



EUROPEAN COMMISSION
European Innovation Council and
Small & Medium-sized Enterprises Executive Agency (EISMEA)

**FINAL ANNUAL ACCOUNTS
OF
THE EUROPEAN INNOVATION
COUNCIL AND
SMALL & MEDIUM-SIZED
ENTERPRISE EXECUTIVE AGENCY
(EISMEA)**

Financial Year 2022

**Financial Statements
Reports on the budget implementation**

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CERTIFICATION OF THE ACCOUNTS

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European Innovation Council and Small & Medium-sized Enterprises Executive Agency (EISMEA) in accordance with Title XIII of the Financial Regulation applicable to the general budget of the European Union and in accordance with Title VI of the Standard Financial Regulation for the Executive Agencies.

I hereby certify that the annual accounts of EISMEA for the year 2022 have been prepared in accordance with Title VI of the Standard Financial Regulation for the Executive Agencies 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 EISMEA'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 EISMEA.

Brussels, 27 June 2023

Olga Ciesielska

Accounting Officer of EISMEA

INTRODUCTION

LEGAL BASIS

The accounts of the European Innovation Council and Small & Medium-sized Enterprises Executive Agency (EISMEA), hereafter: the Agency, are kept in accordance with:

- Commission Regulation 1653/2004, of 21 September 2004, on a standard financial regulation for the executive agencies pursuant to Council Regulation 58/2003¹ laying down the Statute for executive agencies to be entrusted with certain tasks in the management of Community programmes amended by Commission Regulation 1821/2005 and by Commission Regulation 651/2008 of 9 July 2008;
- The accounting rules, methods and guidelines as adopted and provided by the Accountant of the Commission according to Regulation (EU, Euratom) No 2021/1046 of the European Parliament and of the Council of 18 July 2021, on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 The Commission Regulation (EC) No 2909/2000 of 29 December 2000 on the accounting management of the European Communities' non-financial fixed assets.
- The 20 accounting rules on accrual accounting adopted by the Accounting Officer of the Commission in December 2004 and last updated in December 2020.
- The European Commission's 2022 closure consolidation instructions.

BACKGROUND INFORMATION

Executive Agencies are established by the Commission in accordance with Council Regulation (EC) No 58/2003¹ with the purpose of delegating certain tasks relating to the management of Union programmes, including budget implementation. This enables the Commission to focus on its core activities and to dispose of sufficient technical expertise for the management of such programmes with the goal to achieve a more efficient implementation.

The European Innovation Council and Small and Medium-sized Enterprises Executive Agency (EISMEA) was established on 1 April, 2021². With a focus on innovation and the single market, it will create strong synergies to support the recovery of the European economy. The agency has been entrusted with the implementation of the following (parts of) Union programmes:

- Horizon Europe, pillar III: the European Innovation Council (EIC) and European Innovation Ecosystems (EIE);
- European Regional Development Fund: Interregional Innovation Investments;
- Single Market Programme: SME Pillar; Internal market; support to standardisation; and Consumers.

By implementing these programmes and the specific delegated tasks, the agency contributes to reaching the European Commission's objectives of a European Green Deal and a Europe fit for the digital age, hence contributing to its open strategic autonomy.

¹ Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes (OJ L 11 of 16.01.2003).

² COMMISSION IMPLEMENTING DECISION (EU) 2021/173 of 12 February 2021

EISMEA's mission is to provide high quality support to European innovators, researchers, businesses, regions and consumers. The agency aims to reinforce the European Union's position as a global leader in Research and Innovation, strengthen its Single Market, open up opportunities for SMEs and maintain high standards of protection for its citizens towards a more competitive, digital, green and inclusive EU. Its work is underpinned by six core values: client orientation, excellence, innovation, integrity, respect and transparency.

The Agency has its own legal identity and its tasks are specified in the Act of Delegation. This means that EISMEA implements the delegated programmes autonomously with the Director acting as Authorising Officer by Delegation (AOD). EISMEA implements the EU programme budgets under direct management (Article 62(1)a and 69(2) of the Financial Regulation).

The Agency has its own administrative budget for which it receives from the EU an annual subsidy (in 2022: EUR 46 027 373). The administrative budget covers the running costs of the Agency, mainly staff expenditure, office related costs, experts and other services. The EISMEA's Director is the Authorising Officer (AO) for this budget.

EISMEA operates under the control of the Commission: it reports to the Directors-General of the parent Directorates-General (DGs) and to the Steering Committee, on the performance of the tasks assigned to the Agency. The Agency implements delegated tasks in close cooperation with its five parent DGs: (1) DG for Research and Innovation, (2) DG for Communications Networks, Content and Technology, (3) DG for Internal Market, Industry, Entrepreneurship and SMEs, (4) DG for Justice and Consumers and (5) DG for Regional and Urban Policy.

External Audit

The European Court of Auditors is required to prepare a specific annual report on the Agency in line with the requirements of Article 248 of the EC Treaty³.

Discharge

The European Parliament is the discharge authority within the EU. This means that, following the audit and provisionalisation of the annual accounts, it falls to the Council to recommend and then to the European Parliament to give a discharge to the Agency for a given financial year.

³ Art. 65 of the Commission Regulation (EC) n° 1653/2004 of the 21 December 2004 on a standard regulation for the executive agencies pursuant to Council Regulation (EC) n° 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes

FINANCIAL STATEMENTS

BALANCE SHEET

EUR

	Note	31.12.2022	31.12.2021
NON-CURRENT ASSETS		927 314	955 943
Intangible assets	2.1	-	-
Tangible fixed assets	2.2	927 314	955 943
Plant and equipment		-	-
Computer hardware		4 994	6 572
Fixtures and fittings		922 320	949 371
CURRENT ASSETS		5 612 784	4 572 549
Exchange receivables and non-exchange recoverables	Error! Reference source not found.	44 322	59 163
Current receivables		-	1 765
Current receivables from consolidated entities		22 421	-
Sundry receivables		21 901	57 398
Deferred charges	2.4	166 044	377 990
Accrued income	2.5	14 850	-
Cash and cash equivalents	2.6	5 387 568	4 135 396
TOTAL ASSETS		6 540 098	5 528 492
NON-CURRENT LIABILITIES		-	-
CURRENT LIABILITIES		5 074 136	4 161 154
Provisions for risks and liabilities	2.7	28 180	49 670
Payables		1 909 177	1 502 718
Current payables	2.8	42 764	10 466
Accounts payable to consolidated EU entities	2.9	1 866 413	1 492 252
Accrued charges and deferred income	2.10	3 136 779	2 608 766
Accrued charges with non-consolidated entities		2 150 229	1 743 907
Accrued charges with consolidated entities		986 550	864 859
TOTAL LIABILITIES		5 074 136	4 161 154
NET ASSETS	2.11	1 465 962	1 367 338
Accumulated surplus/(deficit)		1 367 338	1 093 798
Economic result of the year		98 624	273 540

STATEMENT OF FINANCIAL PERFORMANCE

EUR

	Note	2022	2021
OPERATING REVENUE		44 581 145	41 305 605
Non-exchange revenue	3.1.1	44 552 519	41 288 664
European Union Contribution		44 552 519	41 288 664
Other non-exchange revenue		-	-
Exchange revenue	3.1.2	28 626	16 941
Income from consolidated entities		9 558	-
Other miscellaneous revenues		17 395	7 551
Gains from exchange rate differences		1 673	9 390
OPERATING EXPENSES		(44 482 471)	(41 030 791)
Staff expenditure	3.2.1	(33 751 329)	(31 232 935)
Administrative expenses with non-consolidated entities	3.2.2	(5 173 111)	(3 537 469)
Expenses with consolidated entities	3.2.3	(5 310 510)	(5 969 209)
Fixed assets related expenses	3.2.4	(245 457)	(278 673)
Exchange differences		(2 064)	(12 505)
SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES		98 674	274 814
Financial revenue		-	-
Financial expenses	3.3	(50)	(1 274)
SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES		98 624	273 540
Extraordinary gains		-	-
Extraordinary losses		-	-
SURPLUS/(DEFICIT) FROM EXTRAORDINARY ITEMS		-	-
ECONOMIC RESULT OF THE YEAR		98 624	273 540

CASH FLOW STATEMENT

EUR

	Note	2022	2021
Economic result of the year		98 624	273 540
Operating activities	4.1	1 370 375	(1 451 876)
Amortisation		-	76
Depreciation		244 335	244 825
(Increase)/Decrease in receivables and recoverables		22 412	(1 765)
(Increase)/Decrease in receivables from consolidated EU entities		(22 421)	(6 610)
(Increase)/Decrease in prepayments		211 946	946 298
Increase/(Decrease) in provisions		(21 490)	(6 755)
Increase/(Decrease) in payables		438 620	(1 877 632)
Increase/(Decrease) in liabilities to consolidated EU entities		495 852	(829 956)
(Gains)/losses on sale of property, plant and equipment		1 122	79 643
Net cash-flow from operating activities		1 469 000	(1 178 336)
Investing activities	4.2	(216 828)	(6 883)
Purchase of intangible assets and property, plant and equipment		(216 828)	(6 883)
Net increase/(decrease) in cash and cash equivalents		1 252 172	(1 185 219)
Cash and cash equivalents at the beginning of the year		4 135 396	5 320 615
Cash and cash equivalents at year-end		5 387 568	4 135 396

STATEMENT OF CHANGES IN NET ASSETS

EUR

	Note	Accumulated Surplus/Deficit	Economic result of the year	Net Assets (Total)
Balance as at 31 December 2021		1 367 338	-	1 367 338
Changes in accounting policies		-	-	-
Balance as at 1 January 2022		1 367 338	-	1 367 338
Allocation of the economic result of previous year		-	-	-
Economic result of the year		-	98 624	98 624
Balance as at 31 December 2022		1 367 338	98 624	1 465 962

NOTES TO THE FINANCIAL STATEMENTS

A complete set of financial statements is used to give readers an overview of the financial results and the financial situation of the entity. The financial statements of EISMEA are comprised of four reports, which are as follows:

- Balance sheet. Presents the assets, liabilities, and equity of the Agency as of the reporting date. It also provides information about the liquidity and the capitalisation of the organisation.
- Statement of financial performance. Presents the revenue, expenses, and profits/loss generated during the reporting period. The report gives information about the operating results of the Agency.
- Cash flow statement. Presents the cash inflows and outflows that occurred during the reporting period. It can provide a useful comparison to the statement of financial performance, especially when the amount of profit or loss reported does not reflect the cash flows generated during the year.
- Statement of changes in net assets. Presents changes in equity during the reporting period.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. Legal basis and Accounting rules

These accounts are kept in accordance with Commission Regulation (EC) N° 1653/2004 of 21 September 2004⁴ on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) N° 58/2003. Art 2 of the standard financial regulation defines in which cases the executive agencies shall also apply the Financial Regulation applicable to the general budget of the European Communities (Regulation (EU, Euratom) N° 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union).

These financial statements are prepared on the basis of the EU Accounting Rules, as adopted by the Commission's Accounting Officer, which adapt the International Public Sector Accounting Standards (and in some cases the International Financial Reporting Standards) to the specific environment of the EU, while the reports on implementation of the budget continue to be primarily based on movements of cash.

The accounting system of the Agency comprises general accounts and budget accounts. These accounts are kept in Euro on the basis of the calendar year. The budget accounts give a detailed picture of the implementation of the budget. They are based on the modified cash accounting principle.⁵ The general accounts allow for the preparation of the financial statements as they show all charges and income for the financial year and are designed to establish the financial position in the form of a balance sheet at 31 December.

1.2. Accounting principles

The objectives of the financial statements are to provide information about the financial position, performance and cash flows of an entity that is useful to a wide range of users. For a public sector entity such as the Agency, the objectives are more specifically to provide information useful for decision making, and to demonstrate the accountability of the entity for the resources entrusted to it.

Article 53 of the standard financial regulation for executive agencies (Commission Regulation (EC) N° 1653/2004 amended by Commission Regulation (EC) N° 651/2008) sets out the accounting principles to be applied in drawing up the financial statements:

⁴ Amended by Commission Regulation (EC) No 651/2008 of 9th July 2008

⁵ This differs from cash-based accounting because of elements such as carryovers.

Going-concern principle

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

Principle of prudence

The principle of prudence implies that assets and income shall not be overstated and liabilities and charges shall not be understated. However, the principle of prudence does not allow the creation of hidden reserves or undue provisions.

Principle of consistent accounting methods

The principle of consistent accounting methods means that the structure of the components of the financial statements and the accounting methods and valuation rules may not be changed from one year to the next.

The Agency's accounting officer may not depart from the principle of consistent accounting methods other than in exceptional circumstances, in particular:

- (a) in the event of a significant change in the nature of the entity's operations;
- (b) where the change made is for the sake of a more appropriate presentation of the accounting operations.

Principle of comparability of information

The principle of comparability of information means that for each item the financial statements shall also show the amount of the corresponding item the previous year.

Where, the presentation or the classification of one of the components of the financial statements is changed, the corresponding amounts for the previous year shall be made comparable and reclassified. Where it is impossible to reclassify items, this shall be explained in the annex to the financial statements.

Principle of materiality

The materiality principle means that all operations which are of significance for the information sought shall be taken into account in the financial statements. Materiality shall be assessed in particular by reference to the nature of the transaction or the amount.

Transactions may be aggregated where:

- (a) the transactions are identical in nature, even if the amounts are large,
- (b) the amounts are negligible,
- (c) aggregation makes for clarity in the financial statements.

Principle of no-netting

The no-netting principle means that receivables and debts may not be offset against each other, nor may charges and income, except when offsetting reflects the substance of the transaction or other event.

Principle of reality over appearance

The principle of reality over appearance means that accounting events recorded in the financial statements shall be presented by reference to their economic nature.

Accrual-based accounting principle

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

Exception to the accounting principles

Where, in a specific case, the accounting officer considers that an exception should be made to the content of one of the accounting principles defined above this exception must be duly substantiated and reported in the annex to the financial statements.

1.3. Basis of preparation

Functional and reporting currency

The financial statements are presented in euros, which is the functional and reporting currency of the EU and of the Agency.

Transactions and balances

Foreign currency transactions are recorded 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 translation of monetary items in foreign currency into euros at year-end are recognised in the statement of financial performance.

Chart of Accounts

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

Use of estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts presented and disclosed in the Financial Statements of the Agency. Significant estimates and assumptions in these financial statements require judgment and are used for, but not limited to, accrued income and charges, provisions, contingent assets and liabilities. Actual results reported in future periods may be different from these estimates. Changes in estimates are reflected in the period in which they become known.

1.4. Balance Sheet

Assets are resources controlled by the Agency as a result of past events and from which future economic benefits or service potential are expected to flow.

1.4.1. Intangible fixed assets

Intangible assets are identifiable non-monetary assets without physical substance. Acquired computer software licences are stated at historical cost less accumulated amortisation and impairment losses. The assets are amortised on a straight-line basis over their estimated useful lives. The estimated useful lives of intangible assets depend on their specific economic lifetime or legal lifetime determined by an agreement.

Currently the Agency uses 25% amortisation rate for its intangible assets.

Amortisation is the systematic allocation of the depreciable amount of an intangible asset over its useful life (EU Accounting Rule 6).

Internally developed intangible assets are capitalised when the relevant criteria of the EU Accounting rules are met. The costs capitalisable include all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. Costs associated with research activities, non-capitalisable development costs and maintenance costs are recognised as expenses as incurred.

1.4.2. Tangible fixed assets

Tangible fixed assets are identifiable non-monetary assets with physical substance. Tangible fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition or construction 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 Agency 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.

Assets under construction are not depreciated as these assets are not yet available for use.

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life (EU Accounting Rule 7).

The depreciation is calculated using the straight-line method with the following rates:

Type of asset	Straight line depreciation rate
Plant, machinery and equipment	12.5 - 25%
Fixtures and fittings	5 - 25%
Computer hardware	25%

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.

1.4.3. Financial assets

The Agency has as financial assets its exchange receivables and cash and cash equivalents. At initial recognition, they are classified in the category at amortised cost as the management model is to hold these non-derivative financial assets in order to collect the contractual cash flows.

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

The Agency recognises and measures an impairment loss for expected credit losses on financial assets that are measured at amortised cost.

The expected credit loss (ECL) is the present value of the difference between the contractual cash flows and the cash flows that the Agency expects to receive. The ECL incorporates reasonable and supportable information that is available without undue cost or effort at the reporting date.

For assets at amortised cost, the asset's carrying amount is reduced by the amount of the impairment loss which is recognised in the statement of financial performance. If, in a subsequent period, the amount of the impairment loss decreases, the previously recognised impairment loss is reversed through the statement of financial performance.

See notes 1.4.4, 1.4.5 and 6 below for more information.

1.4.4. Exchange receivables and non-exchange recoverables

The EU accounting rules require a 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 are financial assets measured at amortized costs.

Recoverable 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 recoverable. 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.

1.4.5. Cash and cash equivalents

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

1.4.6. Provisions

Provisions are recognised when the Agency has a present legal or constructive obligation towards third parties as a result of past events, it is more likely that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. The amount of the provision is the best estimate of the expenditures expected to be required to settle the present obligation at the reporting date.

1.4.7. Financial liabilities

The Agency has as financial liabilities its payables. They are classified as current liabilities, except for maturities more than 12 months after the balance sheet date. See note 1.4.88 below for more information.

1.4.8. Payables

A significant amount of payables are related to the purchase of goods or services. Those are recognised at the fair value as at the date of the acquisition and corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by the Agency.

1.4.9. Accrued and deferred income and charges

According to the EU Accounting rules, transactions and events are recognised in the financial statements in the period to which they relate. At the end of the accounting period, accrued expenses are recognised based on an estimated amount of the transfer obligation of the period. The calculation of accrued expenses is done in accordance with detailed operational and practical guidelines issued by the Commission and by the Agency which aim at ensuring that the financial statements reflect a true and fair view.

Revenue is also accounted for in the period to which it relates. At year-end, if an invoice is not yet issued but the service has been rendered, the supplies have been delivered by the Agency or a contractual agreement exists (i.e. by reference to a treaty), an accrued income 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 or charges will be deferred and recognised in the subsequent accounting period.

1.5. Statement of financial performance

1.5.1. Revenue

Non-exchange revenue makes up the vast majority of the Agency revenue and includes mainly EU subsidy.

Exchange revenue is the revenue from the sale of goods and services. It 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.

Interest income consists of received bank interest.

1.5.2. Expenses

According to the principle of accrual-based accounting, the financial statements take account of expenses relating to the reporting period, without taking into consideration the payment date; meaning when the goods or services are used or consumed.

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 Agency. They are valued at original invoice cost.

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 (Financial Regulation, Staff Regulations, or other regulation) or a contract 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 expenses.

1.6. Contingent Assets and Liabilities

1.6.1. 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 Agency. It is not recognised because the amount of the obligation cannot be measured with sufficient reliability. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

1.6.2. Contingent liabilities

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

1.7. Consolidation

According to Article 57 of Commission Regulation 1653/2004, the Agency's accounts are consolidated with the Commission's annual accounts.

2. NOTES TO THE BALANCE SHEET

NON-CURRENT ASSETS

The Agency uses ABAC Assets as inventory application which is an integrated part of the ABAC platform. The non-current intangible and tangible (property, plant and equipment) assets are called also fixed assets.

2.1. Intangible fixed assets

To be entered in the financial inventory in the balance sheet intangible fixed assets must be controlled by the Agency and generate future economic benefits for the Agency. Moreover the assets should have a purchase price above EUR 700. For internally developed intangible assets, the Agency applied the threshold of EUR 500 000.

The intangible fixed assets at the Agency consist of computer software.

	EUR
	Computer Software
A. Acquisition value	
Gross book value at 31 st December 2021	46 039
Variations of the year:	
Additions	-
Disposals	-
Total gross book value at 31st December 2022	46 039
B. Depreciation and value reduction	
Accumulated depreciation at 31 st December 2021	46 039
Variations of the year:	
Depreciation	-
Disposals	-
Total accumulated depreciation at 31st December 2022	46 039
NET BOOK VALUE (A-B)	-

2.2. Tangible fixed assets

As a general rule, the Agency books as the fixed tangible assets only items with the purchase price above EUR 700. Items with lower value, such as digital cameras, monitors, furniture etc., are treated as expenses of the year but are however registered in the physical inventory.

The Agency's tangible fixed assets consist of technical equipment, furniture, kitchen equipment, computer hardware, telecommunication and audio-visual equipment.

	Plant & equipment	Computer hardware	Fixtures & fittings	EUR Total
A. Acquisition value				
Gross book value at 31st December 2021	2 421	81 532	3 321 655	3 405 608
Variations of the year:				
Additions	-	839	215 989	216 828
Disposals	-	(1 919)	(84 215)	(86 134)
Transfers	-	-	-	-
Total gross book value at 31 December 2022	2 421	80 452	3 453 429	3 536 302
B. Depreciation and value reduction				
Accumulated depreciation at 31st December 2021	2 421	74 960	2 372 284	2 449 665
Variations of the year:				
Depreciation	-	2 417	241 918	244 335
Disposals	-	(1 919)	(83 093)	(85 012)
Transfers	-	-	-	-
Total accumulated depreciation at 31 December 2022	2 421	75 458	2 531 109	2 608 988
NET BOOK VALUE (A-B)	-	4 994	922 320	927 314

CURRENT ASSETS

2.3. Exchange receivables and non-exchange recoverables

	EUR	
	2022	2021
<i>Current receivables</i>	-	1 765
<i>Less amounts written down</i>	-	-
Sub-total current receivables	-	1 765
Current receivables from consolidated entities	22 421	-
Sundry receivables	21 901	57 398
Total	44 322	59 163

The current receivable from consolidated entities represents recovery of payroll expenses paid to staff on behalf of the Commission.

Sundry receivables relate to the monthly salary regularizations concerning staff members and other balances linked to payroll paid to staff on behalf of the Commission and other institutions and not yet claimed by the Agency.

2.4. Deferred charges

	EUR	
	2022	2021
Deferred charges	166 044	377 990
Total	166 044	377 990

Deferred charges consist of the anticipated charges for 2023 (i.e. rent, maintenance contract with SCIC, transport costs, licenses and supplies not yet received) for which the invoices were received before 31 December 2022.

2.5. Accrued income

	EUR	
	2022	2021
Accrued income	14 850	-
Total	14 850	-

Accrued income related to legal costs incurred by the Agency in context of legal proceeding against beneficiaries of grants (granted on operational budget) that will be re-invoiced to concerned beneficiary as EISMEA won the case.

2.6. Cash and cash equivalents

	EUR	
	2022	2021
Bank accounts	5 387 568	4 135 396
Cash and imprest account	-	-
Total	5 387 568	4 135 396

This amount corresponds to the cash balance held by the Agency on 31 December 2022 on its bank account in EUR at ING bank. The Agency does not hold any petty cash.

The bank account is held with ING Belgium SA. The specific contract results from the procedure ERCEA/CAO/PN/2019/32, which EISMEA joined. It runs from 1 January 2020 until 31 December 2024.

NON-CURRENT LIABILITIES

The Agency does not have non-current liabilities on 31 December 2022.

LIABILITIES

2.7. Provisions for risks and liabilities

The provision of EUR 28 180 covers: (1) the legal services fees for the representation of the Agency in the national courts; the ongoing legal cases relate to the grants (covered by the operational budget of the Agency) and (2) staff installation allowances for staff that had a right to reallocate in 2022.

The provision recorded in 2021 was partially consumed and cleared against the actual costs and partially unused and reversed against income:

	EUR				
	Amount at 31.12.2021	Additional provision	Unused amounts reversed	Amounts used	Amount at 31.12.2022
Legal services fees	45 270	10 250	(545)	(36 295)	18 680
Staff installation allowances	4 400	9 500	(2 000)	(2 400)	9 500
Total	49 670	19 750	(2 545)	(38 695)	28 180

2.8. Current payables

The accounts payable as at 31 December 2022 comprise outstanding unpaid invoices and claims from suppliers and other public bodies.

	EUR	
	2022	2021
Amounts payable – suppliers and public bodies	42 764	10 466
Amounts payable - staff	-	-
Total	42 764	10 466

2.9. Accounts payable to consolidated EU entities

	EUR	
	2022	2021
Repayable positive budgetary outturn	1 474 854	1 492 252
Other payables to consolidated EU entities	391 559	-
Total	1 866 413	1 492 252

Repayable positive budgetary outturn - this amount will be reimbursed to the Commission in 2022 (for detailed calculations of the budgetary outturn please refer to the reports on the budget implementation).

Other payables to consolidated EU entities consist open invoices payable on the 31 December 2022 to the European Commission.

2.10. Accrued charges and deferred income

2.10.1. Accrued charges with non-consolidated entities

This amount represents goods and services received in 2022 but not yet recorded as supplier payables on 31 December 2022. The expenses are of two types:

- (a) Invoices to be received, which correspond exactly to the amounts accrued.
- (b) Provisions set aside to pay for services or goods received in 2022. As the exact amount was not known when finalising the accounts, estimation was made based on the contractual or other information.

	EUR	
	2022	2021
Staff related expenses (incl. holiday compensation)	886 350	834 000
Support and services	411 751	291 853
IT Software and maintenance	56 181	245 405
Communication and publications	484 124	234 711
Legal charges and insurance	107 156	46 639
Trainings	71 568	32 392
External audits	109 980	26 022
Missions	22 000	20 000
Other	1 119	12 885
Total	2 150 229	1 743 907

According to the EU Staff Regulation, Annex V: Leave, Article 4, if the person at the time of leaving the service has not used up their annual leave, they shall be paid compensation equal to one thirtieth of their monthly remuneration for each leave's day due to them. The calculated amount of the holiday compensation (included in staff related expenses in the above table) is recognised as accrued expense and amounts EUR 882 000 (2021: EUR 826 000).

2.10.2. Accrued charges with consolidated entities

The amount of EUR 986 550 (2021: EUR 864 859) represents goods and services received in 2022 but not booked as suppliers payables on 31 December 2022. The accruals are based on the Service Level Agreements signed with Commission Directorates (DG BUDG, DIGIT, PMO, OIB and HR) or other EU bodies.

2.11. Net Assets

The net assets amount to EUR 1 465 962 and comprise the total of the economic result of previous years for the amount of EUR 1 367 338 and the economic result of the current year – a profit for the amount of EUR 98 624.

The economic result of the year is different from the budgetary result due to the differences between the general accounts and the budgetary ones. Additional information concerning the reconciliation between both accounts is provided in the reports on the budget implementation.

3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

3.1. Operating revenue

Revenues consist mainly of the Union contribution (subsidy) received from the European Commission.

3.1.1. Non-exchange revenue

	EUR	
	2022	2021
Gross European Union contribution	46 027 373	43 071 370
Transfer of Files to CINEA	-	(290 454)
Subsidy to be reimbursed – budgetary outturn	(1 474 854)	(1 492 252)
Sub-total of European Union contribution	44 552 519	41 288 664
Other non-exchange revenue	-	-
Total	44 552 519	41 288 664

The amount under European Union contribution represents the gross subsidy received for 2022 to cover the administrative autonomy of the Agency in 2022 less the budget result for the year (for detailed calculations of the budgetary outturn please refer to the reports on the budget implementation).

3.1.2. Exchange revenue

	EUR	
	2022	2021
Income from consolidated entities	9 558	-
Miscellaneous income	17 395	7 551
Exchange rate gains	1 673	9 390
Total	28 626	16 941

Income from consolidated entities corresponds to the recovery of part of the amount paid for various Service Level Agreements (SLAs) in excess of the services actually provided

The miscellaneous revenues include the re-invoicing of:

- (a) legal costs (EUR 14 850) incurred by the Agency in the context of a legal proceeding against beneficiaries of grants (granted on the operational budget) and that will be re-invoiced to the concerned beneficiaries in 2023 as EISMEA won the case.
- (b) amounts of unused provision estimated at the end of year 2021.

The gains from exchange rate differences arose from payments to staff salaries in currencies other than EUR.

3.2. Operating expenses

3.2.1. Staff expenditure

Staff expenses amounting to EUR 33 751 329 contain personnel related expenses such as salaries, allowances, social security contributions and other welfare expenses.

All salary calculations giving the total staff expenses included in the Statement of financial performance of the Agency are externalized to the Office for administration and payment of individual entitlements (also known as the Paymaster's Office - PMO) which is a central office of the European Commission.

The PMO's mission is to manage the financial rights of permanent, temporary and contractual staff working at the Commission, to calculate and to pay their salaries and other financial entitlements. The PMO provides these services to other EU institutions and agencies as well. The PMO is also responsible for managing the health insurance fund of the Institutions, together with processing and paying the claims of reimbursement from staff members. The PMO also manages the pension fund and pays the pensions of retired staff members. PMO is being audited by the European Court of Auditors.

The Agency is only responsible for the communication to the PMO of reliable information allowing the calculation of the staff costs. It is also responsible to check that this information has been correctly handled in the monthly payroll report used for accounting payroll costs. It is not responsible for the calculation of the payroll costs performed by PMO.

3.2.2. Administrative expenses with non-consolidated entities

	EUR	
	2022	2021
Rent and rental expenses	1 400 734	1 309 179
Office supplies and maintenance	193 909	29 419
Communication and publications	829 451	433 075
Legal expenses and insurance	89 559	46 431
Training and recruitment costs	314 427	96 391
Missions	352 507	61 874
Experts and related expenses	47 262	14 638
IT costs	412 533	664 398
Other external service providers	1 532 729	882 064
Total	5 173 111	3 537 469

Other external service providers contain audits by external contractors, staff-related services, internal removal services as well as the cost of interim staff.

3.2.3. Expenses with consolidated entities

Expenses with consolidated entities amounting to EUR 5 310 510, this heading regroups different types of expenses with consolidated entities mainly for the Service Level Agreements signed with Commission Directorates (DG BUDG, DIGIT, PMO, OIB and HR) or other EU bodies.

3.2.4. Fixed assets related expenses

Fixed assets related expenses amounting to EUR 244 335 contain the charged amortisation/depreciation for the non-current intangible assets, property, plant and equipment and loss on disposal of assets EUR 1 122.

3.3. Financial expenses

The amount of EUR 50 represents bank fees.

4. NOTES TO THE CASH FLOW STATEMENT

Cash flow information is used to provide a basis for assessing the ability of the Agency to generate cash and cash equivalents, and its needs to utilise those cash flows.

The cash flow statement is prepared using the indirect method. This means that the economic result of the financial year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of revenue or expense associated with investing cash flows.

Cash flows arising from transactions in a foreign currency are recorded in the EU's reporting currency (Euro), by applying to the foreign currency amount the exchange rate between the euro and the foreign currency at the date of the cash flow.

The cash flow statement presented reports cash flows during the period classified by operating and investing activities (the Agency does not have financing activities).

4.1. Operating activities

Operating activities are the activities of the EU that are not investing activities. These are the majority of the activities performed.

4.2. Investing activities

Investing activities are the acquisitions of intangible assets and property, plant and equipment and of other investments which are not included in cash equivalents. The objective is to show the real investments made by the Agency.

5. CONTINGENT ASSETS AND LIABILITIES AND OTHER SIGNIFICANT DISCLOSURES

5.1. Contingent Assets

There are no contingent assets or liabilities to disclose for the year ended 31 December 2022.

5.2. Contingent Liabilities

As described in note 2.7, the Agency is party of legal proceedings in front of national courts. Depending on the courts' ruling the Agency may be obliged to cover administrative legal costs of those proceedings and additional claims. The Agency estimates that the maximum value of those potential costs is EUR 46 500. In addition, the Agency might be obliged to pay out installation and daily allowances of EUR 4 400 and removal costs (the amounts cannot be estimated at this stage) to staff entitled to it.

5.3. Other significant disclosures

5.3.1. Outstanding commitments not yet expensed (carryovers)

	EUR	
	2022	2021
Automatic carryovers C1	3 939 973	2 699 006
Accrued expenses (excluding holiday compensation); deferred expenses and open invoices	(2 541 211)	(1 456 912)
Outstanding commitments not yet expensed	1 398 762	1 242 094

The amount disclosed above is the budgetary RAL ("Reste à Liquider") less accruals and plus suppliers' invoices received and not yet paid at 31 December 2022 that have been included as expenses in the 2022 statement of financial performance. The budgetary RAL is an amount representing the open commitments for which payments and/or de-commitments have not yet been made.

5.3.2. Significant legal commitments

	EUR	
	2022	2021
Operating lease - rental of the office premises	3 202 003	4 315 743
Other contractual commitments	-	-
Future commitments on existing contracts	3 202 003	4 315 743

The future commitment on existing contracts results from the usufruct contract for the building signed by the Agency in 2010. According to this contract, the Agency should pay in total amount of KEUR 16 149 over the 15 years of the usufruct contract (2011-2025).

5.3.3. Municipal tax on office space

The municipality of Saint-Josse-ten-Noode, where the premise (the Covent Garden building - COV2) of the Agency is located, amended its office tax regulation and extended the concept of taxpayer, based on which the tax for the fiscal years 2019, 2020, 2021 and 2022 has been charged to the bare owner of the building. Based on this, the bare owner has claimed the reimbursement of the tax paid from EISMEA for the amount of KEUR 490 for the COV2 building. Similarly based on the usufruct contract signed with OIB, the bare owner has claimed from OIB the reimbursement of the tax relating to the part rented by the Commission.

However, OIB informed EISMEA that the Agency should not pay any property taxes for the year 2022 as well as the previous years, because all the space the Agency is using in COV2 (under direct agreement with building owner and under the contract with OIB) is under the 'newer' clauses (where the municipal tax on office space is a cost rechargeable to the bare owner) and it has only been accepted to pay the taxes based on the 'older' clause. For the above reason the Agency did not put aside any funds to cover this part and OIB had not put aside any funds either.

On the 23 March 2023 the Court of First Instance of Brussels made its decision considering the payment of the municipality taxes by the occupants instead of the building owner not justified. Consequently, it is not probable for the Agency to pay the property taxes for 2022 and the previous years (estimated amounts of: (1) KEUR 490 relating to the usufruct contract with the owner of the building and (2) KEUR 830 for the rental contract with OIB).

6. FINANCIAL INSTRUMENTS

Financial instruments comprise cash, current receivables and recoverables, current payables, amounts due to and from consolidated entities. Financial instruments give rise to liquidity, credit, interest rate and foreign currency risks, information about which and how they are managed is set out below.

The carrying amounts of financial instruments are as follows:

	EUR	
	2022	2021
Financial assets		
Current receivables	22 421	1 765
Other receivables	21 901	57 398
Cash and deposits	5 387 568	4 135 396
Total financial assets	5 431 890	4 194 559
Financial liabilities		
Long-term payables	-	-
Current payables	(42 764)	(10 466)
Other payables	-	-
Payables to consolidated entities	(1 866 413)	(1 492 252)
Total financial liabilities	(1 909 177)	(1 502 718)
Total net financial instruments	3 522 713	2 691 841

Liquidity risk

Liquidity risk is the risk that arises from the difficulty of selling an asset; for example, the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss or meet an obligation.

Liquidity risk arises from the ongoing financial obligations, including settlement of payables.

The Agency manages liquidity risk by continually monitoring forecast and actual cash flows.

Details of contractual maturities for assets and liabilities form an important source of information for the management of liquidity risk.

The table below provides detail on the contractual maturity of all financial instruments and other assets and liabilities. Liquidity risk on these items is not managed on the basis of contractual maturity because they are not held for settlement according to such maturity and will be settled before contractual maturity at fair value.

						EUR
As at 31 December 2022	On demand	< 3 months	3 - 12 months	1 - 2 years	2 - 5 years	Total
Assets						
Current receivables	-	22 421	-	-	-	22 421
Other receivables	-	-	21 901	-	-	21 901
Cash and deposits	5 387 568	-	-	-	-	5 387 568
Total financial assets	5 387 568	22 421	21 901	-	-	5 431 890
Liabilities						
Long-term payables	-	-	-	-	-	-
Current payables	(42 764)	-	-	-	-	(42 764)
Other payables	-	-	-	-	-	-
Payables to consolidated entities	(1 866 413)	-	-	-	-	(1 866 413)
Total financial liabilities	(1 909 177)	-	-	-	-	(1 909 177)
Cumulative liquidity surplus/ (gap)	3 478 391	22 421	21 901	-	-	3 522 713

Bank accounts opened in the name of the Agency may not be overdrawn.

Treasury and payment operations are highly automated and rely on modern information systems. Specific procedures are applied to guarantee system security and to ensure segregation of duties in line with the Financial Regulation, the internal control standards, and audit principles.

EU budget principles ensure that overall cash resources for a given year are always sufficient for the execution of all payments.

Credit risk

Credit risk is the risk of loss due to a debtor's/borrower's non-payment of a loan or other line of credit (either the principal or interest or both) or other failure to meet a contractual obligation. The default events include a delay in repayments, restructuring of borrower repayments and bankruptcy. Mitigation measures on receivables – monitoring, reminders, etc.

Treasury resources are kept with commercial banks. The subsidy from the European Commission was requested two times during the year based on cash forecasts.

Specific guidelines are applied for the selection of commercial banks in order to further minimise counterparty risk to which the Agency is exposed:

- All commercial banks are selected by call for tenders. The minimum short term credit rating required for admission to the tendering procedures is Moody's P-1 or equivalent (S&P A-1 or Fitch F1). A lower level may be accepted in specific and duly justified circumstances.
- The credit ratings of the commercial banks where the Agency has accounts are reviewed on regular basis.

None of the Agency's financial assets are past due nor impaired. The maximum exposure to credit risk is:

31 December	2022			EUR 2021		
	Receivables non-consolidated entities	Receivables consolidated entities	Bank accounts	Receivables non-consolidated entities	Receivables consolidated entities	Bank accounts
Counterparties with external credit rating:						
Prime and high grade	-	-	-	-	-	-
Upper medium grade	-	-	5 387 568	-	-	4 135 396
Lower medium grade	-	-	-	-	-	-
Non-investment grade	-	-	-	-	-	-
Counterparties without external credit rating:						
Debtors who never defaulted	-	44 322	-	1 765	57 398	-
Debtors who defaulted in the past	-	-	-	-	-	-
Total	-	44 322	5 387 568	1 765	57 398	4 135 396

The Agency has a current account in ING Belgium. Its credit rating was as follows:

	Moody's	Fitch
Short term	P-1	F1+
Long term	Aa3	AA-

Interest rate risk

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

Interest rate risk at the Agency arises from cash. It is recognised that interest rates fluctuate and the Agency accepts the risk and does not consider it to be material.

The Agency's treasury does not borrow any money; as a consequence it is not exposed to interest rate risk. It does, however, earn interest on balances it holds on its banks accounts. The Agency has therefore put in place measures to ensure that interest earned on its bank accounts regularly reflects market interest rates, as well as their possible fluctuation.

Foreign currency risk

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

Most financial assets and liabilities are in EUR, so in these cases the Agency has no foreign currency risk.

When miscellaneous receipts are received in currencies other than EUR, they are either transferred to the Agency's accounts held in the same currencies, if they are needed to cover for the execution of payments, or converted into EUR and transferred to accounts held in EUR.

Fair value

The estimated fair values of all financial instruments of the Agency are equal to their book values as at 31 December 2022 and 31 December 2021. All financial assets and liabilities are receivable or repayable on demand or within one year.

7. CHANGES IN ACCOUNTING POLICIES

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

8. RELATED PARTY DISCLOSURE

The related parties of the Agency are the key management personnel. Transactions between the Agency and the key management personnel take place as part of the normal operations and as this is the case, no specific disclosure requirements are necessary for these transactions in accordance with the EU Accounting rules.

Highest grade description	Grade	Number of persons of this grade
Director, Heads of Department, Heads of Unit	AD14	5
Heads of Department, Heads of Unit	AD13	5

The remuneration equivalent to the grades of the key management personnel in the table can be found in Official Journal L 345/10 of 23 December 2008.

9. EVENTS AFTER THE BALANCE SHEET DATE AND DISCLOSURES

In April 2023 the Director of EISMEA, after approval of EISMEA's Steering Committee, signed the 'letter of intent' to OIB, enabling the agency to move to the North Light building by the end of 2023.

At the date of issue of the accounts, no other material issue that came to the attention of the Accounting officer of the Agency or were reported to her that would require separate disclosure under that section.

**REPORTS ON THE BUDGET IMPLEMENTATION
OF THE EUROPEAN INNOVATION COUNCIL AND SMALL &
MEDIUM-SIZED ENTERPRISE EXECUTIVE AGENCY
(EISMEA)**

1. INTRODUCTION

1.1. EISMEA budget and its implementation

The first 2022 operating budget (hereafter referred to as administrative budget) of the Agency was adopted by Steering Committee on 15 December 2021 and it amounted to EUR 45 335 000 (including EFTA and Third Countries contributions). During the year 7 amending budgets were adopted by the Steering Committee which increased the overall initial amount by EUR 692 373, resulting in a provisional budget of EUR 46 027 373.

The subsidy requested on the general budget amounted to EUR 46 027 373. The execution of commitment appropriations amounts to EUR 45 744 793 (99% of the available budget) and the execution of payment appropriations amounts to EUR 41 804 820 (91% of the available budget).

Budgetary structure and principles

1.1.1. Budgetary structure

The budgetary accounts are kept in accordance with the Financial Regulation and its rules of application. The budget is the instrument which, for each financial year, forecasts and authorises the revenue and expenditure considered necessary for the implementation of the Agency's Decision.

Every year, the Agency estimates its revenue and expenditure for the year and draws up a draft budget which it sends to the Commission. The Commission then sends it to the budgetary authority. On the basis of this draft budget, the Council draws its position which is then the subject of negotiations between the two arms of the budgetary authority. The President of the Parliament declares that the joint draft has been provisionally adopted, thus making the budget enforceable. The task of executing the budget is the responsibility of the Agency.

The budget structure for the Agency consists of administrative appropriations and has only non-differentiated appropriations, meaning that the commitment and the payment appropriations are of the same amount. Non-differentiated appropriations are used to finance operations of an annual nature (which comply with the principle of annuality).

The appropriations are split into commitment and payment appropriations:

- **Commitment appropriations (CA)** – cover the total cost of the legal obligations entered into for the current financial year.
- **Payment appropriations (PA)** – cover expenditure arising from commitments entered into in the current financial year and/or earlier financial years.

Origin of Appropriations

The main source of appropriations is the Agency's budget for the current year. However, there are other types of appropriations resulting from the provisions of the Financial Regulation. They come from previous financial years or outside sources:

- Initial budget appropriations adopted for the current year can be supplemented with transfers between lines and by amending budgets.
- Appropriations carried over from previous year or made available again also supplement the current budget.

Composition of Appropriations Available

- Initial budget = appropriations voted in year N-1;

- Provisional budget appropriations = initial budget appropriations adopted + amending budget appropriations + transfers + additional appropriations;
- Additional appropriations = assigned revenue (see above) + appropriations carried over from the previous financial year.

The provisional budget is distributed in the following titles:

Budget title	EUR		
	Year 2022 Appropriations	Carried-over from 2021	Total Budget 2022
1. Staff expenditure	37 708 537	595 375	38 303 912
2. Infrastructure and operating expenses	6 266 500	1 279 379	7 545 879
3. Programme support expenditure	2 052 336	824 252	2 876 588
Total	46 027 373	2 699 006	48 726 379

1.1.2. Budgetary principles

The budget of the Agency has been established and implemented in compliance with the principles of unity, budget accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency.

- **Unity and budget accuracy** - all Agency's expenditure and revenues must be incorporated in a single budget documents, must be booked on a budget line and expenditure must not exceed authorised appropriation;
- **Annuity** - the appropriations entered are authorised for a single year and must therefore be used during that year;
- **Equilibrium** - the revenue and expenditure shown in the budget must be in balance (estimated revenue must equal payment appropriations);
- **Unit of account** - the budget is drawn up and implemented in euro (EUR) and the accounts are presented in euro;
- **Universality** - this principle comprises of two rules:
 - ✓ The rule of non-assignment, meaning that budget revenue must not be earmarked for specific items of expenditure (total revenue must cover total expenditure);
 - ✓ The gross budget rule, meaning that revenue and expenditure are entered in full in the budget without any adjustments against each other;
- **Specification** - each appropriation is assigned to specific purpose and specific objective;
- **Sound financial management** - budget appropriations are used in accordance with the principle of sound financial management, namely in accordance with the principle of economy, efficiency and effectiveness;
- **Transparency** - the budget is established and implemented and the accounts presented in compliance with the principle of transparency - the budget and amending budgets are published in the website of EISMEA.

2. BUDGET RESULT

2.1. Calculation of the Budget Result

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

the following year. Payments made against the year's appropriations means payments that are made by the accounting officer by 31 December of the financial year.

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

- the net balance of cancellations of payment appropriations carried over from previous years and any payments which, because of fluctuations in the euro rate, exceed non-differentiated appropriations carried over from the previous year; and
- the balance of exchange-rate gains and losses recorded during the year.

Payment appropriations carried over include: automatic carryovers and carryovers by decision. The cancellation of unused payment appropriations carried over from the previous year shows the cancellations on appropriations carried over automatically and by decision.

2.2. Budget outturn table

	EUR	
BUDGET RESULT	2022	2021
REVENUE		
Balancing Commission subsidy/Union contribution, cashed	46 027 373	43 071 370
Other subsidy from Commission	-	-
Free income	-	-
Other income	11 323	5 786
TOTAL REVENUE	46 038 696	43 077 156
EXPENDITURE		
Title 1: Staff		
Payments	36 167 736	33 277 891
Appropriations carried over	1 283 366	595 375
Title 2: Administrative Expenses		
Payments	4 961 172	6 296 056
Appropriations carried over	1 305 328	1 279 379
Title 3: Operating Expenditure		
Payments	675 913	252 398
Appropriations carried over	1 351 279	824 252
TOTAL EXPENDITURE	45 744 794	42 525 351
BUDGET RESULT FOR THE FINANCIAL YEAR BEFORE SPECIAL ITEMS	293 902	551 805
Cancellation of unused appropriations carried over from previous year	1 181 342	1 234 016
Exchange rate differences	(390)	(3 115)
BUDGET RESULT FOR THE FINANCIAL YEAR	1 474 854	1 782 706
Unused payment appropriations from current year and paid to CINEA in 2021 (ToF exercise)	-	(77 557)
Unused payment appropriations carried over from previous year and paid to CINEA in 2021 (ToF exercise)	-	(212 897)
Pre-financing remaining open to be reimbursed by agency to Commission in year N+1	1 474 854	1 492 252

The budget result for 2022 amounts to EUR 1 474 854 and is comprised of:

- EUR 282 580 – not used appropriations current year (budget 2022 not committed nor carried over);
- EUR 1 181 342 – not used payment appropriations carried forward from 2021;
- EUR 11 323 – other income relating to recovery of expenses for services delivered in 2021;
- (EUR 390) – exchange rate differences.

3. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

EUR

	2022	2021
ECONOMIC RESULT OF THE YEAR	98 624	273 540
Adjustments for accrual items (items included in the economic result but not in the budget result)		
Accrual Cut-off (reversal 31 December 2021)	(2 608 766)	(3 123 659)
Accrual Cut-off (cut-off 31 December 2022)	3 136 779	2 608 766
Unpaid invoices at year end but booked in charges	424 296	10 466
Depreciation/amortisation of intangible and tangible assets	245 457	278 673
Provisions	(21 490)	(6 755)
Recovery Orders issued in year 2022 and not yet cashed	-	(1 765)
Payments made from carry-over of payment appropriations	1 517 665	1 824 660
Deferred expenses (reversal 31 December 2021)	377 990	1 324 288
Deferred expenses (cut-off 31 December 2022)	(166 044)	(377 990)
Other (open invoices 2021, accrued income 2022 and reversal 2021, etc)	(30 817)	(1 338 351)
Adjustments for budgetary items (items included in the budget result but not in the economic result)		
Asset acquisitions (less unpaid amounts)	(216 828)	(6 883)
Pre-financing paid	-	-
New pre-financing received in year 2022 and remaining open as at 31 December 2022	1 474 854	1 492 252
Budgetary recovery orders issued before year 2022 and not cashed in the year	1 765	-
Budgetary recovery orders issued in year 2022 on balance sheet accounts and cashed	-	-
Payment appropriations carried over to year 2022	(3 939 973)	(2 699 006)
Cancellation of unused carried over payment appropriations from previous year	1 181 342	1 234 016
Other	-	-
Total	1 376 230	1 218 712
BUDGET RESULT OF THE YEAR	1 474 854	1 492 252

The financial statements of the year are prepared on the basis of accrual accounting principles by which transactions are recorded in the period to which they relate. The result for the year using the accrual basis is indicated in the Statement of Financial Performance. The budget result is however based on modified cash accounting rules. In the latter, only payments made and revenue cashed in the period as well as carry-over of appropriations are recorded. The economic result and the budget result both cover the same underlying transactions; therefore, it is a useful control to ensure that they are reconcilable.

The actual budgetary revenue for a financial year corresponds to the revenue collected from entitlements established in the course of the year and amounts collected from entitlements established in previous years. Therefore, the entitlements established in the current year but not yet collected are to be deducted from the economic result for reconciliation purposes as they do not form part of budgetary revenue. On the contrary, the entitlements established in previous years and collected in current year must be added to the economic result for reconciliation purposes.

The net accrued expenses mainly consist of accruals made for year-end cut-off purposes. While accrued expenses are not considered as budgetary expenditure, payments made in the current year relating to invoices registered in prior years are part of current year's budgetary expenditure.

The net effect of pre-financing is the combination of (1) the new pre-financing amounts paid in the current year and recognised as budgetary expenditure of the year and (2) the clearing of the pre-financing paid in current year or previous years through the acceptance of eligible costs. The latter represent an expense in accrual terms but not in the budgetary accounts since the payment of the initial pre-financing had already been considered as a budgetary expenditure at the time of its payment.

Besides the payments made against the year's appropriations, the appropriations for that year that are carried to the next year also need to be taken into account in calculating the budget result for the year. The same applies for the budgetary payments made in the current year from carry-overs and the cancellation of unused payment appropriations.

The movement in provisions relates to year-end estimates made in the accrual accounts (employee benefits mainly) that do not impact the budgetary accounts. Other reconciling amounts comprise different elements such as asset depreciation, asset acquisitions, capital lease payments and financial participations for which the budgetary and accrual accounting treatments differ.

4. BUDGET REVENUE

In accordance with Article 5 of the Standard Financial Regulation for the Executive Agencies, the revenue of the agency shall comprise a grant awarded by the Communities and any other revenue, including assigned revenue within the meaning of Article 15 thereof.

5. BUDGET EXPENDITURE

5.1. Budget overview - commitment and payment appropriations fund source C1

EUR

Budget line	Description	Initial budget (EUR)	Budget amendment No 1 (EUR) [transfers]	Budget amendment No 3* (EUR)	Budget amendment No 4 (EUR)	Budget amendment No 5 (EUR) [transfers]	Budget amendment No 6 (EUR) [transfers]	Budget amendment No 7 (EUR) [transfers]	Final budget (EUR)
1111	Temporary Agents - Remunerations	11 490 000	-	(519 750)	536 082	50 000	50 000	-	11,606,332
1112	Temporary Agents - Allowances	2 955 000	-	(173 250)	276 895	(50 000)	(50 000)	-	2,958,645
1121	Contract Agents - Remuneration	14 895 000	-	106 590	116 867	(250 000)	-	-	14,868,457
1122	Contract Agents - Allowances	4 080 000	-	35 530	(96 700)	250 000	-	-	4,268,830
1131	Seconded National Experts - Allowances and Charges (PM)	205 000	-	(71 000)	(6 257)	-	-	-	127,743
1141	Support services & trainees	1 075 000	-	693 000	-	-	-	-	1,768,000
1211	Recruitment expenses	5 000	-	-	-	-	-	-	5,000
1221	Individual entitlements of staff	470 000	-	-	-	-	-	-	470,000
1231	Training	640 000	-	71 000	39 530	-	-	-	750,530
1241	Medical Service	95 500	-	-	-	-	-	-	95 500
1242	Mobility & social expenses for the Staff	764 500	-	-	-	-	-	-	764 500
1251	Representation expenses, events and Internal meetings	25 000	-	-	-	-	-	-	25 000
Title 1	Staff expenditure	36 700 000	-	142 120	866 417	-	-	-	37,708,537
2111	Rental of building and associated expenses	4 268 000	-	-	(102 000)	-	-	-	4,166,000
2211	ICT Purchases, Hard - and Software & Maintenances	120 000	-	-	-	-	-	(55 779)	64,221
2212	ICT Services	1 840 000	-	-	(10 000)	-	-	55 779	1,885,779
2311	Furniture, Technical Installations and associated expenses	47 500	-	-	(10 000)	-	-	(12 871)	24,629
2312	Office Supplies, documentation & correspondence	38 000	-	-	(11 500)	-	-	(498)	26,002
2313	Charges, insurances & other operating expenses	86 500	-	-	-	-	-	13 369	99,869
Title 2	Infrastructure and operating expenditure	6 400 000	-	-	(133 500)	-	-	-	6,266,500
3111	Experts and external meetings	120 000	-	-	4 415	-	-	(4 886)	119,529
3112	Missions: Programme Management	630 000	(139 000)	-	(117 079)	-	-	4 886	378,807
3113	External Audits	370 000	-	-	(170 000)	-	-	(38 856)	161,144
3114	Communication, Information and Linguistic services	1 115 000	-	-	100 000	-	-	177 856	1,392,856
3115	Seminars & specific Training	-	139 000	-	-	-	-	(139 000)	-
Title 3	Programme support expenditure	2 235 000	-	-	(182 664)	-	-	-	2,052,336
	Total budget	45 335 000	-	142 120	550 253	-	-	-	46 027 373

*There is no amendment no 2 in the table as it only related to the alignment of the order of the fund sources

5.2. Budget implementation

The below budgetary tables depict the details of the Agency's budget implementation in 2022

Fund Source: C1

Budget line	Description	Appropriation (1) (EUR)	Committed (2) (EUR)	% Committed (2/1)	Paid (3) (EUR)	% Paid (3/1)	Balance Commitment (1-2) (EUR)	Balance Payment (2-3) (EUR)
Title: 1	Staff expenditure	37 708 537	37 451 101	99%	36 167 736	96%	257 436	1 283 365
Chapter 11	Remunerations, allowances & charges	35 598 007	35 340 571	99%	34 636 151	97%	257 436	704 420
1111	Temporary Agents - Remunerations	11 606 332	11 603 294	100%	11 603 294	100%	3 038	-
1112	Temporary Agents - Allowances	2 958 645	2 898 588	98%	2 898 588	98%	60 057	-
1121	Contract Agents - Remuneration	14 868 457	14 810 205	100%	14 810 205	100%	58 252	-
1122	Contract Agents - Allowances	4 268 830	4 133 344	97%	4 133 344	97%	135 486	-
1131	Seconded National Experts	127 743	127 140	100%	127 140	100%	603	-
1141	Support services & trainees	1 768 000	1 768 000	100%	1 063 580	60%	-	704 420
Chapter 12	Professional development & social expenditure	2 110 530	2 110 530	100%	1 531 585	73%	-	578 945
1211	Recruitment expenses	5 000	5 000	100%	507	10%	-	4 493
1221	Individual entitlements of staff	470 000	470 000	100%	416 909	89%	-	53 091
1231	Training	750 530	750 530	100%	373 616	50%	-	376 914
1241	Medical Service	95 500	95 500	100%	28 763	30%	-	66 737
1242	Mobility & social expenses for the Staff	764 500	764 500	100%	703 193	92%	-	61 307
1251	Representation expenses, Events and Internal meetings	25 000	25 000	100%	8 597	34%	-	16 403
Title: 2	Infrastructure and operating expenses	6 266 500	6 266 500	100%	4 961 171	79%	-	1 305 329
Chapter 21	Building expenditure	4 166 000	4 166 000	100%	3 363 120	81%	-	802 880
2111	Rental of building and associated expenses	4 166 000	4 166 000	100%	3 363 120	81%	-	802 880
Chapter 22	ICT expenses	1 950 000	1 950 000	100%	1 572 082	81%	-	377 918
2211	ICT Purchases, Hard - and Software & Maintenances	64 221	64 221	100%	14 650	23%	-	49 571
2212	ICT Services	1 885 779	1 885 779	100%	1 557 432	83%	-	328 347
Chapter 23	Movable property and current operating expenditure	150 500	150 500	100%	25 969	17%	-	124 531
2311	Furniture, Technical Installations, and associated expenses	24 629	24 629	100%	9 731	40%	-	14 898
2312	Office Supplies, documentation & correspondence	26 002	26 002	100%	4 749	18%	-	21 253
2313	Charges, insurances & other operating expenses	99 869	99 869	100%	11 489	12%	-	88 380
Title: 3	Programme support expenditure	2 052 336	2 027 192	99%	675 913	33%	25 144	1 351 279
Chapter 31	Programme management expenditure	2 052 336	2 027 192	99%	675 913	33%	25 144	1 351 279
3111	Experts and external meetings	119 529	119 529	100%	54 179	45%	-	65 350
3112	Missions: Programme Management	378 807	378 807	100%	331 851	88%	-	46 956
3113	External Audits	161 144	161 144	100%	-	0%	-	161 144
3114	Communication, Information and Linguistic services	1 392 856	1 367 712	98%	289 883	21%	25 144	1 077 829
Total		46 027 373	45 744 793	99%	41 804 820	91%	282 580	3 939 973

The breakdown by type of expenditure shows that the total staff expenditure accounts for about 82% of total commitments, i.e. EUR 37 451 101. Throughout the year 2022, the salaries were calculated by PMO with which the Agency has a Service Level Agreement (SLA) since 2005. The infrastructure and operating expenditure of the Agency (EUR 6 266 500) comprises mainly purchases of office rent of 67% and IT equipment and IT services of about 31%. Programme support expenditure amounted to EUR 2 027 192 of which 68% are allocated to communication, expenses. The rest consists mainly of missions (18%) and external audits (8%).

In 2022, the difference between commitments and payments amounted to EUR 3 939 973. This amount was carried forward to 2022 as it corresponds to legal commitments contracted in 2022 but not yet paid on 31 December 2022 (communication, building rental, support services and trainees, trainings, and ICT expenses).

Fund Source: C8

Budget line	Description	Appropriation (1) (EUR)	Paid (2) (EUR)	% Paid (2/1)	Balance Commitment (1-2) (EUR)	Balance Carried-forward (EUR)
Title: 1 Staff expenditure		595 375	357 213	60%	238 163	-
Chapter 11 – Remunerations, allowances & charges		331 000	308 279	93%	22 721	-
1141	Support services & trainees	331 000	308 279	93%	22 721	-
Chapter 12 – Professional development & social expenditure		264 375	48 934	19%	215 441	-
1221	Individual entitlements of staff	35 000	25 129	72%	9 871	-
1231	Training	24 000	17 973	75%	6 027	-
1241	Medical Service	40 000	-	0%	40 000	-
1242	Mobility & social expenses for the Staff	155 375	5 832	4%	149 543	-
1251	Representation expenses, Events and Internal meetings	10 000	-	-	10 000	-
Title: 2 Infrastructure and operating expenses		1 279 379	505 941	40%	773 438	-
Chapter 21 – Building expenditure		684 084	-	-	684 084	-
2111	Rental of building and associated expenses	684 084	-	-	684 084	-
Chapter 22 – ICT expenses		318 506	282 544	89%	35 962	-
2211	ICT Purchases Hard - and Software & Maintenances	1 233	1 233	100%	-	-
2212	ICT Services	317 273	281 31	89%	35 962	-
Chapter 23 – Movable property and current operating expenditure		276 789	223 397	81%	53 392	-
2311	Furniture Technical Installations and associated expenses	209 599	188 593	90%	21 006	-
2312	Office Supplies documentation & correspondence	17 000	-	-	17 000	-
2313	Charges insurances & other operating expenses	50 190	34 804	69%	15 386	-
Title: 3 Programme support expenditure		824 252	654 510	79%	169 742	-
Chapter 31 – Programme management expenditure		824 252	654 510	79%	169 742	-
3111	Experts and external meetings	10 138	138	1%	10 000	-
3112	Missions: Programme Management	20 000	20 000	100%	-	-
3113	External Audits	144 715	128 637	89%	16 078	-
3114	Communication Information and Linguistic services	576 083	432 420	75%	143 663	-
3116	Programme related IT expenses	73 316	73 315	100%	1	-
Total		2 699 006	1 517 664	56%	1 181 342	-

The carry-forward of the appropriations from 2021 to 2022 amounted to EUR 2 699 006. Out of this amount, EUR 1 517 664 was paid, which represents 56% of the total commitments carried-forward (2021: 60%). The difference between commitments carried-forward from 2021 to 2022 and payments on those commitments totals to EUR 1 181 342 (2021: EUR 1 234 016) and will be reimbursed to the Commission in 2023.

6. EVOLUTION OF COMMITMENTS OUTSTANDING

EUR

Budget Line	Commitment User Reference	Original fund source	FDI	Open amount RAL (C8 in 2023)
1141	INTERIM AGENTS	C1	31/12/2023	577 129
1141	TRAINEES SALARIES	C1	31/12/2023	127 291
1211	PERSONNEL SELECTION EXPENSES	C1	31/12/2023	4 492
1221	PMO: EXPENSES FOR PROVIDED SERVICES	C1	31/12/2023	44 802
1221	HR: FEES RELATED TO SPECIFIC SERVICES	C1	31/12/2023	8 289
1231	EXTERNAL TRAININGS, TEAMBUILDINGS; TRAINING VIA EXTERNAL CONTRACTORS	C1	31/12/2023	245 351
1231	TRAININGS PROVIDED BY COMMISSION SERVICES, EUROPEAN SCHOOL OF ADMINISTRATION & DG HR ANNUAL FEE	C1	31/12/2023	102 125
1231	COM0021/EISMEA/2022/01 - EISMEA AWAY DAY 2022 - ORGANISATION	C1	31/12/2023	29 438
1241	HR: MEDICAL EXPENSES FOR NEW RECRUITS AND STAFF	C1	31/12/2023	66 737
1242	EUROPEAN SCHOOL TRANSPORTS	C1	31/12/2023	7 398
1242	OIB: SOCIAL SERVICES CPE	C1	31/12/2023	36 293
1242	OIB: PUBLIC TRANSPORT AND SERVICE BIKES	C1	31/12/2023	3 094
1242	FINANCIAL ASSISTANCE DISABLED PERSONS	C1	31/12/2023	10 000
1242	CYCLING CONTRIBUTION	C1	31/12/2023	4 523
1251	OIB: WATER FOUNTAINS	C1	31/12/2023	10 000
1251	CATERING FOR INTERNAL MEETINGS AND REPRESENTATION COSTS	C1	31/12/2023	6 403
2111	OIB: EXPENSES FOR PROVIDED SERVICES	C1	31/12/2023	227 600
2111	OIB: COMMISSION RENT OF BUILDING	C1	31/12/2023	434 033
2111	HR: SECURITY COSTS	C1	31/12/2023	136 246
2111	COST FOR MANAGEMENT OF COMMON PARKING FACILITIES	C1	31/12/2023	5 000
2211	HARDWARE, SOFTWARE AND LINKED EXPENSES	C1	31/12/2023	10 000
2211	EISMEA/22/032 - PURCHASE OF KOFAX SOFTWARE (1-YEAR LICENSE) - FWC DI/7640 PRINCESSE II LOT-2 - SPIE ICS DOCUMENT SOLUTIONS SA (FORMERLY MIMEOS SA)	C1	31/12/2023	2 526
2211	EISMEA/2022/MVP/0017 (NEGOTIATED PROCEDURE) - PURCHASE OF IT INFRASTRUCTURE EQUIPMENT (SERVERS) - BECHTLE	C1	31/12/2023	37 045
2212	ICT SERVICES: COMMISSION	C1	31/12/2023	265 808
2212	EISMEA/22/001 - SYSTEM ADMINISTRATION SERVICES FOR EISMEA IT INFRASTRUCTURE - FWC EUSS DI/7810 LOT-1 - ATOS	C1	31/12/2023	35 444
2212	EISMEA/22/002 - FWC DI/07711, CS023122, EORDER 2021-49566 - CRONOS INTERNATIONAL SA, BORN4ITS PROFILE: WEB OPERATION MANAGER (WOM) - LEVEL OF EXPERTISE: LEVEL 5	C1	31/12/2023	27 094
2311	EISMEA/22/014 - PROVISION FOR MOVERS AND LOGISTIC SERVICES - MOZER	C1	31/12/2023	7 094
2311	ORDER FORM EISMEA/22/033 - PROVISION FOR MOVERS AND LOGISTIC SERVICES - FWC N° OIB/2021/OP/0054/C0/L1 - MOZER	C1	31/12/2023	7 804
2312	OIB - DHL COSTS: CORRESPONDENCE, STAMPING AND CARRIAGE COSTS	C1	31/12/2023	6 000
2312	OIB - OFFICE SUPPLIES	C1	31/12/2023	12 000
2312	PURCHASE OF SMALL SUPPLIES	C1	31/12/2023	3 253
2313	FINANCIAL CHARGES	C1	31/12/2023	4 950
2313	INSURANCES	C1	31/12/2023	26 500
2313	LEGAL CHARGES	C1	31/12/2023	56 930
3111	CATERING	C1	31/12/2023	37 108
3111	INVITATION OF EXPERTS FOR MEETING WITH COMMISSIONER ON THE WOMEN TECHEU CALL ON 1 MARCH 2022	C1	31/12/2023	3 431
3111	EISMEA/2022/064 - NEW YEAR EVENT 2023 - AV AND DJ	C1	31/12/2023	10 109
3111	EISMEA/2022/063 - NEW YEAR EVENT 2023 - CATERING	C1	31/12/2023	14 703
3112	MISSIONS	C1	31/12/2023	46 956
3113	SPECIFIC CONTRACT N° EISMEA/2022/018 - COSME BATCH 12 CONTAINING 8 AUDITS IN FORM OF BATCH ASSIGNMENT	C1	31/12/2023	62 450
3113	SPECIFIC CONTRACT N° EISMEA/2022/019 - EEN BATCH 14 CONTAINING 2 AUDITS IN FORM OF BATCH ASSIGNMENT	C1	31/12/2023	17 022
3113	SPECIFIC CONTRACT N° EISMEA/2022/024 - COSME BATCH 13 CONTAINING 3 AUDITS IN FORM OF BATCH ASSIGNMENT	C1	31/12/2023	25 550
3113	SPECIFIC CONTRACT N° EISMEA/2022/049 - CONSUMER PROGRAM BATCH 16 - FINANCIAL AUDIT SERVICES IN FORM OF BATCH ASSIGNMENT ON 5 BENEFICIARIES	C1	31/12/2023	46 322
3113	SPECIFIC CONTRACT N° EISMEA/2022/056 - CONSUMER PROGRAM BATCH 17 - FINANCIAL AUDIT SERVICES IN FORM OF BATCH ASSIGNMENT ON 1 BENEFICIARY	C1	31/12/2023	9 800
3114	TRANSLATION AND INTERPRETATION SERVICES	C1	31/12/2023	12 203
3114	PRODUCTION, DISTRIBUTION AND STORAGE OF BROCHURES	C1	31/12/2023	15 000
3114	SPECIFIC CONTRACT NO COM0021/EISMEA/2021/56 -EISMEA COMMUNICATION - HIRING OF 2 INTRA-MUROS PROFILES - IMPLEMENTING FRAMEWORK CONTRACT NO EASME/2019/OP/0021	C1	31/12/2023	138 600
3114	SPECIFIC CONTRACT NO COM0021/EISMEA/2022/05 -EISMEA COMMUNICATION - HIRING OF 3 INTRA-MUROS PROFILES - IMPLEMENTING FRAMEWORK CONTRACT NO EASME/2019/OP/0021	C1	31/12/2023	201 600

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Budget Line	Commitment User Reference	Original fund source	FDI	Open amount RAL (C8 in 2023)
3114	SPECIFIC CONTRACT NO COM0021/EISMEA/2021/54 -ONLINE INFORMATION DAY ON THE LAUNCH OF ¿ERASMUS FOR YOUNG ENTREPRENEURS¿ (EYE) CALL FOR PROPOSALS - SMP-COSME-2021-EYE - IMPLEMENTING FRAMEWORK CONTRACT NO EASME/2019/OP/0021	C1	31/12/2023	7 395
3114	EISMEA PARTICIPATION IN THE JOURNÉE PORTES OUVERTES 2022 (JPO) OF THE EUROPEAN COMMISSION LINKED TO THE EUROPE DAY 2022	C1	31/12/2023	975
3114	SPECIFIC CONTRACT NO COM0021/EISMEA/2022/14 - EISMEA COMMUNICATION SUPPORT	C1	31/12/2023	358 659
3114	SPECIFIC CONTRACT NO COM0021/EISMEA/2022/83 - EISMEA COMMUNICATION - HIRING OF 5 INTRA-MUROS PROFILES - IMPLEMENTING FRAMEWORK CONTRACT NO EASME/2019/OP/0021	C1	31/12/2023	260 000
3114	EISMEA/22/040 - FWC DI/7949, SC 000136, E-ORDER 2022-30547, CRONOS INTERNATIONAL SA, EURORA SUPERNOVA - IT CONSULTANT FOR COMMUNICATION, PROFILE: CUSTOMER RELATIONSHIP MANAGEMENT SPECIALIST (CRM), LEVEL OF EXPERTISE:10	C1	31/12/2023	74 005
3114	EISMEA/22/009 - FWC 07701, SC024040, EORDER 2022-4189, ARHS DEVELOPMENTS SA, EURORA NOVA - IT CONSULTANT FOR COMMUNICATION, - PROFILE: PROJECT MANAGER (PM) - (LEVEL OF EXPERTISE: LEVEL 5)	C1	31/12/2023	9 393
TOTAL	PAYMENTS APPROPRIATIONS CARRIED OVER TO 2022	C8		3 939 973

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Budget Line	Commitment User Reference	Original fund source	FDI	Open amount RAL (C8 in 2022)	Payments (C8 in 2022)
1141	INTERIM AGENTS	C1	31/12/2022	236 000	(219 768)
1141	TRAINEES	C1	31/12/2022	95 000	(88 511)
1221	PMO: EXPENSES FOR PROVIDED SERVICES	C1	31/12/2022	35 000	(25 129)
1231	TRAININGS PROVIDED BY COMMISSION SERVICES, EUROPEAN SCHOOL OF ADMINISTRATION & DG HR ANNUAL FEE	C1	31/12/2022	7 000	(6 232)
1231	EXTERNAL TRAININGS, TEAMBUILDINGS; TRAINING VIA EXTERNAL CONTRACTORS	C1	31/12/2022	17 000	(11 742)
1241	HR: MEDICAL EXPENSES FOR NEW RECRUITS AND STAFF	C1	31/12/2022	40 000	-
1242	EUROPEAN SCHOOL TRANSPORTS	C1	31/12/2022	3 002	(2 891)
1242	OIB: SOCIAL SERVICES CPE	C1	31/12/2022	146 293	-
1242	OIB: PUBLIC TRANSPORT AND SERVICE BIKES	C1	31/12/2022	1 580	-
1242	CYCLING CONTRIBUTION	C1	31/12/2022	4 500	(2 941)
1251	CATERING FOR INTERNAL MEETINGS, REPRESENTATION COSTS AND WATER SUPPLIES	C1	31/12/2022	10 000	-
2111	OIB: EXPENSES FOR PROVIDED SERVICES	C1	31/12/2022	488 600	-
2111	OIB: COV2 RENT OF ADDITIONAL FLOORS	C1	31/12/2022	195 484	-
2211	ORDER FORM EISMEA/21/047 - RED HAT ENTERPRISE LINUX SERVER STD, 1 YEAR RENEWAL - BECHTLE - FWC DI7720 (SIDE II)	C1	31/12/2022	699	(699)
2211	EISMEA/21/052 - PURCHASE OF DOLPHIN COMPUTER ACCESS SUPERNOVA SOFTWARE - FWC DI/07722 - INSIGHT	C1	31/12/2022	533	(533)
2212	EASME/21/006 SYSTEM ADMINISTRATION SERVICES - EASME IT INFRASTRUCTURE - FWC EUSS DI/7810 LOT 1 GISIS	C1	31/12/2022	129 963	(129 963)
2212	EISMEA/21/031 - CC, CS019014, 2021-21130, NETWORK RESEARCH BELGIUM SA EORDER - PROFILE: UX UI SPECIALIST (UIS) - (LEVEL OF EXPERTISE:LEVEL 1)	C1	31/12/2022	46 860	(14 253)
2212	EISMEA/21/032 - CC, CS019015, 2021-21137, ARHS DEVELOPMENTS SA EORDER - PROFILE: PROJECT MANAGER (PM) - (LEVEL OF EXPERTISE: LEVEL 5)	C1	31/12/2022	80 514	(77 159)
2212	EASME/21/22 - CC07701, CS016459, 2021-3178, ARHS DEVELOPMENTS SA EORDER FWC DI/07701 (DIGIT-TM, LOT 1) - EURORA NOVA - PROFILE: APPLICATION ARCHITECT (AA) - (LEVEL OF EXPERTISE: LEVEL 5)	C1	31/12/2022	26 878	(26 878)
2212	EASME/21/019 - CC07711, CS016379, 2021-4717, CRONOS INTERNATIONAL SA EORDER FWC DI/07711 (DIGIT-TM, LOT 4) - BORN4ITS - PROFILE: WEB OPERATION MANAGER (WOM) - (LEVEL OF EXPERTISELEVEL 4)	C1	31/12/2022	33 059	(33 059)
2311	ORDER FORM EASME/21/008 - PROVISION FOR MOVERS AND LOGISTIC SERVICES - FWC N° OIB.02/PO/2017/005/748/C0/L1 - MOZER	C1	31/12/2022	28 099	(9 143)
2311	ORDER FORM EISMEA/2021/042 - PURCHASE OF ELECTRICAL DESKS AND TABLE PARTITIONS - DROMEAS - FWC N° OIB.DR.2/PO/2014/055/622/C0/L1A	C1	31/12/2022	157 758	(157 758)
2311	ORDER FORM EISMEA/21/051 - PURCHASE OF 75 OFFICE CHAIRS FOR HOMEWORKING - INTERSTUHL - FWC N° OIB/2019/OP/0064/C0/L0/A	C1	31/12/2022	13 973	(11 923)
2311	ORDER FORM EISMEA/21/053 - PURCHASE OF 50 OFFICE CHAIRS - INTERSTUHL - FWC N° OIB/2019/OP/0064/C0/L0/A	C1	31/12/2022	9 769	(9 769)
2312	OIB: COSTS RELATED TO DHL SERVICES	C1	31/12/2022	7 000	-
2312	OIB: PURCHASE OF OFFICE SUPPLIES	C1	31/12/2022	10 000	-
2313	FINANCIAL EXPENSES	C1	31/12/2022	986	-
2313	EXPENSES RELATED TO DIFFERENT INSURANCES	C1	31/12/2022	20 000	(13 804)
2313	EASME/21/029 - OUTCOME OF THE PROCUREMENT PROCEDURE FOR ASSISTING EASME FOR THE CASE 654/20	C1	31/12/2022	25 000	(21 000)
2313	EISMEA/2021/034 - LAWYER CAMILLO VESPASIANI	C1	31/12/2022	4 204	-
3111	CATERING EXTERNAL CONTRACTORS	C1	31/12/2022	10 000	-
3111	INVITATION OF AN EXPERT (SPEAKER) TO THE DIGITAL LAUNCHING EVENT OF THE EIC WOMEN LEADERSHIP PROGRAMME ON 7 OCTOBER 2021	C1	31/12/2022	138	(138)
3112	MISSIONS	C1	31/12/2022	20 000	(20 000)
3113	EISMEA/2021/035 - CONTRACTOR DELOITTE REVISEURS D'ENTREPRISES - COSME BATCH 11 - SPECIFIC CONTRACT FOR EX-POST AUDITS IMPLEMENTING FRAMEWORK CONTRACT NO 2021-AUDFWC-01 DL (FW-00108871)	C1	31/12/2022	56 556	(52 401)
3113	EISMEA/2021/036 - CONTRACTOR DELOITTE REVISEURS D'ENTREPRISES - EEN BATCH 13 - SPECIFIC CONTRACT FOR EX-POST AUDITS IMPLEMENTING FRAMEWORK CONTRACT NO 2021-AUDFWC-01 DL (FW-00108871)	C1	31/12/2022	19 287	(19 287)
3113	EISMEA/2021/037 - CONTRACTOR DELOITTE REVISEURS D'ENTREPRISES - CP BATCH 15 - SPECIFIC CONTRACT FOR EX-POST AUDITS IMPLEMENTING FRAMEWORK CONTRACT NO 2021-AUDFWC-01 DL (FW-00108871)	C1	31/12/2022	68 872	(56 947)
3114	EXPENSES FOR TRANSLATION AND INTERPRETATION SERVICES	C1	31/12/2022	47 000	(35 982)

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Financial year 2022

Budget Line	Commitment User Reference	Original fund source	FDI	Open amount RAL (C8 in 2022)	Payments (C8 in 2022)
3114	EXPENSES FOR THE PRODUCTION, DISTRIBUTION AND STORAGE OF BROCHURES	C1	31/12/2022	1 341	-
3114	EASME/EA/006 - HIRING OF AN INTRAMUROS CONSULTANT FOR COMMUNICATION - FWC PO 2016-20 A5 - 3 CONSULTANTS	C1	31/12/2022	82 950	(69 738)
3114	SPECIFIC CONTRACT NO EASME/EA/007 – HIRING OF AN INTRAMUROS CONSULTANT IN EXTERNAL COMMUNICATION -ONLINE WRITER (SENIOR) - IMPLEMENTING FRAMEWORK CONTRACT NO PO/2016-20/A5	C1	31/12/2022	77 500	(58 000)
3114	EISMEA/21/030 - VERY LOW VALUE CONTRACT - REQUEST FOR COMMITMENT - EUROPEAN INNOVATION COUNCIL PRESENCE AT TECHHILL	C1	31/12/2022	3 000	(3 000)
3114	SPECIFIC CONTRACT NO COM0021/EISMEA/2021/012 – EISMEA COMMUNICATION TOOLS & SERVICES – IMPLEMENTING FRAMEWORK CONTRACT NO EASME/2019/OP/0021	C1	31/12/2022	42 733	(33 717)
3114	EUROPEAN INNOVATION COUNCIL (EIC) COMMUNICATION ACTIVITIES - PURCHASE OF FONT AND DESIGN OF MATERIALS	C1	31/12/2022	25 192	-
3114	SPECIFIC CONTRACT NO COM0021/EISMEA/2021/23-JOINT CLUSTER INITIATIVES (EUROCLUSTERS) FOR EUROPE' S RECOVERY INFO DAY - IMPLEMENTING FRAMEWORK CONTRACT NO EASME/2019/OP/0021	C1	31/12/2022	39 971	(38 518)
3114	SPECIFIC CONTRACT NO COM0021/EISMEA/2021/026 – EISMEA HIRING OF 3 INTRA-MUROS PROFILES – IMPLEMENTING FRAMEWORK CONTRACT NO EASME/2019/OP/0021	C1	31/12/2022	187 000	(126 850)
3114	SPECIFIC CONTRACT NO COM0021/EISMEA/2021/045 - BUDGET PROVISION FOR MEDIA BUYING - IMPLEMENTING FRAMEWORK CONTRACT N° EASME/2019/OP/0021	C1	31/12/2022	19 896	(19 716)
3114	SPECIFIC CONTRACT NO COM0021/EISMEA/2021/050 - USABILITY TESTING EIC WEB AND THE DATAHUBS - IMPLEMENTING FRAMEWORK CONTRACT N° EASME/2019/OP/0021	C1	31/12/2022	49 500	(46 900)
3116	EIC-ITT-2021-001 - IT CONSULTANT - FWC DI/07722 - INSIGHT	C1	31/12/2022	73 316	(73 315)
TOTAL				2 699 006	(1 517 664)
	UNUSED PAYMENT APPROPRIATIONS TO BE REIMBURSED TO THE COMMISSION				1 181 342

ANNEX TO THE BUDGET ACCOUNTS

Term	Definition
ABAC	This is the name given to the Commission's accounting system, which since 2005 has been enriched by accrual accounting rules. Apart from the cash-based budget accounts, the Commission produces accrual-based accounts which recognise revenue when earned, rather than when collected. Expenses are recognised when incurred rather than when paid. This contrasts with cash basis budgetary accounting that recognises transactions and other events only when cash is received or paid.
Accounting	The act of recording and reporting financial transactions, including the creation of the transaction, its recognition, processing, and summarisation in the financial statements.
Administrative appropriations	Administrative appropriations cover the running costs of the Institutions and entities (staff, buildings, office equipment).
Adjustment	Amending budget or transfer of funds from one budget item to another.
Adopted budget	Draft budget becomes the adopted budget as soon as it is approved by the Budgetary Authority. Cf. Budget.
Agencies	EU bodies having a distinct legal personality, and to whom budget implementing powers may be delegated under strict conditions. They are subject to a distinct discharge from the discharge authority.
Amending budget	Decision adopted during the budget year to amend (increase, decrease, transfer) aspects of the adopted budget of that year.
Annuality	The budgetary principle according to which expenditure and revenue is programmed and authorised for one year, starting on 1 January and ending on 31 December.
Appropriations	Budget funding. The budget forecasts both commitments (legal pledges to provide finance, provided that certain conditions are fulfilled) 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. Non-differentiated appropriations apply to administrative expenditure, for agricultural market support and direct payments and commitment appropriations equal payment appropriations.
Appropriations	Dedicated revenue received to finance specific items of expenditure. Main sources of external assigned revenue are <i>financial contributions from third countries to programmes financed by the Union</i> . <i>Main sources of internal assigned revenue is revenue from third parties in respect of goods, services or work supplied at their request; (c) revenue arising from the repayment of amounts wrongly paid and revenue from the sale of publications and films, including those on an electronic medium</i> . The complete list of items constituting assigned revenue is given in the Financial Regulation Art. 21(2).
Authorising Officer	The AO is responsible in each institution for authorising revenue and expenditure operations in accordance with the principles of sound financial management and for ensuring that the requirements of legality and regularity are complied with.
C1	Current Appropriations = Initial Budget + Amending Budget + Transfers
C2/C3	Appropriations non automatically carried over – carried over on Decision of the College
C4	Appropriations non automatically carried over – carried over on Decision of the College
C5	Appropriations arising from Internal Assigned Revenue cashed in the previous year and carried over to the current one
C8	Appropriations automatically carried forward from previous year to current year
IC1	Universal revenue voted in the budget
Budget	Annual financial plan, drawn up according to budgetary principles, that provides forecasts and authorises, for each financial year, an estimate of future costs and revenue and expenditures and their detailed description and justification, the latter included in budgetary remarks.
Budget result	The difference between income received and amounts paid, including adjustments for carry-overs, cancellations and exchange rate differences. The resulting amount will have to be reimbursed to the funding authority as provided in the Financial Regulation for Agencies.
Budget implementation	Consumption of the budget through expenditure and revenue operations.
Budgetary authority	Institutions with decisional powers on budgetary matters: the European Parliament and the Council of Ministers.

Term	Definition
Budgetary commitment	A budgetary commitment is a reservation of appropriations to cover for subsequent expenses.
Cancellation of appropriations	Unused appropriations that may no longer be used.
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 cost of legal obligations (contracts, grant agreements/decisions) that could be signed in the current financial year. Art. 7 FR: <i>Commitment appropriations cover the total cost in the current financial year of legal obligations (contracts, grant agreements/decisions) entered into for operations extending over more than one year.</i>
De-commitment	Cancellation of a reservation of appropriations.
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. Art. 7 FR: <i>Differentiated appropriations are entered for multiannual operations. They consist of commitment appropriations and payment appropriations.</i>
Earmarked revenue	Revenue earmarked for a specific purpose, such as income from foundations, subsidies, gifts and bequests, including the earmarked revenue specific to each institution. (Cf. Assigned revenue)
Economic result	Impact on the balance sheet of expenditure and revenue based on accrual accounting rules.
Entitlements established	Entitlements are recovery orders that the European Union must establish for collecting income.
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 currency at the closure.
Expenditure	Term used to describe spending the budget from all types of funds sources.
Financial regulation (FR)	Adopted through the ordinary legislative procedure after consulting the European Court of Auditors, this regulation lays down the rules for the establishment and implementation of the general budget of the European Union. (OJ L 298, 26.10.2012, p. 1)
Funds Source	Type of appropriations (e.g.: C1, C2, etc.)
Grants	Direct financial contributions, by way of donation, from the budget in order to finance either an action intended to help achieve an objective part of an EU policy or the functioning of a body which pursues an aim of general European interest or has an objective forming part of an EU policy.
Implementation	Cf. Budget implementation
Income	Cf. Revenue
Joint Undertakings (JUs)	A legal EU-body established under the TFEU. The term can be used to describe any collaborative structure proposed for the " <i>efficient execution of Union research, technological development and demonstration programmes</i> ".
Lapsing appropriations	Unused appropriations to be cancelled at the end of the financial year. <i>Lapsing</i> means the cancellation of all or part of the authorisation to make expenditures and/or incur liabilities which is represented by an appropriation.
Legal base (basic act)	The legal base or basis is, as a general rule, a law based on an article in the Treaty giving competence to the Community for a specific policy area and setting out the conditions for fulfilling that competence including budget implementation. Certain Treaty articles authorise the Commission to undertake certain actions, which imply spending, without there being a further legal act.
Legal commitment	A legal commitment establishes a legal obligation towards third parties.
Non-differentiated appropriations	Non-differentiated appropriations are for operations of an annual nature. (Art. 9 FR). In the EU-Budget non-differentiated appropriations apply to administrative expenditure, for agricultural market support and direct payments.
Operational appropriations	Operational appropriations finance the different policies, mainly in the form of grants or procurement.

Term	Definition
Outstanding commitment	Legal commitments having not fully given rise to liquidation by payments. Cf. RAL.
Outturn	Cf. Budget result
Payment	A payment is a cash disbursement to honour legal obligations.
Payment appropriations	Payment appropriations cover expenditure due in the current year, arising from legal commitments entered in the current year and/or earlier years (Art. 7 FR).
RAL	Sum of outstanding commitments. Outstanding commitments (or RAL, from the French ' <i>reste à liquider</i> ') 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. (Cf. <i>Outstanding commitments</i>)
Recovery	The recovery order is the procedure by which the Authorising officer (AO) registers an entitlement by the Commission in order to retrieve the amount which is due. The entitlement is the right that the Commission has to claim the sum which is due by a debtor, usually a beneficiary.
Result	Cf. Outturn
Revenue	Term used to describe income from all sources financing the budget.
Rules of application	Detailed rules for the implementation of the financial regulation. They are set out in a Commission regulation adopted after consulting all institutions and cannot alter the financial regulation upon which they depend.
Surplus	Positive difference between revenue and expenditure (see Budget result) which has to be returned to the funding authority as provided in the Financial Regulation.
Transfer	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. They are, however, expressly authorised by the Treaty on the Functioning of the European Union under the conditions laid down in the Financial Regulation. The FR identifies different types of transfers depending on whether they are between or within budget titles, chapters, articles or headings and require different levels of authorization.