annual accounts of the EU.

2. NOTES TO THE BALANCE SHEET

ASSETS

2.1. INTANGIBLE ASSETS

	EUR '000
	TOTAL
Gross carrying amount at 31.12.2021	401
Additions	209
Gross carrying amount at 31.12.2022	610
Accumulated amortisation at 31.12.2021	(260)
Depreciation charge for the year	(73)
Accumulated amortisation at 31.12.2022	(332)
NET CARRYING AMOUNT AT 31.12.2022	278
NET CARRYING AMOUNT AT 31.12.2021	141

The increase in the carrying amount can be explained by the implementation of several in-house software applications in 2022, as a result of the Agency's digitalization policy. The new software relates mainly to the processing and monitoring of HR procedures and general administrative management.

2.2. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and are expected to be used during more than one reporting period.

	EUR '000					
	Land and buildings	Plant and equipment	Furniture and vehicles	Computer hardware	Other	TOTAL
Gross carrying amount at 31.12.2021	8	65	528	4 630	766	5 997
Additions	-	173	76	1 414	300	1 964
Disposals	-	-	-	(1)	-	(1)
Gross carrying amount at 31.12.2022	8	238	605	6 043	1 066	7 959
Accumulated depreciation at 31.12.2021	(0)	(34)	(374)	(3 488)	(574)	(4 471)
Depreciation charge for the year	(1)	(28)	(52)	(736)	(121)	(937)
Disposals	-	-	-	0	-	0
Accumulated depreciation at 31.12.2022	(1)	(62)	(426)	(4 224)	(695)	(5 408)
NET CARRYING AMOUNT AT 31.12.2022	6	177	179	1 819	371	2 552
NET CARRYING AMOUNT AT 31.12.2021	7	31	154	1 142	192	1 526

The additions of kEUR 1 414 under computer hardware are primarily related to the purchases of laptops, phones, printers and IT server equipment to increase the communication and storage capacity of the Agency.

2.3. PRE-FINANCING

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. It may be split into a number of payments over a period defined in the particular underlying contract, decision, agreement or basic legal act.

The pre-financing amounts relate to advance payments given to beneficiaries. The grant agreements usually cover a period between 12-18 months.

	<i>EUR '000</i>	
	31.12.2022	31.12.2021
<i>Non-current pre-financing</i>	179 958	145 011
<i>Current pre-financing</i>	643 743	528 851
	823 702	673 862

For all pre-financing amounts open at 31 December 2022, a commitment-by-commitment assessment has been performed. Pre-financing that was considered unlikely to be cleared in the course of 2023 was classified as non-current. The outstanding current pre-financing was reduced by amounts of estimated expenses of kEUR 237 476 related to commitments for which services were rendered but no cost claims were completed by 31 December 2022. The remaining portion of the cut-off expenses is recorded in accrued charges (see note **2.7**).

The overall high balance of the open pre-financing is primarily due to the regular prepayments made by EUSPA to the European Space Agency (ESA) in order to provide ESA with the necessary float to carry out activities stemming from the EGNOS and GALILEO Contribution Agreement. The pre-financing will be cleared within 12 months when ESA provides the annual report to EUSPA.

Included in the pre-financing are also prepayments made to Ariane Space SAS for kEUR 103 499 for the Galileo FOC Satellites. In addition to this, the EUSPA has made the pre-financing payments for the 1st call for proposals under the Horizon Europe programme along with other industrial payments accounting for the increase of the account.

In particular, the increase in non-current pre-financing is due to new the amounts pre-paid for satellite services and grants on top of the existing prepayments related to satellite launches, all of which are expected to generate costs in 2024 or later.

At 31 December 2022, guarantees received covering pre-financing amounted to kEUR 124 667 (2021: kEUR 93 963).

2.4. EXCHANGE RECEIVABLES & NON-EXCHANGE RECOVERABLES

Exchange transactions are transactions in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange. Non-exchange transactions are transactions in which an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

At 31 December 2022 EUSPA did not have any non-current receivables and recoverables. The amounts included under this heading are of a current nature and can be broken down as follows:

EUR '000

	31.12.2022	31.12.2021
Recoverables from non-exchange transactions		
<i>Member States</i>	842	1 118
<i>Other</i>	11	36
	853	1 154
Receivables from exchange transactions		
<i>Central treasury liaison accounts</i>	886 464	1 050 882
<i>Deferred charges relating to exchange transactions</i>	5 323	1 718
<i>Customers</i>	248	249
<i>Other</i>	43	88
	892 078	1 052 937
Total	892 931	1 054 091

Recoverables from Member States represent VAT amounts (kEUR 842) to be recovered from Spain, France, Czechia and the United Kingdom.

Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of EUSPA, the treasury of EUSPA was integrated into the Commission's treasury system. Because of this, EUSPA does not have any bank accounts of its own since 2015. All payments and receipts are processed via the Commission's treasury system and registered on inter-company accounts, which are presented under this heading. The ending balance of this heading is thus the result of the incoming and outgoing payments and represents the funds available to the Agency. The decrease of the Central treasury liaison accounts is due to the reduction of cash flows related to the use of the pre-financing received from the Commission in order to cover increased activities related to both the EGNOS and GALILEO programmes in 2021. The signature of contribution agreements in 2021 resulted in a significant increase in costs related to the activities with the European Space Agency, due to the cut-off of the previous Working Arrangement and the kick-off of the new Contribution Agreement. This led to a large amount of pre-financing that was needed at the time of signature of the agreement, in order to cover Q4 2021 and the beginning of 2022 needs. Thus, the increase on the treasury liaison accounts in 2022 funds received in Q4 of 2021 were used as planned and therefore cash allocation was reduced during 2022, as the requirements of the programme decreased.

The heading "deferred charges relating to exchange transactions", consists of advance payments made in 2022 for school tuition fees, subscriptions, maintenance fees and other IT services to be delivered in 2023 and onwards. The increase of deferred charges is due to the signature of contracts used for the supply of a large package of software licences for operational security activities (covering 2023) needed in order to accommodate the growth and increased responsibilities of the Agency following the signature of the new Contribution Agreement.

LIABILITIES

2.5. FINANCIAL LIABILITIES

EUR '000

	31.12.2022	31.12.2021
<i>Financial liabilities</i>	107 731	148 722

The liability under this heading is of a non-current nature and relates to operational subsidy received from the Commission for delegation agreements for EGNOS Exploitation and Galileo Exploitation that will be used after 31 December 2022. All the amounts related to this subsidy that were, based on the cash planning, estimated to be used by 31 December 2022 are presented under payables. The decrease of the financial liability relates to the overall decrease of the new subsidy received in 2022 compared to 2021, which is in line with the overall planning of EUSPA activities (see note 2.6).

2.6. PAYABLES

Payables are liabilities to pay for goods or services that have been received or supplied and - unlike accrued charges - have already been invoiced or formally agreed with the supplier. Payables can relate to both exchange transactions (such as the purchase of goods and services) and non-exchange transactions (e.g. cost claims from beneficiaries of grants, pre-financing or other EU funding).

	EUR '000	
	31.12.2022	31.12.2021
<i>Pre-financing received from Commission - operational subsidy</i>	1 479 127	1 458 303
<i>Vendors</i>	11 266	16 996
<i>Participants Guarantee Fund</i>	(387)	-
<i>Public bodies</i>	701	1 495
<i>Pre-financing received from Commission - balancing subsidy</i>	157	-
<i>Member States</i>	384	-
<i>Other</i>	62	39
Total	1 491 308	1 476 832

The most significant item under this heading is the current open pre-financing received as an operational subsidy from the Commission for the Delegation and Contribution Agreements for EGNOS Exploitation (kEUR 178 937) and Galileo Exploitation (kEUR 1 013 621). In particular, the high value of funds received from the operational subsidy is due to the signature of the new Contribution Agreement for both EGNOS and GALILEO, which implies high pre-financing payments to the satellite service providers (ESSP for EGNOS and GSOp for Galileo) and for activities under the Working Agreement with ESA for both systems. All the amounts that were, based on the cash planning, estimated to be paid after 31 December 2023 are presented under non-current financial liabilities (see note 2.5).

The amount under Vendors largely relates to cost claims received from beneficiaries of the grant agreements in the last quarter of the year which have not yet been validated and paid out.

The negative amount of kEUR 387 under the Participant Guarantee Fund relates to a timing difference between the transfer of the guarantee amount to the fund at the end of December and the automated reduction of the pre-financing payment done at the beginning of January.

2.7. ACCRUED CHARGES

Accruals are liabilities to pay for goods or services that have been received or supplied but - unlike payables - have not yet been invoiced or formally agreed with the supplier. They include amounts due to employees (e.g. accruals for untaken holidays). The calculation of accruals is based on the open amount of budgetary commitments at year-end. The portion of the estimated accrued charges relating to pre-financing paid has been recorded as a reduction of the pre-financing amounts.

	EUR '000	
	31.12.2022	31.12.2021
<i>Accrued charges</i>	109 804	93 956
<i>Accrued charges with consolidated entities</i>	61	230
Total	109 866	94 186

Accrued charges are mainly composed of estimated operational expenses primarily relating to the implementation of delegation agreements. In accordance with the pro-rata temporis method, only costs that reflect work performed up to 31 December 2022 are included in the estimation. The portion of estimated accrued charges relating to commitments with pre-financing has been recorded as a reduction of the pre-financing amounts (see note 2.3).

Included under this heading are also accrued administrative expenses, i.e. estimated costs of services and goods delivered in year 2022 but not yet invoiced or processed by the end of the year of kEUR 1 111. The heading also includes accrued staff expenses for untaken leave of kEUR 1 146.

3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

REVENUE

NON-EXCHANGE REVENUE

3.1. FUNDS FROM THE COMMISSION

Revenue from non-exchange transactions relates to transactions where the transferor provides resources to the recipient entity without the recipient entity providing approximately equal value directly in exchange. The heading mainly includes amounts received from the Commission during the year and recoveries of operational expenses.

	<i>EUR '000</i>	
	2022	2021
<i>Revenue from the operational subsidy</i>	1 111 537	1 081 535
<i>Revenue from the balancing subsidy</i>	65 237	44 144
Total	1 176 774	1 125 679

The revenue under this heading relates to the Commission operational subsidy that was used in the year for implementation of activities under delegation agreements between EUSPA and the Commission. It also contains the Commission balancing subsidy that was used during the year on the implementation of the EUSPA core tasks.

The increase of revenue from the operational subsidy is correlated with the continued ramp up of activities for the EGNOS and GALILEO programmes as well as the beginning of activities under other delegated activities such as GOVSATCOM, SST, Copernicus and Horizon Europe (see note 3.4).

3.2. RECOVERY OF EXPENSES

	<i>EUR '000</i>	
	2022	2021
<i>Recovery of expenses</i>	216	32 520

The unusually high amount under this heading in 2021 related to the recovery of funds from the European Space Agency. In 2022 the balance returned to the usual business levels (amounts of 2020: kEUR 450, amounts of 2019: kEUR 74).

EXCHANGE REVENUE

3.3. OTHER EXCHANGE REVENUE

The revenue from exchange transactions and events relates to following types of transactions: rendering of services; sale of goods; and the use by others of entity assets yielding interest, royalties and dividends.

	<i>EUR '000</i>	
	2022	2021
<i>Foreign exchange gains</i>	(41)	(37)
<i>Other Exchange operating revenues</i>	8	-
<i>Recovery of expenses-Administrative procurement</i>	279	300
Total	246	262

EXPENSES

3.4. OPERATIONAL COSTS

Included under this heading are expenses incurred in relation to operational activities.

	EUR '000	
	2022	2021
<i>Operational costs</i>	1 130 081	1 118 853

Included under this heading are operational expenses incurred in relation to core tasks and tasks delegated by the Commission carried out in 2022. For open commitments, without any validated cost statements the 2022 expenses were estimated on a commitment-by-commitment basis using the best available information at 31 December 2022 (see note **2.7**).

The operational costs depict expenses arising from the multi-annual financial framework (MFF) that the Agency signed in 2021. The costs includes activities under both EGNOS and GALILEO as well as new and existing programmes under H2020 and Horizon Europe and activities under GOVSATCOM, SST, Copernicus. The increase compared to last year is in line with the increase of activities under those programmes in 2022.

3.5. STAFF COSTS

This heading includes the expenses for salaries, allowances and other employment-related benefits. Based on the service level agreement between the entity and the Commission, the calculations of staff-related costs is carried out by the Commission's Office for Administration and Payment of Individual Entitlements (also known as the Paymaster's Office - PMO). The pensions of the entity staff members are covered by the Pension Scheme of European Officials. This pension scheme is a defined benefit plan, i.e. the amount of benefit an employee will receive on retirement depends on several factors, the most important of which is years of service. Both the entity staff and the EU budget contribute to the pension scheme, with the contribution percentage being revised annually in line with the changes in the Staff Regulation governing the scheme. The cost to the EU Budget is not reflected in the entity accounts. Similarly, no provision related to the future pension payments is recognised in the annual accounts of the entity, as the obligation falls to the Commission. Consequently, both the annual cost to the EU budget, and the future benefits payable to the entity staff, are accounted for in the Commission's annual accounts as part of its provision for pensions and other post-employment benefits. The pension costs included in the Commission's Statement of Financial Performance represent current service cost (rights accrued during the year due to service) and interest cost (unwinding of the liability discounting) which have arisen following the year-end actuarial valuation of the employee benefits liabilities.

	EUR '000	
	2022	2021
<i>Staff costs</i>	28 083	22 329

The staff costs increased by kEUR 5 754, due to the indexation of salaries that took place twice in 2022 (in January and in July).

3.6. FINANCE COST

The heading comprises interest on late payments and other financial expenses charged by banks.

	EUR '000	
	2022	2021
<i>Other interest expenses</i>	4	23

3.7. OTHER EXPENSES

	EUR '000	
	2022	2021
<i>External IT service</i>	5 469	2 135
<i>External non IT services</i>	5 108	4 293
<i>Maintenance & Security - Building</i>	3 288	2 647
<i>Missions</i>	1 234	549
<i>Expenses with other Consolidated entities</i>	1 066	699
<i>Property, plant and equipment related expenses</i>	1 009	666
<i>Training Costs</i>	531	181
<i>Operating leasing expenses</i>	282	257
<i>Foreign exchange losses</i>	225	200
<i>EPSO Costs (Recruitment)</i>	86	44
<i>Experts and related expenditure</i>	97	165
<i>Losses on realisation of trade debtors</i>	8	-
Total	18 403	11 836

The increase under this heading can be explained mainly by higher IT costs and non-IT services related cost incurred in 2022 on external IT and non-IT support that was required to help the Agency with its transition to its new structure, that will efficiently support the increased activities and responsibilities of the EUSPA across all areas. In addition, the effect of high inflation is shown in the prices of goods and services that EUSPA paid in 2022. Maintenance and security costs are directly affected by the inflationary effect. Finally, the termination of Covid-19 restrictions resulted in missions and trainings being resumed.

The operating leasing expenses included under this heading relate to the premises in France and in Prague. The amounts committed to be paid during the remaining term of these lease contracts are as follows:

	EUR '000			
	Future amounts to be paid			
	< 1 year	1- 5 years	> 5 years	Total
<i>Buildings</i>	364	1 457	2 914	4 734
<i>IT materials and other equipment</i>	12	48	96	156
Total	364	1 457	2 914	4 734

4. OTHER SIGNIFICANT DISCLOSURES

4.1. CONTINGENT ASSETS

EUR '000

	31.12.2022	31.12.2021
<i>Performance guarantees</i>	10 000	10 000

The performance guarantees are requested to ensure that the beneficiaries of the EUSPA funding meet the obligations of their contracts with the EUSPA.

4.2. OUTSTANDING COMMITMENTS NOT YET EXPENSED

The outstanding commitments not yet expensed comprise the budgetary RAL ('Reste à Liquider') less related amounts that have been included as expenses in the current year's statement of financial performance. The RAL represents the open budgetary commitments for which payments and/or de-commitments have not yet been made. This is the normal consequence of the existence of multi-annual programmes.

EUR '000

	31.12.2022	31.12.2021
<i>Outstanding commitments not yet expensed</i>	4 359 770	5 309 594

The overall high value of this amount is directly related to the signature of the Contribution Agreement with the European Space Agency and contracting the Satellite service providers for EGNOS and GAL at the start of the FFPA. These two activities cover the vast majority of the EUR 9 billion in funds delegated to EUSPA by the Commission. Since the ABAC commitments were created at the start of the FFPA after June 30 for a duration of up to 7 years, there are not yet many accruals to be counted against the RAL.

The decrease in the RAL from 2021 is a natural result of the lifecycle of the very large commitments signed by EUSPA in 2021 with ESA and the Satellite Service Providers under the new Contribution Agreement. Because these commitments concern operational activities, they are in force for multiple years covering the entire financial perspective, and so their RAL is gradually expensed over time, until new commitments are created in the future financial perspectives.

4.3. SERVICES IN KIND

Based on the host agreement between the EUSPA and Czechia, which entered into force on 31 May 2012, the headquarters' building in Prague is provided to EUSPA for a symbolic charge of EUR 1 per year during the first five years. The yearly value of the rent is estimated to kEUR 761 plus indexation amounting to kEUR 944 in 2022. After five years, EUSPA is to be charged 25% of the estimated market value yearly, i.e. kEUR 236 in 2022. The contract has been concluded for an indefinite period of time.

Based on the host agreement between EUSPA and the Netherlands that entered into force on 30 May 2016, the GRC (Galileo Reference Centre) building is provided to EUSPA free of charge. The yearly value of the rent is estimated to be kEUR 353.

EUSPA has also signed two host agreements with Spain. According to the first one, which entered into force on 30 June 2014, the GSC (Galileo Service Centre) building is provided to EUSPA free of charge. The yearly value of the rent is estimated to be kEUR 118. The second host agreement, which entered into force in 2019, states that the GSMC (Galileo Security Monitoring Centre) back-up site building is provided free of charge. The yearly value of the rent is estimated to be kEUR 167. As of 2022, an additional building has been provided under the same agreement for additional office and operations areas free of charge, with an estimated yearly rent value of kEUR 328.

4.4. RELATED PARTIES

The related parties of the entity are the other EU consolidated entities and the key management personnel of these entities. As transactions between the relevant entity and the parties involved take place as part of the normal operations of the entity and on terms and conditions that are normal for such transactions, no specific disclosures are required.

4.5. KEY MANAGEMENT ENTITLEMENTS

The highest ranked civil servant of the EUSPA is the Executive Director, who executes the role of the Authorising Officer by delegation.

	31.12.2022	31.12.2021
<i>Executive Director</i>	<i>AD 14</i>	<i>AD 14</i>

The Director, or head of entity, is remunerated in accordance with the Staff Regulations of the European Union, which establish the rights and obligations of all officials of the EU. The Staff Regulations are published on the Europa website.

5. FINANCIAL RISK MANAGEMENT

5.1. TYPES OF RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate, because of variations 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 (the entity has no significant interest rate risk and other price risk).

(1) Currency risk is the risk that the entity operations will be affected by changes in exchange rates. This risk arises from the change in the price of one currency against another.

(2) 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. The entity does not have any securities thus it is not exposed to the interest rate risk.

Credit risk is the risk of loss due to a debtor's non-payment or other failure to meet a contractual obligation. The default events include a delay in repayments, and bankruptcy.

Liquidity risk is the risk that an EU entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

5.2. CURRENCY RISKS

At the end of the year, the financial assets are composed of exchange receivables. The financial liabilities are composed of accounts payable. Their ending balances are mainly quoted in EUR, the entity is thus not exposed to currency risk.

5.3. CREDIT RISK

At the end of the year, the financial assets comprise exchange receivables that are not past due for more than 30 days. As no credit loss is expected during the life time of those receivables the entity is not exposed to any significant credit risk.

5.4. LIQUIDITY RISK

The financial liabilities are composed of kEUR 1 491 308 of current payables with contractual maturity less than 1 year and of kEUR 107 731 of non-current payables with contractual maturity in 2024. As non-current payables refers to pre-financing liability, the entity is not exposed to any significant liquidity risk.

THE BUDGET IMPLEMENTATION REPORTS AND EXPLANATORY NOTES

It should be noted that due to the rounding of figures into thousands of euros (kEUR), some financial data in the tables below may appear not to add-up.

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1. BUDGETARY PRINCIPLES AND STRUCTURE

1.1. BUDGETARY PRINCIPLES

The establishment and implementation of the GSA budget is governed by the following basic principles set out in the Title II of the GSA Financial Regulation 2014:

Principles of unity and budget accuracy

This principle means that no revenue shall be collected and no expenditure effected unless booked to a line in the GSA budget. No expenditure may be committed or authorised in excess of the appropriations authorised by the budget. An appropriation may be entered in the budget only if it is for an item of expenditure considered necessary.

Principle of annuality

The appropriations entered in the budget shall be authorised for a financial year which shall run from 1 January to 31 December.

Principle of equilibrium

Revenue and payment appropriations shall be in balance.

Principle of unit of account

The budget shall be drawn up and implemented in euro and the accounts shall be presented in euro.

Principle of universality

Total revenue shall cover total payment appropriations and all revenue and expenditure shall be entered in full without any adjustment against each other.

Principle of specification

Appropriations shall be earmarked for specific purposes by title and chapter. The chapters shall be further subdivided into articles and items.

Principle of sound financial management

Appropriations shall be used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness.

Principle of transparency

The budget shall be established and implemented and the accounts presented in accordance with the principle of transparency. The budget and any amending budgets shall be published in the Official Journal of the European Union within three months of their adoption.

1.2. STRUCTURE AND PRESENTATION OF THE BUDGET

Following the provisions of the GSA Financial Regulation 2019, the budget accounts shall consist of a statement of revenue and a statement of expenditure. The statement of expenditure must be set out on the basis of a nomenclature with a classification by purpose. That nomenclature shall be determined by GSA and shall make a clear distinction between administrative appropriations and operating appropriations:

Title 1

Budget lines relating to staff expenditure such as salaries and allowances for personnel working with GSA. It also includes recruitment expenses, staff missions, expenses for the socio-medical infrastructure and representation costs.

Title 2

Budget lines relating to all buildings, equipment and miscellaneous administrative expenditure.

Title 3

Budget lines providing for the implementation of the activities and tasks assigned to assigned to the GSA by its establishing Regulation (EU) No. 912/2010 of the European Parliament and of the Council of 22 September 2010.

Assigned revenue

Budget lines relating to financing of specific items of expenditure. They can be external or internal assigned.

2. RESULT OF THE IMPLEMENTATION OF THE BUDGET

EUR '000

	Title	2022	2021
Revenue		1 157 283	1869 759
of which:			
Payments from the institutions and bodies	2	1 156 765	1 795 833
Miscellaneous revenue	9	517	73 926
Expenditure		(1 310 752)	(1 608 253)
of which:			
Staff expenditure	1	(31 826)	(25 439)
Administrative expenditure	2	(4 809)	(3 715)
Operational expenditure	3	(1 274 116)	(1 579 098)
Payment appropriat. carried over to the following year		(17 744)	(11 132)
of which:			
Staff expenditure	1	(762)	(1 416)
Administrative expenditure	2	(15 011)	(7 403)
Operational expenditure	3	(1 972)	(2 313)
Cancellation of unused appropri. carried over from year n-1		483	177
Evolution of assigned revenue (B)-(A)		171 214	(250 373)
Unused appropriations at the end of current year (A)		869 698	1 040 911
Unused appropriations at the end of previous year (B)		1 040 911	790 538
Exchange rate differences		(266)	(237)
Budget result		217	(60)

3. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

EUR '000

	2022	2021
ECONOMIC RESULT OF THE YEAR	676	5 402
Adjustment for accrual items (items not in the budgetary result but included in the economic result)		
<i>Adjustments for accrual cut-off (net)</i>	520 858	136 407
<i>Unpaid invoices at year end but booked in expenses (net)</i>	272	284
<i>Depreciation, amortization and impairment of intangible and tangible assets</i>	1 009	666
<i>Movement in provisions</i>	-	-
<i>Recovery orders issued in the year and not yet cashed</i>	(1)	2
<i>Pre-financing given in previous year and cleared in the year</i>	16 085	19 683
<i>Pre-financing received in previous year and cleared in the year</i>	(1 110 661)	(646 959)
<i>Payments made from carry-over of payment appropriations</i>	10 650	5 715
<i>Other individually immaterial items</i>	(55)	(41)
Adjustment for budgetary items (item included in the budgetary result but not in the economic result)		
<i>Asset acquisitions (less unpaid amounts)</i>	(2 171)	(642)
<i>New pre-financing paid in the year and remaining open as at 31 December</i>	(681 154)	(616 912)
<i>New pre-financing received in the year and remaining open as at 31 December</i>	1 090 652	1 316 813
<i>Entitlements established in previous year and cashed in the year</i>	2	9
<i>Entitlements established on balance sheet accounts and cashed in the year</i>	40	41 139
<i>Payment appropriations carried over to next year</i>	(887 442)	(1 052 444)
<i>Cancellation of unused carried over payment appropriations from previous year</i>	483	177
<i>Adjustment for carry-over of assigned revenue appropriations from previous year</i>	1 040 911	790 538
<i>Other individually immaterial items</i>	62	103
BUDGET RESULT OF THE YEAR	217	(60)

4. IMPLEMENTATION OF BUDGET REVENUE

4.1. Implementation of budget revenue – Title 2

EUR '000

Item	Income appropriations		Entitlements established			Revenue				Out-standing
	Initial budget	Final budget	Current year	Carried over	Total	On entitlements of current year	On entitlements carried over	Total	%	
	1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	
2000 Operating subvention European Commission	68 345	65 392	65 392	-	65 392	65 392	-	65 392	100 %	-
2008 Programmes subvention European Commission	0	0	1 091 373	-	1 091 373	1 091 373	-	1 091 373	-	-
Total Chapter 20	68 345	65 392	1 156 765	-	1 156 765	1 156 765	-	1 156 765	1 769 %	-
Total Title 2	68 345	65 392	1 156 765	-	1 156 765	1 156 765	-	1 156 765	1 769 %	-

4.2. Implementation of budget revenue – Title 9

EUR '000

Item	Income appropriations		Entitlements established			Revenue				Out-standing
	Initial budget	Final budget	Current year	Carried over	Total	On entitlements of current year	On entitlements carried over	Total	%	
	1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	
9000 Miscellaneous revenue	0	0	509	460	969	508	10	517	-	452
Total Chapter 90	0	0	509	460	969	508	10	517	-	452
Total Title 9	0	0	509	460	969	508	10	517	-	452
GRAND TOTAL	68 345	65 392	1 157 274	460	1 157 734	1 157 273	10	1 157 283	1 770 %	452

5. IMPLEMENTATION OF BUDGET EXPENDITURE

5.1. Breakdown & changes in commitment appropriations

5.1.1. Breakdown & changes in commitment appropriations – Title 1

EUR '000

Item	Budget appropriations				Additional appropriations			Total apppr. available
	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry- overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	
1100 Staff expenditure	29 560	(166)	(2 175)	27 219	–	–	–	27 219
Total Chapter 11	29 560	(166)	(2 175)	27 219	–	–	–	27 219
1200 Recruitment costs	100	–	(21)	79	–	–	–	79
1210 Medical services	140	(51)	(38)	50	–	–	–	50
Total Chapter 12	240	(51)	(59)	130	–	–	–	130
1300 Missions and travel	1 000	–	228	1 228	–	10	10	1 238
Total Chapter 13	1 000	–	228	1 228	–	10	10	1 238
1400 Training expenditure	558	70	–	628	–	–	–	628
Total Chapter 14	558	70	–	628	–	–	–	628
1500 Social measures	625	(39)	(168)	418	–	7	7	425
Total Chapter 15	625	(39)	(168)	418	–	7	7	425
1600 External service providers	325	190	63	578	–	–	–	578
Total Chapter 16	325	190	63	578	–	–	–	578
1700 Representation expenditure	2	–	(2)	0	–	–	–	0
Total Chapter 17	2	–	(2)	0	–	–	–	0
1800 Tuition fees	2 277	224	(136)	2 365	–	15	15	2 379
Total Chapter 18	2 277	224	(136)	2 365	–	15	15	2 379
Total Title 1	34 587	227	(2 248)	32 566	–	32	32	32 598

5.1.2. Breakdown & changes in commitment appropriations – Title 2

EUR '000

Item	Budget appropriations				Additional appropriations			Total appror. available
	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry- overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	
2000 Investment in immovable property, rental	3 585	(9)	(738)	2 838	-	576	576	3 414
Total Chapter 20	3 585	(9)	(738)	2 838	-	576	576	3 414
2100 Data processing cost	7 459	2 786	2 840	13 085	-	-	-	13 085
Total Chapter 21	7 459	2 786	2 840	13 085	-	-	-	13 085
2200 Movable property and associated costs	135	114	(71)	178	-	-	-	178
Total Chapter 22	135	114	(71)	178	-	-	-	178
2300 Current administrative expenditure	1 453	1 365	284	3 102	-	0	0	3 102
Total Chapter 23	1 453	1 365	284	3 102	-	0	0	3 102
2400 Postage and telecommunication costs	148	(4)	2	147	-	-	-	147
Total Chapter 24	148	(4)	2	147	-	-	-	147
2500 Expenditure in meetings	153	(38)	(78)	37	-	-	-	37
Total Chapter 25	153	(38)	(78)	37	-	-	-	37
2600 Security Accreditation Board (SAB) administrative expenditure	475	(194)	(147)	134	-	6	6	140
Total Chapter 26	475	(194)	(147)	134	-	6	6	140
Total Title 2	13 408	4 020	2 093	19 521	-	582	582	20 103

5.1.3. Breakdown & changes in commitment appropriations – Title 3

EUR '000

Item	Budget appropriations				Additional appropriations			Total apppr. available
	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry- overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	
3100 Expenditure on studies	19 350	(2 559)	155	16 946	-	-	-	16 946
Total Chapter 31	19 350	(2 559)	155	16 946	-	-	-	16 946
3300 Security Accreditation Board (SAB) expenditure	1 000	-	(1)	999	-	-	-	999
Total Chapter 33	1 000	-	(1)	999	-	-	-	999
3917 FP7 - 3rd call	-	-	-	-	-	1 419	1 419	1 419
3918 Public regulated services	-	-	-	-	-	104	104	104
3920 EGNOS exploitation	-	-	-	-	-	210 192	210 192	210 192
3921 Horizon 2020 - 1st call	-	-	-	-	-	530	530	530
3922 GALILEO exploitation	-	-	-	-	-	1 666	1 666	1 666
3923 Horizon 2020 - 2nd call	-	-	-	-	-	2 750	2 750	2 750
3924 Horizon 2020 - 3rd call	-	-	-	-	-	1 573	1 573	1 573
3925 Horizon 2020 - 4th call	-	-	-	-	-	239	239	239
3926 GOVSATCOM prep.	-	-	-	-	-	3 882	3 882	3 882
3927 Horizon 2020 - 5th call	-	-	-	-	-	27	27	27
3928 Govsatcom Entrusted	-	-	-	-	-	188	188	188
3929 GALILEO activities	-	-	-	-	-	2 082 061	2 082 061	2 082 061
3930 EGNOS activities	-	-	-	-	-	924 748	924 748	924 748
3931 GOVSATCOM activities	-	-	-	-	-	165 000	165 000	165 000
3932 SSA activities	-	-	-	-	-	1 600	1 600	1 600
3933 Horizon Europe - Downstream activities	-	-	-	-	-	304 900	304 900	304 900
3934 Copernicus - Downstream activities	-	-	-	-	-	29 400	29 400	29 400
3935 GALILEO Application	-	-	-	-	-	500	500	500
Total Chapter 39	-	-	-	-	-	3 730 780	3 730 780	3 730 780
Total Title 3	20 350	(2 559)	154	17 945	-	3 730 780	3 730 780	3 748 725
GRAND TOTAL	68 345	1 687	0	70 032	-	3 731 393	3 731 393	3 801 426

5.2. Breakdown & changes in payment appropriations

5.2.1. Breakdown & changes in payment appropriations – Title 1

EUR '000

Item	Budget appropriations				Additional appropriations			Total appropri- available
	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry- overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	
1100 Staff expenditure	29 560	(166)	(2 175)	27 219	–	–	–	27 219
Total Chapter 11	29 560	(166)	(2 175)	27 219	–	–	–	27 219
1200 Recruitment costs	100	–	(21)	79	14	–	14	93
1210 Medical services	140	(51)	(38)	50	63	–	63	113
Total Chapter 12	240	(51)	(59)	130	76	–	76	206
1300 Missions and travel	1 000	–	228	1 228	80	10	90	1 318
Total Chapter 13	1 000	–	228	1 228	80	10	90	1 318
1400 Training expenditure	558	70	–	628	462	–	462	1 090
Total Chapter 14	558	70	–	628	462	–	462	1 090
1500 Social measures	625	(39)	(168)	418	63	7	70	488
Total Chapter 15	625	(39)	(168)	418	63	7	70	488
1600 External service providers	325	190	63	578	471	–	471	1 049
Total Chapter 16	325	190	63	578	471	–	471	1 049
1700 Representation expenditure	2	–	(2)	0	–	–	–	0
Total Chapter 17	2	–	(2)	0	–	–	–	0
1800 Tuition fees	2 277	224	(136)	2 365	265	15	279	2 644
Total Chapter 18	2 277	224	(136)	2 365	265	15	279	2 644
Total Title 1	34 587	227	(2 248)	32 566	1 416	32	1 448	34 014

5.2.2. Breakdown & changes in payment appropriations – Title 2

EUR '000

Item	Budget appropriations				Additional appropriations			Total appropri- available
	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	
2000 Investment in immovable property, rental	3 585	(9)	(738)	2 838	1 747	576	2 323	5 161
Total Chapter 20	3 585	(9)	(738)	2 838	1 747	576	2 323	5 161
2100 Data processing cost	7 459	2 786	2 840	13 085	3 920	–	3 920	17 004
Total Chapter 21	7 459	2 786	2 840	13 085	3 920	–	3 920	17 004
2200 Movable property and associated costs	135	114	(71)	178	395	–	395	574
Total Chapter 22	135	114	(71)	178	395	–	395	574
2300 Current administrative expenditure	1 453	1 365	284	3 102	1 195	0	1 196	4 298
Total Chapter 23	1 453	1 365	284	3 102	1 195	0	1 196	4 298
2400 Postage and telecommunication costs	148	(4)	2	147	55	–	55	202
Total Chapter 24	148	(4)	2	147	55	–	55	202
2500 Expenditure in meetings	153	(38)	(78)	37	2	–	2	39
Total Chapter 25	153	(38)	(78)	37	2	–	2	39
2600 Security Accreditation Board (SAB) administrative expenditure	475	(194)	(147)	134	88	6	94	228
Total Chapter 26	475	(194)	(147)	134	88	6	94	228
Total Title 2	13 408	4 020	2 093	19 521	7 403	582	7 985	27 506

5.2.3. Breakdown & changes in payment appropriations – Title 3

EUR '000

Item	Budget appropriations				Additional appropriations			Total appropri- available
	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	
3100 Expenditure on studies	19 350	(7 199)	62	12 213	2 003	–	2 003	14 216
Total Chapter 31	19 350	(7 199)	62	12 213	2 003	–	2 003	14 216
3300 Security Accreditation Board (SAB) expenditure	1 000	–	92	1 092	310	–	310	1 402
Total Chapter 33	1 000	–	92	1 092	310	–	310	1 402
3918 Public regulated services	–	–	–	–	–	565	565	565
3920 EGNOS exploitation	–	–	–	–	–	381 429	381 429	381 429
3921 Horizon 2020 - 1st call	–	–	–	–	–	1 415	1 415	1 415
3922 GALILEO exploitation	–	–	–	–	–	354 124	354 124	354 124
3923 Horizon 2020 - 2nd call	–	–	–	–	–	1 197	1 197	1 197
3924 Horizon 2020 - 3rd call	–	–	–	–	–	2 098	2 098	2 098
3925 Horizon 2020 - 4th call	–	–	–	–	–	3 108	3 108	3 108
3926 GOVSATCOM prep.	–	–	–	–	–	2 474	2 474	2 474
3927 Horizon 2020 - 5th call	–	–	–	–	–	9 632	9 632	9 632
3928 Govsatcom Entrusted	–	–	–	–	–	281	281	281
3929 GALILEO activities	–	–	–	–	–	1 171 882	1 171 882	1 171 882
3930 EGNOS activities	–	–	–	–	–	173 000	173 000	173 000
3931 GOVSATCOM activities	–	–	–	–	–	2 574	2 574	2 574
3932 SSA activities	–	–	–	–	–	700	700	700
3933 Horizon Europe - Downstream activities	–	–	–	–	–	23 308	23 308	23 308
3934 Copernicus - Downstream activities	–	–	–	–	–	4 000	4 000	4 000
3935 GALILEO Application	–	–	–	–	–	400	400	400
Total Chapter 39	–	–	–	–	–	2 132 188	2 132 188	2 132 188
Total Title 3	20 350	(7 199)	154	13 305	2 313	2 132 188	2 134 501	2 147 806
GRAND TOTAL	68 345	(2 953)	0	65 392	11 132	2 132 802	2 143 934	2 209 326

5.3. Implementation of commitment appropriations

5.3.1. Implementation of commitment appropriations - Title 1

EUR '000

Item	Total approp. available	Commitments made					Appropriations carried over to 2023			Appropriations lapsing			
		from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
1100 Staff expenditure	27 219	27 219	-	-	27 219	100 %	-	-	-	-	-	0	-
Total Chapter 11	27 219	27 219	-	-	27 219	100 %	-	-	-	-	-	0	-
1200 Recruitment costs	79	79	-	-	79	100 %	-	-	-	-	-	0	-
1210 Medical services	50	50	-	-	50	100 %	-	-	-	-	-	0	-
Total Chapter 12	130	130	-	-	130	100 %	-	-	-	-	-	0	-
1300 Missions and travel	1 238	1 228	-	9	1 237	100 %	1	-	1	-	-	-	-
Total Chapter 13	1 238	1 228	-	9	1 237	100 %	1	-	1	-	-	-	-
1400 Training expenditure	628	628	-	-	628	100 %	-	-	-	-	-	0	-
Total Chapter 14	628	628	-	-	628	100 %	-	-	-	-	-	0	-
1500 Social measures	425	418	-	7	425	100 %	-	-	-	-	-	-	-
Total Chapter 15	425	418	-	7	425	100 %	-	-	-	-	-	-	-
1600 External service providers	578	578	-	-	578	100 %	-	-	-	-	-	0	-
Total Chapter 16	578	578	-	-	578	100 %	-	-	-	-	-	0	-
1700 Representation expenditure	0	0	-	-	0	100 %	-	-	-	-	-	0	-
Total Chapter 17	0	0	-	-	0	100 %	-	-	-	-	-	0	-
1800 Tuition fees	2 379	2 365	-	6	2 370	100 %	9	-	9	-	-	-	-
Total Chapter 18	2 379	2 365	-	6	2 370	100 %	9	-	9	-	-	-	-
Total Title 1	32 598	32 566	-	22	32 588	100 %	10	-	10	-	-	-	-

5.3.2. Implementation of commitment appropriations - Title 2

EUR '000

Item	Total approp. available	from final adopt. budget	Commitments made				Appropriations carried over to 2023			Appropriations lapsing			
			from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
2000 Investment in immovable property, rental	3 414	2 838	-	296	3 134	92 %	280	-	280	-	-	-	-
Total Chapter 20	3 414	2 838	-	296	3 134	92 %	280	-	280	-	-	-	-
2100 Data processing cost	13 085	13 085	-	-	13 085	100 %	-	-	-	-	-	0	-
Total Chapter 21	13 085	13 085	-	-	13 085	100 %	-	-	-	-	-	0	-
2200 Movable property and associated costs	178	178	-	-	178	100 %	-	-	-	-	-	0	-
Total Chapter 22	178	178	-	-	178	100 %	-	-	-	-	-	0	-
2300 Current administrative expenditure	3 102	3 102	-	0	3 102	100 %	-	-	-	-	-	-	-
Total Chapter 23	3 102	3 102	-	0	3 102	100 %	-	-	-	-	-	-	-
2400 Postage and telecommunication costs	147	147	-	-	147	100 %	-	-	-	-	-	0	-
Total Chapter 24	147	147	-	-	147	100 %	-	-	-	-	-	0	-
2500 Expenditure in meetings	37	37	-	-	37	100 %	-	-	-	-	-	0	-
Total Chapter 25	37	37	-	-	37	100 %	-	-	-	-	-	0	-
2600 Security Accreditation Board (SAB) administrative expenditure	140	134	-	2	137	98 %	3	-	3	-	-	-	-
Total Chapter 26	140	134	-	2	137	98 %	3	-	3	-	-	-	-
Total Title 2	20 103	19 521	-	299	19 820	99 %	283	-	283	-	-	-	-

5.3.3. Implementation of commitment appropriations - Title 3

EUR '000

Item	Total approp. available	from final adopt. budget	Commitments made				Appropriations carried over to 2023				Appropriations lapsing			
			from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total	
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12	
3100 Expenditure on studies	16 946	16 946	-	-	16 946	100 %	-	-	-	-	-	0	-	
Total Chapter 31	16 946	16 946	-	-	16 946	100 %	-	-	-	-	-	0	-	
3300 Security Accreditation Board (SAB) expenditure	999	999	-	-	999	100 %	-	-	-	-	-	0	-	
Total Chapter 33	999	999	-	-	999	100 %	-	-	-	-	-	0	-	
3917 FP7 - 3rd call	1 419	-	-	-	-	0 %	1 419	-	1 419	-	-	0	-	
3918 Public regulated services	104	-	-	-	-	0 %	104	-	104	-	-	0	-	
3920 EGNOS exploitation	210 192	-	-	210 189	210 189	100 %	4	-	4	-	-	0	-	
3921 Horizon 2020 - 1st call	530	-	-	-	-	0 %	530	-	530	-	-	0	-	
3922 GALILEO exploitation	1 666	-	-	-	-	0 %	1 666	-	1 666	-	-	0	-	
3923 Horizon 2020 - 2nd call	2 750	-	-	-	-	0 %	2 750	-	2 750	-	-	0	-	
3924 Horizon 2020 - 3rd call	1 573	-	-	-	-	0 %	1 573	-	1 573	-	-	0	-	
3925 Horizon 2020 - 4th call	239	-	-	11	11	5 %	228	-	228	-	-	0	-	
3926 GOVSATCOM prep.	3 882	-	-	54	54	1 %	3 828	-	3 828	-	-	0	-	
3927 Horizon 2020 - 5th call	27	-	-	27	27	97 %	1	-	1	-	-	0	-	
3928 Govsatcom Entrusted	188	-	-	-	-	0 %	188	-	188	-	-	0	-	
3929 GALILEO activities	2 082 061	-	-	250 411	250 411	12 %	1 831 649	-	1 831 649	-	-	0	-	
3930 EGNOS activities	924 748	-	-	74 254	74 254	8 %	850 494	-	850 494	-	-	0	-	
3931 GOVSATCOM activities	165 000	-	-	3 552	3 552	2 %	161 448	-	161 448	-	-	0	-	
3932 SSA activities	1 600	-	-	671	671	42 %	929	-	929	-	-	0	-	
3933 Horizon Europe - Downstream activities	304 900	-	-	34 792	34 792	11 %	270 108	-	270 108	-	-	0	-	

Annual accounts of the European Union Agency for the Space Programme 2022

EUR '000

Item	Total approp. available	Commitments made					Appropriations carried over to 2023			Appropriations lapsing			
		from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
3934 Copernicus - Downstream activities	29 400	-	-	422	422	1 %	28 978	-	28 978	-	-	0	-
3935 GALILEO Application	500	-	-	96	96	19 %	404	-	404	-	-	0	-
Total Chapter 39	3 730 780	-	-	574 479	574 479	15 %	3 156 301	-	3 156 301	-	-	0	-
Total Title 3	3 748 725	17 945	-	574 479	592 424	16 %	3 156 301	-	3 156 301	-	-	0	-
GRAND TOTAL	3 801 426	70 032	-	574 799	644 832	17 %	3 156 594	-	3 156 594	-	-	-	-

5.4. Implementation of payment appropriations

5.4.1. Implementation of payment appropriations - Title 1

EUR '000

Item	Total approp. availab.	from final adopt. budget	Payments made				Appropriations carried over to 2023				Appropriations lapsing			
			from carry-overs	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry-overs	from assign. rev.	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
1100 Staff expenditure	27 219	27 219	-	-	27 219	100 %	-	-	-	-	-	-	-	-
Total Chapter 11	27 219	27 219	-	-	27 219	100 %	-	-	-	-	-	-	-	-
1200 Recruitment costs	93	39	13	-	51	55 %	41	-	-	41	-	1	-	1
1210 Medical services	113	23	42	-	65	57 %	28	-	-	28	-	20	-	20
Total Chapter 12	206	61	55	-	116	57 %	68	-	-	68	-	21	-	21
1300 Missions and travel	1 318	1 000	74	9	1 083	82 %	228	-	1	229	0	6	-	6
Total Chapter 13	1 318	1 000	74	9	1 083	82 %	228	-	1	229	0	6	-	6
1400 Training expenditure	1 090	473	434	-	907	83 %	155	-	-	155	-	28	-	28
Total Chapter 14	1 090	473	434	-	907	83 %	155	-	-	155	-	28	-	28
1500 Social measures	488	210	63	7	279	57 %	208	-	-	208	-	-	-	-
Total Chapter 15	488	210	63	7	279	57 %	208	-	-	208	-	-	-	-
1600 External service providers	1 049	562	454	-	1 016	97 %	17	-	-	17	0	17	-	17
Total Chapter 16	1 049	562	454	-	1 016	97 %	17	-	-	17	0	17	-	17
1700 Representation expenditure	0	0	-	-	0	100 %	-	-	-	-	-	-	-	-
Total Chapter 17	0	0	-	-	0	100 %	-	-	-	-	-	-	-	-
1800 Tuition fees	2 644	2 279	265	6	2 549	96 %	85	-	9	95	-	-	-	-
Total Chapter 18	2 644	2 279	265	6	2 549	96 %	85	-	9	95	-	-	-	-
Total Title 1	34 014	31 804	1 345	22	33 171	98 %	762	-	10	772	0	72	-	72

5.4.2. Implementation of payment appropriations - Title 2

EUR '000

Item	Total approp. availab.	from final adopt. budget	Payments made				Total	%	Appropriations carried over to 2023			Appropriations lapsing		
			from carry-overs	from assign. revenue	Autom. carry-overs	By decision			Assigned rev.	Total	from final adopt. budget	from carry-overs	from assign. rev.	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
2000 Investment in immovable property, rental	5 161	1 445	1 581	296	3 322	64 %	1 393	-	280	1 673	-	166	-	166
Total Chapter 20	5 161	1 445	1 581	296	3 322	64 %	1 393	-	280	1 673	-	166	-	166
2100 Data processing cost	17 004	1 898	3 731	-	5 629	33 %	11 187	-	-	11 187	-	188	-	188
Total Chapter 21	17 004	1 898	3 731	-	5 629	33 %	11 187	-	-	11 187	-	188	-	188
2200 Movable property and associated costs	574	26	391	-	417	73 %	153	-	-	153	-	4	-	4
Total Chapter 22	574	26	391	-	417	73 %	153	-	-	153	-	4	-	4
2300 Current administrative expenditure	4 298	924	1 151	0	2 075	48 %	2 178	-	-	2 178	-	45	-	45
Total Chapter 23	4 298	924	1 151	0	2 075	48 %	2 178	-	-	2 178	-	45	-	45
2400 Postage and telecommunication costs	202	69	55	-	124	61 %	78	-	-	78	-	1	-	1
Total Chapter 24	202	69	55	-	124	61 %	78	-	-	78	-	1	-	1
2500 Expenditure in meetings	39	33	-	-	33	83 %	5	-	-	5	(0)	2	-	2
Total Chapter 25	39	33	-	-	33	83 %	5	-	-	5	(0)	2	-	2
2600 Security Accreditation Board (SAB) administrative expenditure	228	117	82	2	201	88 %	17	-	3	21	-	6	-	6
Total Chapter 26	228	117	82	2	201	88 %	17	-	3	21	-	6	-	6
Total Title 2	27 506	4 511	6 992	299	11 801	43 %	15 011	-	283	15 294	(0)	411	-	411

5.4.3. Implementation of payment appropriations - Title 3

EUR '000

Item	Total approp. availab.	Payments made					Appropriations carried over to 2023					Appropriations lapsing			
		from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry-overs	from assign. rev.	Total	
	1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13	
3100 Expenditure on studies	14 216	10 516	2 003	-	12 519	88 %	-	1 697	-	1 697	-	-	-	-	
Total Chapter 31	14 216	10 516	2 003	-	12 519	88 %	-	1 697	-	1 697	-	-	-	-	
3300 Security Accreditation Board (SAB) expenditure	1 402	817	310	-	1 127	80 %	-	275	-	275	-	-	-	-	
Total Chapter 33	1 402	817	310	-	1 127	80 %	-	275	-	275	-	-	-	-	
3918 Public regulated services	565	-	-	565	565	100 %	-	-	-	-	-	-	-	-	
3920 EGNOS exploitation	381 429	-	-	175 644	175 644	46 %	-	-	205 784	205 784	-	-	-	-	
3921 Horizon 2020 - 1st call	1 415	-	-	369	369	26 %	-	-	1 046	1 046	-	-	-	-	
3922 GALILEO exploitation	354 124	-	-	215 619	215 619	61 %	-	-	138 505	138 505	-	-	-	-	
3923 Horizon 2020 - 2nd call	1 197	-	-	357	357	30 %	-	-	840	840	-	-	-	-	
3924 Horizon 2020 - 3rd call	2 098	-	-	768	768	37 %	-	-	1 330	1 330	-	-	-	-	
3925 Horizon 2020 - 4th call	3 108	-	-	946	946	30 %	-	-	2 162	2 162	-	-	-	-	
3926 GOVSATCOM prep.	2 474	-	-	1	1	0 %	-	-	2 473	2 473	-	-	-	-	
3927 Horizon 2020 - 5th call	9 632	-	-	3 254	3 254	34 %	-	-	6 377	6 377	-	-	-	-	
3928 Govsatcom Entrusted	281	-	-	281	281	100 %	-	-	-	-	-	-	-	-	
3929 GALILEO activities	1 171 882	-	-	793 399	793 399	68 %	-	-	378 484	378 484	-	-	-	-	
3930 EGNOS activities	173 000	-	-	56 670	56 670	33 %	-	-	116 330	116 330	-	-	-	-	
3931 GOVSATCOM activities	2 574	-	-	32	32	1 %	-	-	2 542	2 542	-	-	-	-	

Item	Total approp. availab.	Payments made					Appropriations carried over to 2023					Appropriations lapsing		
		from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry-overs	from assign. rev.	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
3932 SSA activities	700	-	-	202	202	29 %	-	-	498	498	-	-	-	-
3933 Horizon Europe - Downstream activities	23 308	-	-	13 998	13 998	60 %	-	-	9 310	9 310	-	-	-	-
3934 Copernicus - Downstream activities	4000	-	-	677	677	17 %	-	-	3 323	3 323	-	-	-	-
3935 GALILEO Application	400	-	-	-	-	0 %	-	-	400	400	-	-	-	-
Total Chapter 39	2 132 188	-	-	1 262 783	1 262 783	59 %	-	-	869 405	869 405	-	-	-	-
Total Title 3	2 147 806	11 333	2 313	1 262 783	1 276 430	59 %	-	1 972	869 405	871 377	-	-	-	-
GRAND TOTAL	2 209 326	47 648	10 650	1 263 104	1 321 402	60 %	15 773	1 972	869 698	887 442	0	483	-	483

6. OUTSTANDING COMMITMENTS

6.1. Outstanding commitments – Title 1

EUR '000

Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	Commitm. carried forward from previous year	Decommit. Revaluation Cancellations	Pay-ments	Total	Commit-ments made during the year	Pay-ments	Cancel-lation of commit. which cannot be carried forward	Commit. outstand-ing at year-end	
	1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
1100 Staff expenditure	-	-	-	-	27 219	27 219	-	-	-
Total Chapter 11	-	-	-	-	27 219	27 219	-	-	-
1200 Recruitment costs	14	(1)	13	-	79	39	-	41	41
1210 Medical services	63	(20)	42	-	50	23	-	28	28
Total Chapter 12	76	(21)	55	-	130	61	-	68	68
1300 Missions and travel	80	(6)	74	-	1 237	1 010	-	228	228
Total Chapter 13	80	(6)	74	-	1 237	1 010	-	228	228
1400 Training expenditure	462	(28)	434	-	628	473	-	155	155
Total Chapter 14	462	(28)	434	-	628	473	-	155	155
1500 Social measures	63	-	63	-	425	217	-	208	208
Total Chapter 15	63	-	63	-	425	217	-	208	208
1600 External service providers	471	(17)	454	-	578	562	-	17	17
Total Chapter 16	471	(17)	454	-	578	562	-	17	17
1700 Representation expenditure	-	-	-	-	0	0	-	-	-
Total Chapter 17	-	-	-	-	0	0	-	-	-
1800 Tuition fees	265	-	265	-	2 370	2 285	-	85	85
Total Chapter 18	265	-	265	-	2 370	2 285	-	85	85
Total Title 1	1 416	(72)	1 345	-	32 588	31 826	-	762	762

6.2. Outstanding commitments – Title 2

EUR '000

Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	Commitm. carried for- ward from pre- vious year	Decommit. Revaluation Cancel- lations	Pay- ments	Total	Commit- ments made during the year	Pay- ments	Cancel- lation of commit. which cannot be carried forward	Commit. outstand- ing at year-end	
	1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
2000 Investment in immovable property, rental	1 747	(166)	1 581	-	3 134	1 741	-	1 393	1 393
Total Chapter 20	1 747	(166)	1 581	-	3 134	1 741	-	1 393	1 393
2100 Data processing cost	3 920	(188)	3 731	-	13 085	1 898	-	11 187	11 187
Total Chapter 21	3 920	(188)	3 731	-	13 085	1 898	-	11 187	11 187
2200 Movable property and associated costs	395	(4)	391	-	178	26	-	153	153
Total Chapter 22	395	(4)	391	-	178	26	-	153	153
2300 Current administrative expenditure	1 195	(45)	1 151	-	3 102	924	-	2 178	2 178
Total Chapter 23	1 195	(45)	1 151	-	3 102	924	-	2 178	2 178
2400 Postage and telecommunication costs	55	(1)	55	-	147	69	-	78	78
Total Chapter 24	55	(1)	55	-	147	69	-	78	78
2500 Expenditure in meetings	2	(2)	-	-	37	33	-	5	5
Total Chapter 25	2	(2)	-	-	37	33	-	5	5
2600 Security Accreditation Board (SAB) administrative expenditure	88	(6)	82	-	137	119	-	17	17
Total Chapter 26	88	(6)	82	-	137	119	-	17	17
Total Title 2	7 403	(411)	6 992	-	19 820	4 809	-	15 011	15 011

6.3. Outstanding commitments – Title 3

EUR '000

Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	Commitm. carried for- ward from pre- vious year	Decommit. Revaluation Cancel- lations	Pay- ments	Total	Commit- ments made during the year	Pay- ments	Cancel- lation of commit. which cannot be carried forward	Commit. outstand- ing at year-end	
	1	2	3	4=1+2-3	5	6	7	8=5-6-7	
3100 Expenditure on studies	18 155	(55)	11 736	6 364	16 946	783	-	16 163	22 527
Total Chapter 31	18 155	(55)	11 736	6 364	16 946	783	-	16 163	22 527
3300 Security Accreditation Board (SAB) expenditure	581	(3)	578	-	999	550	-	449	449
Total Chapter 33	581	(3)	578	-	999	550	-	449	449
3918 Public regulated services	565	-	565	-	-	-	-	-	-
3920 EGNOS exploitation	396 151	(45 074)	165 044	186 032	210 189	10 600	-	199 589	385 621
3921 Horizon 2020 - 1st call	1 676	-	369	1 307	-	-	-	-	1 307
3922 GALILEO exploitation	491 452	(1 666)	215 619	274 167	-	-	-	-	274 167
3923 Horizon 2020 - 2nd call	547	(190)	357	-	-	-	-	-	-
3924 Horizon 2020 - 3rd call	2 494	(189)	768	1 537	-	-	-	-	1 537
3925 Horizon 2020 - 4th call	3 490	(93)	946	2 451	11	-	-	11	2 462
3926 GOVSATCOM prep.	286	(54)	1	231	54	-	-	54	285
3927 Horizon 2020 - 5th call	12 178	(27)	3 254	8 897	27	-	-	27	8 924
3928 Govsatcom Entrusted	703	-	281	422	-	-	-	-	422
3929 GALILEO activities	4071 994	(710)	772 946	3298 337	250 411	20 452	-	229 959	3528 297
3930 EGNOS activities	402 252	-	49 427	352 825	74 254	7 243	-	67 010	419 836
3931 GOVSATCOM activities	-	-	-	-	3 552	32	-	3 520	3 520
3932 SSA activities	-	-	-	-	671	202	-	468	468
3933 Horizon Europe - Downstream activities	-	-	-	-	34 792	13 998	-	20 794	20 794
3934 Copernicus - Downstream activities	600	-	417	183	422	260	-	162	345
3935 GALILEO Application	-	-	-	-	96	-	-	96	96
Total Chapter 39	5 384 388	(48 002)	1 209 995	4 126 391	574 479	52 788	-	521 691	4 648 081
Total Title 3	5 403 124	(48 061)	1 222 309	4 132 755	592 424	54 121	-	538 303	4 671 058
GRAND TOTAL	5 411 944	(48 543)	1 230 645	4 132 755	644 832	90 756	-	554 076	4 686 831

7. GLOSSARY

Administrative appropriations

Appropriations to cover the running costs of the entities (staff, buildings, office equipment).

Adopted budget

Draft budget becomes the adopted budget as soon as approved by the budgetary authority.

Amending budget

Decision adopted during the budget year to amend (increase, decrease, transfer) aspects of the adopted budget of that year.

Appropriations

Budget funding.

The budget forecasts both commitments (legal pledges to provide finance) and payments (cash or bank transfers to the beneficiaries). Appropriations for commitments and payments often differ — differentiated appropriations — because multiannual programmes and projects are usually fully committed in the year they are decided and are paid over the years as the implementation of the programme and project progresses.

Assigned revenue

Revenue dedicated to finance specific items of expenditure.

Budget result

The difference between income received and amounts paid, including adjustments for carry-overs, cancellations and exchange rate differences.

For agencies, the resulting amount will have to be reimbursed to the funding authority.

Budget implementation

Consumption of the budget through expenditure and revenue operations.

Budget item / Budget line / Budget position

Revenue and expenditure are shown in the budget structure in accordance with a binding nomenclature, which reflects the nature and purpose of each item, as imposed by the budgetary authority. The individual headings (title, chapter, article or item) provide a formal description of the nomenclature.

Budgetary commitment

Operation by which the authorising officer responsible reserves the budget appropriations necessary to cover for subsequent payments to honour legal commitments.

Cancellation of appropriations

Appropriations which have not been used by the end of the financial year and which cannot be carried over, shall be cancelled.

Carryover of appropriations

Exception to the principle of annuality in so far as appropriations that could not be used in a given budget year may, under strict conditions, be exceptionally carried over for use during the following year.

Commitment appropriations

Commitment appropriations cover the total value of legal obligations (contracts, grant agreements or decisions) that could be signed in the current financial year.

De-commitment

Operation whereby the authorising officer responsible cancels wholly or partly the reservation of appropriations previously made by means of a budgetary commitment.

Differentiated appropriations

Differentiated appropriations are used to finance multiannual operations; they cover, for the current financial year, the total cost of the legal obligations entered into for operations whose implementation extends over more than one financial year.

Economic result

Impact on the balance sheet of expenditure and revenue based on accrual accounting rules.

Entitlements established

Right to collect income from a debtor as recognised through the issuing of a recovery order.

Exchange rate difference

The difference resulting from currency exchange rates applied to the transactions concerning countries outside the euro area, or from the revaluation of assets and liabilities in foreign currencies at the date of the accounts.

Expenditure

Term used to describe spending the budget from all types of funds sources.

Grants

Direct financial contributions from the budget to third-party beneficiaries, engaged in activities that serve Union policies.

Lapsing appropriations

Unused appropriations to be cancelled at the end of the financial year. Lapsing means the cancellation of all or part of the authorisation to make expenditures and/or incur liabilities, as represented by an appropriation.

For joint undertakings (and EIT), as specified in their Financial Rules, any unused appropriations may be entered in the estimate of revenue and expenditure of up to the following three financial years (the so-called "N+3" rule). Hence, lapsing appropriations for JUs can be re-activated until financial year "N+3".

Legal basis / basic act

The legal act adopted by the legislative authority (usually the Council and European Parliament) specifying the objective of a Union spending programme, the purpose of the appropriations, the rules for intervention, expiry date and the relevant financial rules to serve as a legal basis for the implementation of the spending programme.

Legal commitment

The act whereby the Authorising Officer enters into an obligation towards third parties which results in a charge for the Union budget.

Common forms of legal commitments are contracts in the case of procurement, grant agreements and grant decisions.

Non-differentiated appropriations

Appropriations which meet annual needs and must therefore be committed during the budget year. Only amounts qualifying for automatic carryover can be disbursed in the following year. Non-differentiated appropriations which have not been used, i.e. committed, by the end of the year, are cancelled (unless, exceptionally, permission is given by a Commission decision for a non-automatic carryover). Non-differentiated appropriations apply to administrative expenditure and commitment appropriations equal payment appropriations.

Operational appropriations

Operational appropriations finance the different policies, mainly in the form of grants or procurement.

Outstanding commitments

Outstanding commitments (or RAL, from the French 'reste à liquider') are defined as the amount of appropriations committed that have not yet been paid. They stem directly from the existence of multiannual programmes and the dissociation between commitment and payment appropriations.

Payment appropriations

Payment appropriations cover expenditure due in the current year, arising from legal commitments entered in the current year and/or earlier years.

RAL (Reste à liquider)

Amount remaining to be paid on a budgetary commitment at a given moment. Cf. Outstanding commitments

Surplus

Positive difference between revenue and expenditure, which has to be returned to the funding authority. Cf. Budget result

Transfer between budget lines

Transfers between budget lines imply the relocation of appropriations from one budget line to another, in the course of the financial year, and thereby they constitute an exception to the budgetary principle of specification.