



Annual accounts of the European Union Agency for the Space Programme

Financial year 2021

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CERTIFICATION OF THE ACCOUNTS

I acknowledge my responsibility for the preparation and presentation of the annual accounts of EUSPA, the European Union Agency for the Space Programme in accordance with Article 102 of the Framework Financial Regulation ('FFR')¹ and I hereby certify that the annual accounts of the EUSPA for the year 2021 have been prepared in accordance with Title IX of the FFR and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and union bodies.

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

Rosa ALDEA BUSQUETS

**Accounting Officer of the
European Union Agency for the Space
Programme**

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

BACKGROUND INFORMATION NOTE

1. General background on the entity

Establishment

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

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

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

The Agency is based in Prague, the Czech Republic.

Mission

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

Main operational activities

The main operational activities supporting the mission are:

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

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

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

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

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

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

Governance

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

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

The Security Accreditation Board is a EUSPA body that performs the tasks entrusted to the Agency with regard to security accreditation and take 'security accreditation decisions' in particular on the approval of the security accreditation strategy and of satellite launches, the authorisation to operate the systems in their different configurations and for the various services, the authorisation to operate the ground stations and the sensor stations located in third countries, as well as the authorisation to manufacture receivers containing PRS technology and their components. The Security Accreditation Board shall be

⁴ Hereinafter referred to as the 'Commission'.

composed of one representative per Member State, one representative from the Commission and one from the High Representative for Foreign Affairs and Security Policy.

Sources of financing

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

- Annual balancing subsidy, covering the core activities of the agency such as staff costs, administrative and IT costs and specific operational activities designated as core tasks within the framework of the Agency.
- Operational subsidies, by means of:
 - o Delegation agreements for specific operational activities allowing the exploitation of the EGNOS and GALILEO satellite systems including research and development activities through the H2020 programme, during the 2014-2020 Financial Perspective.
 - o Delegation agreements for preparatory activities for Public Regulated Services and GOVSATCOM.
 - o A single Contribution agreement signed in 2021 covering all operational activities for the 2021-2027 Financial Perspective including:
 - Exploitation, management and oversight, research and development, market up-take, set-up and system evolution for EGNOS, GALILEO, GOVSATCOM, SSA and Copernicus;
 - Further supported by research and development activities through the Horizon Europe Programme.

The ENTRUSTED H2020 Grant Agreement for GOVSATCOM activities, awarded by the Research Executive Agency, which does not provide direct financing for the Agency's costs but entails reception and distribution of funds to the other Public Bodies in the Consortium as per the H2020 rules.

2. Annual accounts

Basis for preparation

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

Accounting Officer

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

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

Composition of the annual accounts

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

Process from provisional accounts to discharge

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

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

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

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

3. Operational highlights

Achievements of the year

For the EUSPA, 2021 is notable for the transition of the agency from GSA to the European Agency for the Space Programme (EUSPA) following the entry into force of the new EU Space Programme Regulation. In addition, this has led to the signature of the Financial Framework Partnership Agreement (FFPA) and several Contribution Agreements with the European Commission and ESA.

This translates into:

- Maintaining ongoing operations for Galileo services,
- Continuing the maintenance and development of the EGNOS services,
- Awarding new grants for downstream development, in compliance with applicable rules and regulations regarding security, ethics and data protection,
- Undertaking new tasks including in Horizon Europe, GOVSATCOM, Copernicus and SSA

Based on the positive results of the surveillance audit implemented, the agency continues to maintain its certification in accordance with the Quality Management System Standard ISO 9001, continuing to demonstrate its high commitment to quality and stakeholder satisfaction.

During the financial year 2021, the EUSPA has achieved a number of milestones with financial impact, including:

- Approximately 2.4 billion Galileo users and main differentiators testing with users started, Open Service Navigation Message Authentication (OSNMA) and High Accuracy Service (HAS);
- Galileo Launch 11 in December 2021 - first Launch and Early Operations Phase (LEOP) from Galileo Control Centre (GCC), new batch of satellites, new ground control system;
- EGNOS Version 242A in service, GEO-4 payload assembled in hosting satellite, progress on EGNOS Version 3;
- GovSatCom Hub phase 1 in progress;
- In collaboration with the European Commission, developed the Green Lane app as a key tool in the EU's COVID-19 pandemic response by easing traffic flow through the EU's borders.

Of special importance, it should be highlighted that the Agency has managed to maintain its full operational capacity and budgetary implementation despite taking the measures necessary to cope with the continuously evolving situation around the COVID-19 pandemic.

Budget and budget implementation

The European Union Agency for the Space Programme (EUSPA), as a decentralised agency of the EU, is entrusted with budget implementation tasks within the scope laid down by article 62 of the EU Financial Regulation 2018 on indirect management of funds of the Commission.

In summary, a total of EUR 1.61 billion of payments were made in 2021.

The core budget of the agency amounted to EUR 44.1 million in 2021 in payment appropriations and a further EUR 1.75 billion in differentiated payment appropriations (delegated budget).

For reference, with regards to the core budget, the EUSPA was awarded EUR 57.1 million in commitment appropriations which was implemented 100% on all three Titles.

The implementation of payment appropriations reached 75% for the core budget and 25% of appropriations were carried forward.

Delegated budget funds under Title 3 are committed on an assigned revenue fund source; therefore, the principle of annuality is not applicable and commitment of funds is done on a multiannual basis over the duration of the delegation agreement. This implies automatic carry forward of commitment appropriations until the multiannual programme closure.

Revenue:

As of 2021, EUSPA does not have any self-financing capacity, the Commission being its only source of revenue. EUSPA's revenue can be split into two different groups according to the nature of the funds: subsidy (administrative and core operations) and external assigned revenue (aimed to fulfil specific and tailored objectives). In 2021, EUSPA received a gross sum of circa EUR 44.1 million as a subsidy in two instalments, circa EUR 1.75 billion as external assigned revenue, in seventeen instalments, and circa EUR 74 million as miscellaneous revenue primarily stemming from recovery of balances on ESA contracts under the previous financial perspective following the successful transition of ESA activities to the new Contribution Agreements.

Expenditure:

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

The total expenditure stemming from EUSPA's operations in 2021 amounted to circa EUR 1.61 billion – EUR 26 million for costs under Title 1; EUR 8 million for costs under Title 2 and EUR 1.58 billion for costs under Title 3.

The low level of consumption in Title 3 in comparison to Title 1 and Title 2 is driven by the implementation of the Financial Framework Partnership Agreement and the various Contribution Agreements associated with it (namely, the latest agreements related to Galileo, EGNOS exploitation and Horizon Europe). In order to cover the high-value multiannual contracts related to the agreements, the full amount of commitment appropriations is opened upon signature of the agreements and not on an annual basis. Payment appropriations are inscribed on the basis of the cash received from the Commission, on a biannual basis, in accordance with the contribution agreements, and therefore there may be some misalignment with the real timing of payments.

Further details can be found in section of the budgetary implementation reports.

Impact of the activities in the financial statements

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

- **Increase of pre-financing:** The increase of kEUR 430 510 is the result of prepayments paid under the new Contribution Agreement for both EGNOS and GALILEO (see note **2.3**).
- **Increase of exchange and non-exchange receivables:** The increase of exchange and non-exchange receivables by kEUR 255 203 (2021: kEUR 1 054 091; 2020: kEUR 798 887) is primarily due to the central treasury liaison accounts) which have received additional pre-financing from the Commission to support the new contribution agreement activities (EGNOS and Galileo). The funds received for the Contribution Agreement are necessary in particular for executing pre-financing payments to the European Space Agency and Arianespace SA, for operational services provided and kick-off of satellite launch services, respectively (see note **2.4**).
- **Increase of payables and non-current financial liabilities:** Overall, the increase of these liabilities of kEUR 679 825 (2021: kEUR 1 625 554; 2020: kEUR 945 729) is, similarly to the exchange receivables above, largely due to increase of pre-financing received under the Contributions Agreements with the Commission (see notes **2.5** and **2.6**).
- **Increase of revenue from non-exchange transaction and operational costs:** The increase of revenues from the Commission's subsidy with kEUR 361 331 (2021: kEUR 1 125 679; 2020 kEUR 764 348) is a combined effect. Firstly, an increase of kEUR 352 592 related to the operating subsidy is in line with the increase of operational costs (kEUR 388 999) due to ramp up of activities under both EGNOS and Galileo programmes (see note **3.4**). Secondly, the increase of kEUR 8 739 in the balancing subsidy is related to increase of namely staff and administrative costs (see note **3.1**).
- **Increase of other expenses:** The increase of kEUR 4 072 (2021: kEUR 11 836; 2020: kEUR 7 764) is driven by an increase of IT costs (kEUR 1 406) and non-IT services (kEUR 1 308) incurred mainly on support services for the transition of the Agency to the increased responsibilities as the EUSPA (see note **3.7**).

EUROPEAN UNION AGENCY FOR THE SPACE PROGRAMME
FINANCIAL YEAR 2021

FINANCIAL STATEMENTS AND EXPLANATORY NOTES

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

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BALANCE SHEET

EUR '000

	Note	31.12.2021	31.12.2020
NON-CURRENT ASSETS			
<i>Intangible Assets</i>	2.1	141	15
<i>Property, plant and equipment</i>	2.2	1 526	1 199
<i>Pre-financing</i>	2.3	145 011	66 579
		146 678	67 792
CURRENT ASSETS			
<i>Pre-financing</i>	2.3	528 851	176 773
<i>Exchange receivables and non-exchange recoverables</i>	2.4	1 054 091	798 887
		1 582 942	975 661
TOTAL ASSETS		1 729 621	1 043 453
NON-CURRENT LIABILITIES			
<i>Financial liabilities</i>	2.5	(148 722)	–
		(148 722)	–
CURRENT LIABILITIES			
<i>Payables and other liabilities</i>	2.6	(1 476 832)	(945 729)
<i>Accrued charges</i>	2.7	(94 186)	(93 245)
		(1 571 018)	(1 038 974)
TOTAL LIABILITIES		(1 719 740)	(1 038 974)
NET ASSETS		9 881	4 479
<i>Accumulated surplus</i>		4 479	(2 337)
<i>Economic result of the year</i>		5 402	6 816
NET ASSETS		9 881	4 479

STATEMENT OF FINANCIAL PERFORMANCE

EUR '000

	Note	2021	2020
REVENUE			
Revenue from non-exchange transactions			
<i>Funds from the Commission</i>	3.1	1 125 679	764 348
<i>Recovery of expenses</i>	3.2	32 520	104
		1 158 199	764 452
Revenue from exchange transactions			
<i>Financial revenue</i>		(18)	20
<i>Other</i>	3.3	262	450
		245	470
Total revenue		1 158 443	764 922
EXPENSES			
<i>Operational costs</i>	3.4	(1 118 853)	(729 854)
<i>Staff costs</i>	3.5	(22 329)	(20 263)
<i>Finance costs</i>	3.6	(23)	(225)
<i>Other expenses</i>	3.7	(11 836)	(7 764)
Total expenses		(1 153 041)	(758 106)
ECONOMIC RESULT OF THE YEAR		5 402	6 816

CASHFLOW STATEMENT⁶

EUR '000

	2021	2020
<i>Economic result of the year</i>	5 402	6 816
Operating activities		
<i>Depreciation and amortization</i>	666	508
<i>(Increase)/decrease in pre-financing</i>	(430 510)	620
<i>(Increase)/decrease in exchange receivables and non-exchange</i>	(255 203)	(145 533)
<i>Increase/(decrease) in provisions</i>	–	(676)
<i>Increase/(decrease) in payables</i>	531 103	168 464
<i>Increase/(decrease) in accrued charges</i>	941	(29 612)
<i>Increase/(decrease) in financial liabilities</i>	148 722	–
Investing activities		
<i>(Increase)/decrease in intangible assets and property, plant and</i>	(1 120)	(588)
NET CASHFLOW	–	–
<i>Net increase/(decrease) in cash and cash equivalents</i>	–	–
<i>Cash and cash equivalents at the beginning of the year</i>	–	–
<i>Cash and cash equivalents at year-end</i>	–	–

⁶ Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of the EUSPA, the treasury of EUSPA was integrated into the Commission's treasury system. Because of this, EUSPA does not have any bank accounts of its own. All payments and receipts are processed via the Commission's treasury system and registered on intercompany accounts, which are presented under the heading exchange receivables.

STATEMENT OF CHANGES IN NET ASSETS

EUR '000

	Accumulated Surplus/ (Deficit)	Economic result of the year	Net Assets
BALANCE AS AT 31.12.2019	241	(2 578)	(2 337)
<i>Allocation 2019 economic result</i>	<i>(2 578)</i>	<i>2 578</i>	<i>–</i>
<i>Economic result of the year</i>	<i>–</i>	<i>6 816</i>	<i>6 816</i>
BALANCE AS AT 31.12.2020	(2 337)	6 816	4 479
<i>Allocation 2020 economic result</i>	<i>6 816</i>	<i>(6 816)</i>	<i>–</i>
<i>Economic result of the year</i>	<i>–</i>	<i>5 402</i>	<i>5 402</i>
BALANCE AS AT 31.12.2021	4 479	5 402	9 881

NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. ACCOUNTING PRINCIPLES

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

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

1.2. BASIS OF PREPARATION

1.2.1. Reporting period

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

1.2.2. Currency and basis for conversion

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

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

Euro exchange rates

Currency	31.12.2021	31.12.2020	Currency	31.12.2021	31.12.2020
BGN	1.9558	1.9558	PLN	4.5969	4.5597
CZK	26.8580	26.2420	RON	4.9490	4.8683
DKK	7.4364	7.4409	SEK	10.2503	10.0343
GBP	0.84028	0.8990	CHF	1.0331	1.0802
HRK	7.5156	7.5519	JPY	130.3800	126.4900
HUF	369.1900	363.8900	USD	1.1326	1.2271

1.2.3. Use of estimates

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

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

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

Revised EAR which is effective for annual periods beginning on or after 1 January 2021

In 2020, the Accounting Officer adopted the revised EAR 11 'Financial Instruments', which is mandatorily effective as of 1 January 2021. The revised EAR 11 is based on the new IPSAS 41 'Financial Instruments', the amended IPSAS 28 'Financial Instruments: Presentation' and the amended IPSAS 30 'Financial Instruments: Disclosures' which were issued in August 2018. It establishes the financial reporting principles for financial assets and financial liabilities. In accordance with the transition provisions of the revised EAR 11, the entity accounts for any changes from the initial application, on 1 January 2021. The revised EAR 11 does not require the restatement of prior periods.

Changes from the application of the revised EAR 11

The only financial instruments of the entity, are the receivables from exchange transactions. In accordance with the revised EAR 11 requirements, the entity has classified these receivables as 'financial assets at amortised cost' ('loans and receivables' in prior periods). The entity has applied the impairment requirements of the revised EAR 11 to the receivables, but no recognition of loss allowance in the accumulated surplus or deficit on 1 January 2021 was needed.

1.3. BALANCE SHEET

1.3.1. Intangible assets

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

1.3.2. Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition, construction or transfer of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to the entity and its cost can be measured reliably. Repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred. Land is not depreciated, as it is deemed to have an indefinite useful life. Assets under construction are not depreciated as these assets are not yet available for use. Depreciation on other assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives, as follows:

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

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

Leases

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

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

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

1.3.3. Impairment of non-financial assets

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

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

1.3.4. Financial assets

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

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

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

Initial recognition and measurement

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

Subsequent measurement

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

Derecognition

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

1.3.5. Pre-financing amounts

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

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

1.3.6. Receivables and recoverables

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

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

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

1.3.7. Provisions

Provisions are recognised when the entity has a present legal or constructive obligation towards third parties as a result of past events, when it is more likely than not that an outflow of resources will be required to settle the obligation, and when the amount can be reliably estimated. Provisions are not recognised for future operating losses. The amount of the provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date. Where the provision involves a large number of items, the obligation is estimated by weighting all possible outcomes by their associated probabilities ('expected value' method).

Provisions for onerous contracts are measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

1.3.8. Payables

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

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

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

1.3.9. Accrued and deferred revenue and charges

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

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

1.4. STATEMENT OF FINANCIAL PERFORMANCE

1.4.1. Revenue

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

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

(i) Revenue from non-exchange transactions

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

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

(ii) Revenue from exchange transactions

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

1.4.2. Expenses

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

Expenses from exchange transactions arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by the entity. They are valued at the original invoice

amount. Furthermore, at the balance sheet date expenses related to the service delivered during the period for which an invoice has not yet been received or accepted are recognised in the statement of financial performance.

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

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

1.5. CONTINGENT ASSETS AND LIABILITIES

1.5.1. Contingent assets

A contingent asset is a possible asset that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

1.5.2. Contingent liabilities

A contingent liability is either a possible obligation of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation where it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation.

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

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

1.6. CONSOLIDATION

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

2. NOTES TO THE BALANCE SHEET

ASSETS

2.1. INTANGIBLE ASSETS

EUR '000

TOTAL

Gross carrying amount at 31.12.2020	264
Additions	138
Gross carrying amount at 31.12.2021	401
Accumulated amortisation at 31.12.2020	(249)
Amortization charge for the year	(11)
Accumulated amortisation at 31.12.2021	260
NET CARRYING AMOUNT AT 31.12.2021	141
NET CARRYING AMOUNT AT 31.12.2020	15

The addition relates to computer software developed internally which will be amortised as of 2021 at a 25% amortisation rate per year. The software goes from a visitor tracking database to a MIME solution for signatures and encryption of e-mails, flexitime connector in SYSPER and the ICT Service catalogue development.

2.2. PROPERTY, PLANT AND EQUIPMENT

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

EUR
'000

	Land and buildings	Plant and equipment	Furniture and vehicles	Computer hardware	Other	TOTAL
Gross carrying amount at 31.12.2020	–	65	509	3 785	656	5 015
Additions	8	–	20	898	109	1 035
Disposals	–	–	–	(53)	–	(53)
Gross carrying amount at 31.12.2021	8	65	528	4 630	766	5 997
Accumulated depreciation at 31.12.2020	–	(26)	(321)	(2 962)	(508)	(3 816)
Depreciation charge for the year	–	(8)	(53)	(531)	(67)	(659)
Disposals	–	–	–	4	–	4
Accumulated depreciation at 31.12.2021	–	(34)	(374)	(3 489)	(574)	(4 471)
NET CARRYING AMOUNT AT 31.12.2021	7	31	154	1 137	192	1 526
NET CARRYING AMOUNT AT 31.12.2020	–	39	188	823	149	1 199

The additions of kEUR 898 under computer hardware are primarily related to purchases of laptops, cell phones, printers and a large data server to increase the communication capacity and the backup storage.

2.3. PRE-FINANCING

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

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

	EUR '000	
	31.12.2021	31.12.2020
<i>Non-current pre-financing</i>	145 011	66 579
<i>Current pre-financing</i>	528 851	176 773
	673 862	243 352

For all pre-financing amounts open at 31 December 2021 a commitment-by-commitment assessment has been performed and pre-financing that was considered unlikely to be cleared in the course of 2022 was classified as non-current pre-financing. The outstanding current pre-financing was reduced by amounts of estimated expenses of kEUR 209 901 related to commitments for which services were rendered but no cost claims were received at 31 December 2021. The remaining portion of the cut-off expenses is recorded in accrued charges (see note 2.7).

The overall high balance of the open pre-financing is triggered by the regular prepayments made by EUSPA to the European Space Agency (ESA) in order to provide ESA with the necessary float to carry out activities stemming from the Galileo Exploitation delegation agreement and its amendments. The pre-financing will be cleared within 12 months when ESA provides the annual report to EUSPA. Included in the pre-financing are also prepayments made to Ariane Space SAS for kEUR 103 499 for the Galileo FOC Satellites.

The increase of the total pre-financing relates to new Contribution Agreement for both EGNOS and GALILEO. In particular, the increase in non-current pre-financing is due to new projects signed in 2021 and ending 2026 connected with the launch of satellites and their technical services.

At 31 December 2021, guarantees received covering pre-financing amounted to kEUR 83 963 (2020: kEUR 87 776).

2.4. EXCHANGE RECEIVABLES & NON-EXCHANGE RECOVERABLES

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

At 31 December 2021 EUSPA did not have any non-current receivables and recoverables. The amounts included under this heading are of a current nature and can be broken down as follows:

EUR '000

	31.12.2021	31.12.2020
Recoverables from non-exchange transactions		
<i>Member States</i>	1 118	1 249
<i>Other</i>	36	41
	1 154	1 289
Receivables from exchange transactions		
<i>Central treasury liaison accounts</i>	1 050 882	796 338
<i>Deferred charges relating to exchange transactions</i>	1 718	1 239
<i>Customers</i>	249	9
<i>Other</i>	88	12
	1 052 937	797 598
Total	1 054 091	798 887

Recoverables from Member States represent VAT amounts (kEUR 1 118) to be recovered from Spain, France, Czech Republic, the United Kingdom and the Netherlands.

Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of EUSPA, the treasury of EUSPA was integrated into the Commission's treasury system. Because of this, EUSPA does not have any bank accounts of its own since 2015. All payments and receipts are processed via the Commission's treasury system and registered on inter-company accounts, which are presented under this heading. The ending balance of this heading is thus the result of the incoming and outgoing payments and represents the funds available to the Agency.

The significantly increase under the Central treasury liaison accounts is due to higher pre-financing received from the Commission in order to cover increased activities related to both the EGNOS and GALILEO programmes.

The Agency signed contribution agreements under the new financial perspective, which further increased the scope and budget of the Agency. In particular, for 2021 there was a significant increase in costs related to the activities with the European Space Agency due to the cut-off of the previous Working Arrangement and the kick-off of the new Contribution Agreement, which led to a higher amount on the treasury liaison accounts.

The heading deferred charges relating to exchange transactions consists of advance payments made in 2021 for school tuition fees, subscriptions, maintenance fees and other IT services to be delivered in 2022. Due to a higher signature contracts for IT services and other services who will need to help the agency in its grow for increasing responsibilities in this transit period the amount of deferred charges has risen.

The increase in the customers heading of kEUR 240 is due to new several customers which have still outstanding amounts.

LIABILITIES

2.5. FINANCIAL LIABILITIES

EUR '000

	31.12.2021	31.12.2020
<i>Financial liabilities</i>	148 722	–

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

2.6. PAYABLES

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

	EUR '000	
	31.12.2021	31.12.2020
<i>Pre-financing received from Commission - operational subsidy</i>	1 458 303	936 871
<i>Vendors</i>	16 996	7 448
<i>Participants Guarantee Fund</i>	-	1 045
<i>Public bodies</i>	1 495	304
<i>Pre-financing received from Commission - balancing subsidy</i>	-	45
<i>Member States</i>	-	20
<i>Other</i>	39	(4)
Total	1 476 832	945 729

The most significant item under this heading is the current term pre-financing received as operational subsidy from the Commission for the Delegation and Contribution Agreements for EGNOS Exploitation (kEUR 521 968) and Galileo Exploitation (kEUR 945 334). In particular, the increase in pre-financing received from the operational subsidy is due to the signature of the new Contribution Agreement for both EGNOS and GALILEO which implies high value pre-financing payments to the satellite service providers (ESSP for EGNOS and GSOp for Galileo) and for activities under the Working Agreement with ESA for both systems. All the amounts that were, based on the cash planning, estimated to be paid after 31 December 2022 are presented under non-current financial liabilities (see note 2.5).

Under the line public bodies, kEUR 1 435 concerns an invoice from the public company ENAIRE of Spain hosting an EGNOS Ground Station still not validated and paid at the end of the year.

The vendors increased by kEUR 9 548 due to the higher number of cost claims submitted but not yet validated and paid at year end.

2.7. ACCRUED CHARGES AND DEFERRED INCOME

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

	EUR '000	
	31.12.2021	31.12.2020
<i>Accrued charges</i>	93 956	93 245
<i>Accrued charges with consolidated entities</i>	230	-
Total	94 186	93 245

Accrued charges are mainly composed of estimated operational expenses of kEUR 91 404, primarily relating to the implementation of delegation agreements. In accordance with the pro-rata temporis method, only costs that reflect work performed up to 31 December 2021 are included in the estimation. The portion of estimated accrued charges relating to commitments with pre-financing has been recorded as a reduction of the pre-financing amounts (see note 2.3).

Included under this heading are also accrued administrative expenses, i.e. estimated costs of services and goods delivered in year 2021 but not yet invoiced or processed by the end of the year of kEUR 1 842. The heading also includes accrued staff expenses for untaken leave of kEUR 710.

3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

REVENUE

NON-EXCHANGE REVENUE

3.1. FUNDS FROM THE COMMISSION

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

	EUR '000	
	2021	2020
Revenue from the operational subsidy	1 081 535	728 943
Revenue from the balancing subsidy	44 144	35 405
Total	1 125 679	764 348

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

The increase of revenue from the operational subsidy is correlated with the continued ramp up of activities for the EGNOS and GALILEO programmes (see note 3.4) and with increase of administrative cost in order to support transition of the Agency to the EUSPA (see note 3.7).

3.2. RECOVERY OF EXPENSES

	EUR '000	
	2021	2020
Recovery of operating expenses	32 520	104

The increase under this heading relates mainly to undue expense of EGNOS (kEUR 21 546) and Galileo (kEUR 10 868) that were recovered from the European Space Agency in 2021.

EXCHANGE REVENUE

3.3. OTHER EXCHANGE REVENUE

	EUR '000	
	2021	2020
Foreign exchange gains	(37)	186
Recovery of expenses Administrative procurement	300	264
Total	262	450

EXPENSES

3.4. OPERATIONAL COSTS

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

	EUR '000	
	2021	2020
<i>Operational costs</i>	1 118 853	729 854

Included under this heading are operational expenses incurred in relation to core tasks and tasks delegated by the Commission carried out in 2021. For open commitments without any validated cost statements the 2021 expenses were estimated on a commitment-by-commitment basis using the best available information at 31 December 2021 (see note **2.7**).

In 2021, the Agency signed contribution agreements under the new multi-annual financial framework (MFF), which further increased both the scope and budget of the Agency. The increase compared to 2020 is due to the increased activities under both EGNOS and GALILEO. As the programmes reach cruising speed, the regular operational costs have increased so as to facilitate improvements to the existing solutions, by the funding of continued development and research. In particular, for 2021 there was a significant increase in costs related to the activities with the European Space Agency due to the cut-off of the previous Working Arrangement and kick-off of the new Contribution Agreement which meant both acknowledging residual costs at the same time as recognizing newly achieved milestones under the Contribution Agreement. This explains the large increase of operational cost under this heading.

3.5. STAFF COSTS

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

	EUR '000	
	2021	2020
<i>Staff costs</i>	22 329	20 263

The staff costs increased by kEUR 2 066, due to increase of staff necessary to cope with the significant increase in the activities of EUSPA.

3.6. FINANCE COST

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

EUR '000

	2021	2020
<i>Other interest expenses</i>	23	14
<i>Amounts written down amounts</i>	–	211
Total	23	225

3.7. OTHER EXPENSES

EUR '000

	2021	2020
<i>External non IT services</i>	4 293	2 985
<i>Maintenance & Security - Building</i>	2 647	2 598
<i>Expenses with other Consolidated entities</i>	699	744
<i>External IT service</i>	2 135	729
<i>Property, plant and equipment related expenses</i>	666	508
<i>Missions</i>	549	349
<i>Operating leasing expenses</i>	257	266
<i>Foreign exchange losses</i>	200	114
<i>Training Costs</i>	181	79
<i>EPSO Costs (Recruitment)</i>	44	43
<i>Experts and related expenditure</i>	165	24
<i>Provisions</i>	–	(676)
Total	11 836	7 764

The increase under this heading can be explained by higher IT costs and non-IT services related cost incurred in 2021 on external IT and non-IT support that was necessary help the Agency with its transition to its new structure, that will efficiently support the increased activities and responsibilities of the EUSPA across all areas.

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

EUR '000

	Future amounts to be paid			Total
	< 1 year	1- 5 years	> 5 years	
<i>Buildings</i>	350	1 402	2 804	4 556
<i>IT materials and other equipment</i>	12	48	96	156
Total	362	1 450	2 900	4 712

4. OTHER SIGNIFICANT DISCLOSURES

4.1. CONTINGENT ASSETS

EUR '000

	31.12.2021	31.12.2020
<i>Performance guarantees</i>	10 000	10 000

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

In addition, at 31 December the EUSPA recognised guarantees to cover pre-financing payments given to beneficiaries (see note **2.3**).

4.2. OUTSTANDING COMMITMENTS NOT YET EXPENSED

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

EUR '000

	31.12.2021	31.12.2020
<i>Outstanding commitments not yet expensed</i>	5 309 594	897 829

The outstanding commitments not yet expensed represent the correction of the budgetary RAL with the estimated costs which are determined by using accrual based principle not reflected in the budgetary result, where the cash based principle is used. The high increase between the years, which is seen in the budget implementation reports (chapter **6**), is directly linked to the big increase of EUSPA activities in the future.

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

It is important to underline that the overall delegated budget of EUSPA has increased almost four times from around EUR 2.5 billion under the previous FFPA to the current EUR 9.1 billion.

4.3. SERVICES IN KIND

Based on the host agreement between the EUSPA and the Czech Republic that entered into force on 31 May 2012, the headquarters building in Prague is provided to EUSPA for a symbolic charge of EUR 1 per year during the first five years. The yearly value of the rent is estimated to be kEUR 761 plus indexation amounting to kEUR 871 in 2021. After five years, EUSPA is to be charged 25% of the estimated market value yearly, i.e. kEUR 217 in 2021. The contract has been concluded for an indefinite period of time.

Based on the host agreement between EUSPA and the Netherlands that entered into force on 30 May 2016, the GRC (Galileo Reference Centre) building is provided to EUSPA free of charge. The yearly value of the rent is estimated to be kEUR 336.

EUSPA has also signed two host agreements with Spain. According to the first one, which entered into force on 30 June 2014, the GSC (Galileo Service Centre) building is provided to EUSPA free of charge. The yearly value of the rent is estimated to be kEUR 118.

The second host agreement, which entered into force in 2019, states that the GSMC (Galileo Security Monitoring Centre) back-up site building is provided free of charge. The yearly value of the rent is estimated to be kEUR 132.

4.4. RELATED PARTIES

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

4.5. KEY MANAGEMENT ENTITLEMENTS

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

	31.12.2021	31.12.2020
<i>Executive Director</i>	<i>AD 14</i>	<i>AD 14</i>

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

5. FINANCIAL RISK MANAGEMENT

5.1. TYPES OF RISK

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

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

(2) Interest rate risk is the possibility of a reduction in the value of a security, especially a bond, resulting from an increase in interest rates. In general, higher interest rates will lead to lower prices of fixed rate bonds, and vice versa. The entity does not have any securities thus it is not exposed to the interest rate risk.

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

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

5.2. CURRENCY RISKS

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

5.3. CREDIT RISK

As of 01.01.2021 and under the updated EAR 11, the non-exchange recoverables are not in scope of EAR 11. Based on the analysis of the exchange receivables and for the purposes of the transition to the updated EAR 11, there is no impairment adjustment to book on 01.01.2021 for the receivables recognized in the EUSPA annual accounts of 2020. The impairment was kEUR 211 at 30 December 2020.

At the end of the year it was assessed for all open receivables if there is an objective evidence of impairment, i.e. bankruptcy and if so, all those receivables were fully impaired. The impairment amounted to kEUR 211 at 31 December 2021. The amounts of receivables presented under the note **2.4** are net of these amounts.

5.4. LIQUIDITY RISK

The financial liabilities are composed of accounts payable of kEUR 1 494 with remaining contractual maturity of less than 1 year.

6. OTHER SIGNIFICANT DISCLOSURES

6.1. Events after reporting date

In accordance with EU accounting rule 19, Events after Reporting Date, the Russian invasion of Ukraine, that began in February 2022 is a non-adjusting event, thus not requiring any adjustments to the figures reported in these financial statements at 31 December 2021.

For subsequent reporting periods, the war may affect the recognition and measurement of some assets and liabilities on the balance sheet and also of some revenue and expenses recognised in the statement of financial performance.

Based on the facts and circumstances at the time of preparation of these financial statements, in particular the evolving situation, the financial effect of the war in Ukraine on the Agency cannot be reliably estimated, however the Agency has taken inventory of areas of its activities where the conflict is expected to produce effects, and discloses the following:

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

Launches of Galileo satellites have historically relied on the use of the Russian Soyuz launcher for a significant number of launches, to maintain the launch schedule established for the programme. Following the invasion and the unilateral withdrawal of the Russian Soyuz launcher team by ROSCOSMOS, the future use of the Soyuz platform has been put on hold and EUSPA, ESA and EC are actively investigating alternatives to maintaining the launch schedule without reliance on the Russian launcher. Galileo nevertheless remains as operational and as functional as previously and there is no impact on services recalling that future launches, financed through funds delegated by the European Commission, are planned in particular for enhancing redundancy and progressive improvements of the system, as part of a standard lifecycle.

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

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

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

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

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

- The physical assets purchased for the Kyiv station are assets of the EU represented by the European Commission, not of EUSPA;
- All work carried out until the invasion, was done so in line with contractual agreements and expensed to the EUSPA appropriately without issue, therefore no recovery or blocking of payments is due;
- Cessation of the services occurred under Force Majeur and therefore no provisions, penalties or liabilities are considered by the Agency, given the contractor had no control over the events which occurred;
- The work on the Kharkiv station has so far not entered the implementation phase and the envisioned work and purchase of equipment has currently been put on hold without any further financial or operational implications to EUSPA.

- Inventory of possible direct or indirect ties with Russian and Belarusian institutions as well as other institutions funded by Russia or Belarus:

The Agency, immediately following the start of the Russian invasion, conducted an assessment of its contractual relationships with Russian and Belarusian institutions as well as other institutions funded by Russia or Belarus with the following results:

- No such contractors, grant beneficiaries or subcontractors have been identified by the Agency on any ongoing contracts and no payments are due to such parties.
- Staff members receiving salaries and reimbursements to accounts with Russian owned banks, targeted by EU sanctions, have had their salary payments changed to other banks as of the March salary payment and all payments to these banks have been blocked by the EC centrally in the bank clearing system ensuring no payments could be made to or blocked by the target banks.

Having regard to the above, the EUSPA therefore concludes the following concerning its financial performance following the 2022 Invasion of Ukraine:

Effects on the Statement of Financial Performance:

1. No effects on revenues are foreseen given that the Agency does not provide services and receives no revenues from Ukraine or Russia and will continue its operations nominally.
2. There is a possible immaterial reduction on foreseen expenses relating to funding delegated by the European Commission due to the halting of contracts concerning the RIMS sites in Ukraine, which will likely be re-absorbed into the programme without visible movement on the Agency Accounts.
3. There is a possible effect on expenses planning and EC subsidy income recognition in 2022 depending on the conclusion with respect to Galileo launch services for future Galileo launches, which may result in a delayed expense recognition.

Effects on the Balance Sheet:

1. No effect on physical assets is envisioned given that the situation in Ukraine affects uniquely delegated operations for which all assets purchased with delegated funds belong to the EU represented by the European Commission and are therefore booked solely on the EC's accounts.
2. There is possible indirect effect on receivable movements for pre-financing paid, specifically due to the delays in Galileo launch service provision which could lead to a recovery or delay in the clearing of pre-financing with the delay to future Galileo launch dates, which will also translate in a directly proportional effect on payables movements concerning the EC subsidy received.

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

EUROPEAN UNION AGENCY FOR THE SPACE PROGRAMME
FINANCIAL YEAR 2021

THE BUDGET IMPLEMENTATION REPORTS AND EXPLANATORY NOTES

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

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1. BUDGETARY PRINCIPLES AND STRUCTURE

1.1. BUDGETARY PRINCIPLES

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

Principles of unity and budget accuracy

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

Principle of annuality

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

Principle of equilibrium

Revenue and payment appropriations shall be in balance.

Principle of unit of account

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

Principle of universality

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

Principle of specification

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

Principle of sound financial management

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

Principle of transparency

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

1.2. STRUCTURE AND PRESENTATION OF THE BUDGET

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

Title 1

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

Title 2

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

Title 3

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

Assigned revenue

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

2. RESULT OF THE IMPLEMENTATION OF THE BUDGET

EUR '000

	Title	2021	2020
Revenue		1869 759	933 545
of which:			
Payments from the institutions and bodies	2	1795 833	932 837
Miscellaneous revenue	9	73 926	707
Expenditure		(1608 253)	(782 887)
of which:			
Staff expenditure	1	(25 439)	(22 283)
Administrative expenditure	2	(3 715)	(3 064)
Operational expenditure	3	(1579 098)	(757 540)
Payment appropriat. carried over to the following year		(11 132)	(5 892)
of which:			
Staff expenditure	1	(1 416)	(844)
Administrative expenditure	2	(7 403)	(4 177)
Operational expenditure	3	(2 313)	(871)
Cancellation of unused appropri. carried over from year n-1		177	100
Evolution of assigned revenue (B)-(A)		(250 373)	(144 892)
Unused appropriations at the end of current year (A)		1 040 911	790 538
Unused appropriations at the end of previous year (B)		790 538	645 646
Exchange rate differences		(237)	72
Budget result		(60)	45

3. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

EUR '000

	2021	2020
ECONOMIC RESULT OF THE YEAR	5 402	6 816
Adjustment for accrual items (items not in the budgetary result but included in the economic result)		
<i>Adjustments for accrual cut-off (net)</i>	136 407	157 523
<i>Unpaid invoices at year end but booked in expenses (net)</i>	284	(3 313)
<i>Depreciation, amortization and impairment of intangible and tangible assets</i>	666	508
<i>Movement in provisions</i>	–	(465)
<i>Recovery orders issued in the year and not yet cashed</i>	2	9
	19 189	
<i>Pre-financing given in previous year and cleared in the year</i>	416	3 302
<i>Pre-financing received in previous year and cleared in the year</i>	(646 659)	(627 242)
<i>Payments made from carry-over of payment appropriations</i>	5 715	4 963
<i>Other individually immaterial items</i>	(41)	125
Adjustment for budgetary items (item included in the budgetary result but not in the economic result)		
<i>Asset acquisitions (less unpaid amounts)</i>	(642)	(494)
<i>New pre-financing paid in the year and remaining open as at 31 December</i>	(616 912)	(186 679)
<i>New pre-financing received in the year and remaining open as at 31 December</i>	1 316 813	795 185
<i>Entitlements established in previous year and cashed in the year</i>	9	(1)
<i>Entitlements established on balance sheet accounts and cashed in the year</i>	41 139	389
<i>Payment appropriations carried over to next year</i>	(1 052 044)	(796 430)
<i>Cancellation of unused carried over payment appropriations from previous year</i>	177	100
<i>Adjustment for carry-over of assigned revenue appropriations from previous year</i>	790 538	645 646
<i>Other individually immaterial items</i>	(103)	102
BUDGET RESULT OF THE YEAR	(60)	45

4. IMPLEMENTATION OF BUDGET REVENUE

4.1. Implementation of budget revenue – Title 2

EUR '000

Item		Income appropriations		Entitlements established			Revenue		%		Out-standing
		Initial budget	Final budget	Current year	Carried over	Total	On entitlements of current year	On entitlements carried over			
		1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	10=5-8
2000	Operating subvention European Commission	72 986	44 144	44 144	–	44 144	44 144	–	44 144	1	–
2008	Programmes subvention European Commission	0	0	1 751 688	–	1 751 688	1 751 688	–	1 751 688	–	–
Total Chapter 20		72 986	44 144	1 795 833	–	1 795 833	1 795 833	–	1 795 833	41	–
Total Title 2		72 986	44 144	1 795 833	–	1 795 833	1 795 833	–	1 795 833	41	–

4.2. Implementation of budget revenue – Title 9

EUR '000

Item		Income appropriations		Entitlements established			Revenue		%		Out-standing
		Initial budget	Final budget	Current year	Carried over	Total	On entitlements of current year	On entitlements carried over			
		1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	10=5-8
9000	Miscellaneous revenue	0	0	74 167	220	74 387	73 918	9	73 926	–	460
Total Chapter 90		0	0	74 167	220	74 387	73 918	9	73 926	–	460
Total Title 9		0	0	74 167	220	74 387	73 918	9	73 926	–	460
GRAND TOTAL		72 986	44 144	1 869 999	220	1 870 219	1 869 750	9	1 869 759	42	460

5. IMPLEMENTATION OF BUDGET EXPENDITURE

5.1. Breakdown & changes in commitment appropriations

5.1.1. Breakdown & changes in commitment appropriations – Title 1

EUR '000

Item	Budget appropriations				Additional appropriations			Total approp. available
	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry- overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
1100 Staff expenditure	28 636	(5 442)	(1 254)	21 940	–	–	–	21 940
Total Chapter 11	28 636	(5 442)	(1 254)	21 940	–	–	–	21 940
1200 Recruitment costs	176	(76)	(3)	97	–	–	–	97
1210 Medical services	130	4	(45)	88	–	–	–	88
Total Chapter 12	306	(72)	(49)	185	–	–	–	185
1300 Missions and travel	1 795	(844)	(400)	550	–	13	13	564
Total Chapter 13	1 795	(844)	(400)	550	–	13	13	564
1400 Training expenditure	800	(232)	78	646	–	0	0	646
Total Chapter 14	800	(232)	78	646	–	0	0	646
1500 Social measures	940	(485)	(102)	353	–	11	11	364
Total Chapter 15	940	(485)	(102)	353	–	11	11	364
1600 External service providers	325	283	406	1 014	–	–	–	1 014
Total Chapter 16	325	283	406	1 014	–	–	–	1 014
1700 Representation expenditure	10	(8)	(2)	–	–	–	–	–
Total Chapter 17	10	(8)	(2)	–	–	–	–	–
1800 Tuition fees	2 235	(257)	152	2 131	–	34	34	2 165
Total Chapter 18	2 235	(257)	152	2 131	–	34	34	2 165
Total Title 1	35 046	(7 057)	(1 171)	26 819	–	58	58	26 877

5.1.2. Breakdown & changes in commitment appropriations – Title 2

EUR '000

Item		Budget appropriations			Additional appropriations			Total approp. available	
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry- overs	Assigned revenue		Total
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
2000	Investment in immovable property, rental	7 762	(4 607)	(48)	3 107	–	545	545	3 652
Total Chapter 20		7 762	(4 607)	(48)	3 107	–	545	545	3 652
2100	Data processing cost	4 304	684	89	5 078	–	12	12	5 090
Total Chapter 21		4 304	684	89	5 078	–	12	12	5 090
2200	Movable property and associated costs	119	(39)	330	410	–	–	–	410
Total Chapter 22		119	(39)	330	410	–	–	–	410
2300	Current administrative expenditure	1 571	59	338	1 968	–	0	0	1 968
Total Chapter 23		1 571	59	338	1 968	–	0	0	1 968
2400	Postage and telecommunication costs	667	(537)	(25)	105	–	–	–	105
Total Chapter 24		667	(537)	(25)	105	–	–	–	105
2500	Expenditure in meetings	163	(98)	(46)	19	–	–	–	19
Total Chapter 25		163	(98)	(46)	19	–	–	–	19
2600	Security Accreditation Board (SAB) administrative expenditure	502	(190)	(142)	171	–	2	2	173
Total Chapter 26		502	(190)	(142)	171	–	2	2	173
Total Title 2		15 088	(4 727)	497	10 857	–	560	560	11 417

5.1.3. Breakdown & changes in commitment appropriations – Title 3

EUR '000

Item		Budget appropriations			Additional appropriations			Total approp. available	
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry- overs	Assigned revenue		Total
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
3100	Expenditure on studies	21 935	(3 935)	661	18 661	–	–	–	18 661
Total Chapter 31		21 935	(3 935)	661	18 661	–	–	–	18 661
3300	Security Accreditation Board (SAB) expenditure	917	(137)	13	793	–	–	–	793
Total Chapter 33		917	(137)	13	793	–	–	–	793
3917	FP7 - 3rd call	–	–	–	–	–	1 419	1 419	1 419
3918	Public regulated services	–	–	–	–	–	104	104	104
3920	EGNOS exploitation	–	–	–	–	–	511 957	511 957	511 957
3921	Horizon 2020 - 1st call	–	–	–	–	–	565	565	565
3922	GALILEO exploitation	–	–	–	–	–	513 232	513 232	513 232
3923	Horizon 2020 - 2nd call	–	–	–	–	–	2 491	2 491	2 491
3924	Horizon 2020 - 3rd call	–	–	–	–	–	1 283	1 283	1 283
3925	Horizon 2020 - 4th call	–	–	–	–	–	146	146	146
3926	GOVSATCOM prep.	–	–	–	–	–	4 159	4 159	4 159
3927	Horizon 2020 - 5th call	–	–	–	–	–	3 902	3 902	3 902
3928	Govsatcom Entrusted	–	–	–	–	–	3 000	3 000	3 000
3929	GALILEO activities	–	–	–	–	–	7100 000	7100 000	7100 000
3930	EGNOS activities	–	–	–	–	–	1400 000	1400 000	1400 000
3931	GOVSATCOM activities	–	–	–	–	–	165 000	165 000	165 000
3932	SSA activities	–	–	–	–	–	1 600	1 600	1 600
3933	Horizon Europe - Downstream activities	–	–	–	–	–	304 900	304 900	304 900
3934	Copernicus - Downstream activities	–	–	–	–	–	30 000	30 000	30 000
3935	GALILEO Application	–	–	–	–	–	500	500	500
Total Chapter 39		–	–	–	–	–	10 044 258	10 044 258	10 044 258
Total Title 3		22 852	(4 072)	674	19 454	–	10 044 258	10 044 258	10 063 712
GRAND TOTAL		72 986	(15 856)	0	57 130	–	10 044 876	10 044 876	10 102 007

5.2. Breakdown & changes in payment appropriations

5.2.1. Breakdown & changes in payment appropriations – Title 1

EUR '000

Item		Budget appropriations				Additional appropriations			Total appopr. available
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry- overs	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
1100	Staff expenditure	28 636	(5 442)	(1 254)	21 940	–	–	–	21 940
Total Chapter 11		28 636	(5 442)	(1 254)	21 940	–	–	–	21 940
1200	Recruitment costs	176	(76)	(3)	97	–	–	–	97
1210	Medical services	130	4	(45)	88	48	–	48	137
Total Chapter 12		306	(72)	(49)	185	48	–	48	233
1300	Missions and travel	1 795	(844)	(400)	550	20	13	33	583
Total Chapter 13		1 795	(844)	(400)	550	20	13	33	583
1400	Training expenditure	800	(232)	78	646	121	0	121	766
Total Chapter 14		800	(232)	78	646	121	0	121	766
1500	Social measures	940	(485)	(102)	353	175	11	186	539
Total Chapter 15		940	(485)	(102)	353	175	11	186	539
1600	External service providers	325	283	406	1 014	315	–	315	1 330
Total Chapter 16		325	283	406	1 014	315	–	315	1 330
1700	Representation expenditure	10	(8)	(2)	–	–	–	–	–
Total Chapter 17		10	(8)	(2)	–	–	–	–	–
1800	Tuition fees	2 235	(257)	152	2 131	165	34	199	2 330
Total Chapter 18		2 235	(257)	152	2 131	165	34	199	2 330
Total Title 1		35 046	(7 057)	(1 171)	26 819	844	58	902	27 721

5.2.2. Breakdown & changes in payment appropriations – Title 2

EUR '000

Item		Budget appropriations			Final adopted budget	Additional appropriations			Total approp. available
		Initial adopted budget	Amending budgets	Transfers		Carry-overs	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
2000	Investment in immovable property, rental	7 762	(4 607)	(48)	3 107	1 287	545	1 832	4 939
Total Chapter 20		7 762	(4 607)	(48)	3 107	1 287	545	1 832	4 939
2100	Data processing cost	4 304	684	89	5 078	2 223	12	2 236	7 313
Total Chapter 21		4 304	684	89	5 078	2 223	12	2 236	7 313
2200	Movable property and associated costs	119	(39)	330	410	7	–	7	417
Total Chapter 22		119	(39)	330	410	7	–	7	417
2300	Current administrative expenditure	1 571	59	338	1 968	569	0	569	2 537
Total Chapter 23		1 571	59	338	1 968	569	0	569	2 537
2400	Postage and telecommunication costs	667	(537)	(25)	105	89	–	89	194
Total Chapter 24		667	(537)	(25)	105	89	–	89	194
2500	Expenditure in meetings	163	(98)	(46)	19	–	–	–	19
Total Chapter 25		163	(98)	(46)	19	–	–	–	19
2600	Security Accreditation Board (SAB) administrative expenditure	502	(190)	(142)	171	2	2	4	175
Total Chapter 26		502	(190)	(142)	171	2	2	4	175
Total Title 2		15 088	(4 727)	497	10 857	4 177	560	4 737	15 594

5.2.3. Breakdown & changes in payment appropriations – Title 3

EUR '000

Item	Initial adopted budget	Budget appropriations			Additional appropriations			Total approp. available
		Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
	1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
3100 Expenditure on studies	21 935	(16 921)	164	5 178	871	–	871	6 049
Total Chapter 31	21 935	(16 921)	164	5 178	871	–	871	6 049
3300 Security Accreditation Board (SAB) expenditure	917	(137)	510	1 290	–	–	–	1 290
Total Chapter 33	917	(137)	510	1 290	–	–	–	1 290
3918 Public regulated services	–	–	–	–	–	686	686	686
3920 EGNOS exploitation	–	–	–	–	–	415 853	415 853	415 853
3921 Horizon 2020 - 1st call	–	–	–	–	–	2 731	2 731	2 731
3922 GALILEO exploitation	–	–	–	–	–	783 894	783 894	783 894
3923 Horizon 2020 - 2nd call	–	–	–	–	–	1 125	1 125	1 125
3924 Horizon 2020 - 3rd call	–	–	–	–	–	2 347	2 347	2 347
3925 Horizon 2020 - 4th call	–	–	–	–	–	8 119	8 119	8 119
3926 GOVSATCOM prep.	–	–	–	–	–	1 467	1 467	1 467
3927 Horizon 2020 - 5th call	–	–	–	–	–	4 705	4 705	4 705
3928 Govsatcom Entrusted	–	–	–	–	–	2 109	2 109	2 109
3929 GALILEO activities	–	–	–	–	–	1 118 000	1 118 000	1 118 000
3930 EGNOS activities	–	–	–	–	–	246 000	246 000	246 000
3931 GOVSATCOM activities	–	–	–	–	–	1 500	1 500	1 500
3933 Horizon Europe - Downstream activities	–	–	–	–	–	23 000	23 000	23 000
3934 Copernicus - Downstream activities	–	–	–	–	–	4 000	4 000	4 000
Total Chapter 39	–	–	–	–	–	2 615 534	2 615 534	2 615 534
Total Title 3	22 852	(17 058)	674	6 468	871	2 615 534	2 616 405	2 622 873
GRAND TOTAL	72 986	(28 842)	0	44 144	5 892	2 616 153	2 622 045	2 666 189

5.3. Implementation of commitment appropriations

5.3.1. Implementation of commitment appropriations - Title 1

EUR '000

Item	Total approp. available	from final adopt. budget	Commitments made		Total	%	Appropriations carried over to 2022			Appropriations lapsing			
			from carry-overs	from assign. revenue			Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
1100 Staff expenditure	21 940	21 940	–	–	21 940	100 %	–	–	–	–	–	0	–
Total Chapter 11	21 940	21 940	–	–	21 940	100 %	–	–	–	–	–	0	–
1200 Recruitment costs	97	97	–	–	97	100 %	–	–	–	–	–	0	–
1210 Medical services	88	88	–	–	88	100 %	–	–	–	–	–	0	–
Total Chapter 12	185	185	–	–	185	100 %	–	–	–	–	–	0	–
1300 Missions and travel	564	550	–	4	554	98 %	9	–	9	–	–	–	–
Total Chapter 13	564	550	–	4	554	98 %	9	–	9	–	–	–	–
1400 Training expenditure	646	646	–	0	646	100 %	–	–	–	–	–	–	–
Total Chapter 14	646	646	–	0	646	100 %	–	–	–	–	–	–	–
1500 Social measures	364	353	–	4	357	98 %	7	–	7	–	–	–	–
Total Chapter 15	364	353	–	4	357	98 %	7	–	7	–	–	–	–
1600 External service providers	1 014	1 014	–	–	1 014	100 %	–	–	–	–	–	0	–
Total Chapter 16	1 014	1 014	–	–	1 014	100 %	–	–	–	–	–	0	–
1800 Tuition fees	2 165	2 131	–	28	2 159	100 %	6	–	6	–	–	–	–
Total Chapter 18	2 165	2 131	–	28	2 159	100 %	6	–	6	–	–	–	–
Total Title 1	26 877	26 819	–	37	26 855	100 %	22	–	22	–	–	–	–

5.3.2. Implementation of commitment appropriations - Title 2

EUR '000

Item	Total approp. available	from final adopt. budget	Commitments made		Total	%	Appropriations carried over to 2022			Appropriations lapsing			
			from carry- overs	from assign. revenue			Assign. revenue	By decision	Total	from final adopt. budget	from carry- overs	from assign. revenue	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
2000 Investment in immovable property, rental	3 652	3 107	-	249	3 356	92 %	296	-	296	-	-	-	-
Total Chapter 20	3 652	3 107	-	249	3 356	92 %	296	-	296	-	-	-	-
2100 Data processing cost	5 090	5 078	-	12	5 090	100 %	-	-	-	-	-	-	-
Total Chapter 21	5 090	5 078	-	12	5 090	100 %	-	-	-	-	-	-	-
2200 Movable property and associated costs	410	410	-	-	410	100 %	-	-	-	-	-	0	-
Total Chapter 22	410	410	-	-	410	100 %	-	-	-	-	-	0	-
2300 Current administrative expenditure	1 968	1 968	-	-	1 968	100 %	0	-	0	-	-	0	-
Total Chapter 23	1 968	1 968	-	-	1 968	100 %	0	-	0	-	-	0	-
2400 Postage and telecommunication costs	105	105	-	-	105	100 %	-	-	-	-	-	0	-
Total Chapter 24	105	105	-	-	105	100 %	-	-	-	-	-	0	-
2500 Expenditure in meetings	19	19	-	-	19	100 %	-	-	-	-	-	0	-
Total Chapter 25	19	19	-	-	19	100 %	-	-	-	-	-	0	-
2600 Security Accreditation Board (SAB) administrative expenditure	173	171	-	-	171	99 %	2	-	2	-	-	0	-
Total Chapter 26	173	171	-	-	171	99 %	2	-	2	-	-	0	-
Total Title 2	11 417	10 857	-	261	11 118	97 %	299	-	299	-	-	-	-

5.3.3. Implementation of commitment appropriations - Title 3

EUR '000

Item	Total approp. available	Commitments made					Appropriations carried over to 2022			Appropriations lapsing			
		from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	from assign. revenue	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
3100 Expenditure on studies	18 661	18 661	-	-	18 661	100 %	-	-	-	-	-	0	-
Total Chapter 31	18 661	18 661	-	-	18 661	100 %	-	-	-	-	-	0	-
3300 Security Accreditation Board (SAB) expenditure	793	793	-	-	793	100 %	-	-	-	-	-	0	-
Total Chapter 33	793	793	-	-	793	100 %	-	-	-	-	-	0	-
3917 FP7 - 3rd call	1 419	-	-	-	-	0 %	1 419	-	1 419	-	-	0	-
3918 Public regulated services	104	-	-	-	-	0 %	104	-	104	-	-	0	-
3920 EGNOS exploitation	511 957	-	-	346 865	346 865	68 %	165 092	-	165 092	-	-	0	-
3921 Horizon 2020 - 1st call	565	-	-	35	35	6 %	530	-	530	-	-	0	-
3922 GALILEO exploitation	513 232	-	-	513 232	513 232	100 %	-	-	-	-	-	0	-
3923 Horizon 2020 - 2nd call	2 491	-	-	18	18	1 %	2 473	-	2 473	-	-	0	-
3924 Horizon 2020 - 3rd call	1 283	-	-	9	9	1 %	1 275	-	1 275	-	-	0	-
3925 Horizon 2020 - 4th call	146	-	-	-	-	0 %	146	-	146	-	-	0	-
3926 GOVSATCOM prep.	4 159	-	-	331	331	8 %	3 828	-	3 828	-	-	0	-
3927 Horizon 2020 - 5th call	3 902	-	-	3 901	3 901	100 %	1	-	1	-	-	0	-
3928 Govsatcom Entrusted	3 000	-	-	2 812	2 812	94 %	188	-	188	-	-	0	-
3929 GALILEO activities	7100 000	-	-	5018 650	5018 650	71 %	2081 350	-	2081 350	-	-	0	-
3930 EGNOS activities	1400 000	-	-	475 252	475 252	34 %	924 748	-	924 748	-	-	0	-
3931 GOVSATCOM activities	165 000	-	-	-	-	0 %	165 000	-	165 000	-	-	0	-
3932 SSA activities	1 600	-	-	-	-	0 %	1 600	-	1 600	-	-	0	-
3933 Horizon Europe - Downstream activities	304 900	-	-	-	-	0 %	304 900	-	304 900	-	-	0	-
3934 Copernicus - Downstream activities	30 000	-	-	600	600	2 %	29 400	-	29 400	-	-	0	-
3935 GALILEO Application	500	-	-	-	-	0 %	500	-	500	-	-	0	-
Total Chapter 39	10 044 258	-	-	6 361 705	6 361 705	63 %	3 682 553	-	3 682 553	-	-	0	-
Total Title 3	10 063 712	19 454	-	6 361 705	6 381 159	63 %	3 682 553	-	3 682 553	-	-	0	-
GRAND TOTAL	10 102 007	57 130	-	6 362 003	6 419 133	64 %	3 682 874	-	3 682 874	-	-	-	-

5.4. Implementation of payment appropriations

5.4.1. Implementation of payment appropriations - Title 1

EUR '000

Item	Total approp. availab.	from final adopt. budget	Payments made		Total	%	Appropriations carried over to 2022				Appropriations lapsing			
			from carry-overs	from assign. revenue			Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry-overs	from assign. rev.	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
1100 Staff expenditure	21 940	21 940	–	–	21 940	100 %	–	–	–	–	–	–	–	–
Total Chapter 11	21 940	21 940	–	–	21 940	100 %	–	–	–	–	–	–	–	–
1200 Recruitment costs	97	83	–	–	83	86 %	14	–	–	14	–	–	–	–
1210 Medical services	137	26	31	–	57	42 %	63	–	–	63	–	17	–	17
Total Chapter 12	233	109	31	–	140	60 %	76	–	–	76	–	17	–	17
1300 Missions and travel	583	471	19	4	494	85 %	80	–	9	89	–	1	–	1
Total Chapter 13	583	471	19	4	494	85 %	80	–	9	89	–	1	–	1
1400 Training expenditure	766	184	80	0	263	34 %	462	–	–	462	–	41	–	41
Total Chapter 14	766	184	80	0	263	34 %	462	–	–	462	–	41	–	41
1500 Social measures	539	290	175	4	469	87 %	63	–	7	70	–	–	–	–
Total Chapter 15	539	290	175	4	469	87 %	63	–	7	70	–	–	–	–
1600 External service providers	1 330	543	289	–	832	63 %	471	–	–	471	–	26	–	26
Total Chapter 16	1 330	543	289	–	832	63 %	471	–	–	471	–	26	–	26
1800 Tuition fees	2 330	1 866	165	28	2 059	88 %	265	–	6	270	0	–	–	0
Total Chapter 18	2 330	1 866	165	28	2 059	88 %	265	–	6	270	0	–	–	0
Total Title 1	27 721	25 403	759	37	26 198	95 %	1 416	–	22	1 438	0	85	–	85

5.4.2. Implementation of payment appropriations - Title 2

EUR '000

Item		Total approp. availab.	from final adopt. budget	Payments made			%	Appropriations carried over to 2022				Appropriations lapsing			
				from carry- overs	from assign. revenue	Total		Autom. carry- overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry- overs	from assign. rev.	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
2000	Investment in immovable property, rental	4 939	1 360	1 243	249	2 852	58 %	1 747	–	296	2 043	–	44	–	44
Total Chapter 20		4 939	1 360	1 243	249	2 852	58 %	1 747	–	296	2 043	–	44	–	44
2100	Data processing cost	7 313	1 158	2 196	12	3 366	46 %	3 920	–	–	3 920	–	28	–	28
Total Chapter 21		7 313	1 158	2 196	12	3 366	46 %	3 920	–	–	3 920	–	28	–	28
2200	Movable property and associated costs	417	15	5	–	20	5 %	395	–	–	395	–	2	–	2
Total Chapter 22		417	15	5	–	20	5 %	395	–	–	395	–	2	–	2
2300	Current administrative expenditure	2 537	772	555	–	1 327	52 %	1 195	–	0	1 196	–	14	–	14
Total Chapter 23		2 537	772	555	–	1 327	52 %	1 195	–	0	1 196	–	14	–	14
2400	Postage and telecommunication costs	194	50	85	–	135	69 %	55	–	–	55	–	4	–	4
Total Chapter 24		194	50	85	–	135	69 %	55	–	–	55	–	4	–	4
2500	Expenditure in meetings	19	17	–	–	17	90 %	2	–	–	2	(0)	–	–	(0)
Total Chapter 25		19	17	–	–	17	90 %	2	–	–	2	(0)	–	–	(0)
2600	Security Accreditation Board (SAB) administrative expenditure	175	83	1	–	84	48 %	88	–	2	91	–	0	–	0
Total Chapter 26		175	83	1	–	84	48 %	88	–	2	91	–	0	–	0
Total Title 2		15 594	3 454	4 085	261	7 801	50 %	7 403	–	299	7 702	(0)	92	–	92

5.4.3. Implementation of payment appropriations - Title 3

EUR '000

Item		Total approp. availab.	Payments made					Appropriations carried over to 2022				Appropriations lapsing			
			from final adopt. budget	from carry- overs	from assign. revenue	Total	%	Autom. carry- overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry- overs	from assign. rev.	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+ 12+13
3100	Expenditure on studies	6 049	3 175	871	–	4 045	67 %	–	2 003	–	2 003	–	–	–	–
Total Chapter 31		6 049	3 175	871	–	4 045	67 %	–	2 003	–	2 003	–	–	–	–
3300	Security Accreditation Board (SAB) expenditure	1 290	980	–	–	980	76 %	–	310	–	310	–	–	–	–
Total Chapter 33		1 290	980	–	–	980	76 %	–	310	–	310	–	–	–	–
3918	Public regulated services	686	–	–	121	121	18 %	–	–	565	565	–	–	–	–
3920		415 853	–	–	113 105	113 105	27 %	–	–	302 748	302 748	–	–	–	–
3921	Horizon 2020 - 1st call	2 731	–	–	1 316	1 316	48 %	–	–	1 415	1 415	–	–	–	–
3922	GALILEO exploitation	783 894	–	–	429 769	429 769	55 %	–	–	354 124	354 124	–	–	–	–
3923	Horizon 2020 - 2nd call	1 125	–	–	16	16	1 %	–	–	1 109	1 109	–	–	–	–
3924	Horizon 2020 - 3rd call	2 347	–	–	621	621	26 %	–	–	1 725	1 725	–	–	–	–
3925	Horizon 2020 - 4th call	8 119	–	–	5 922	5 922	73 %	–	–	2 196	2 196	–	–	–	–
3926	GOVSATCOM prep.	1 467	–	–	358	358	24 %	–	–	1 109	1 109	–	–	–	–
3927	Horizon 2020 - 5th call	4 705	–	–	1 950	1 950	41 %	–	–	2 755	2 755	–	–	–	–
3928	Govsatcom Entrusted	2 109	–	–	2 109	2 109	100 %	–	–	–	–	–	–	–	–
3929	GALILEO activities	1118 000	–	–	946 655	946 655	85 %	–	–	171 345	171 345	–	–	–	–
3930	EGNOS activities	246 000	–	–	73 000	73 000	30 %	–	–	173 000	173 000	–	–	–	–
3931	GOVSATCOM activities	1 500	–	–	–	–	0 %	–	–	1 500	1 500	–	–	–	–

EUR '000

Item	Total approp. availab.	Payments made					Appropriations carried over to 2022				Appropriations lapsing			
		from final adopt. budget	from carry- overs	from assign. revenue	Total	%	Autom. carry- overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry- overs	from assign. rev.	Total
	1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+ 12+13
3933 Horizon Europe - Downstream activities	23 000	-	-	-	-	0 %	-	-	23 000	23 000	-	-	-	-
3934 Copernicus - Downstream activities	4 000	-	-	-	-	0 %	-	-	4 000	4 000	-	-	-	-
Total Chapter 39	2 615 534	-	-	1 574 943	1 574 943	60 %	-	-	1 040 591	1 040 591	-	-	-	-
Total Title 3	2 622 873	4 155	871	1 574 943	1 579 969	60 %	-	2 313	1 040 591	1 042 904	-	-	-	-
GRAND TOTAL	2 666 189	33 012	5 715	1 575 241	1 613 968	61 %	8 819	2 313	1 040 911	1 052 044	0	177	-	177

6. OUTSTANDING COMMITMENTS

6.1. Outstanding commitments – Title 1

EUR '000

Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	Commitm. carried forward from previous year	Decommit. Revaluation Cancellations	Pay-ments	Total	Commit-ments made during the year	Pay-ments	Cancel-lation of commit. which cannot be carried forward	Commit. outstand-ing at year-end	
	1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
1100 Staff expenditure	–	–	–	–	21 940	21 940	–	–	–
Total Chapter 11	–	–	–	–	21 940	21 940	–	–	–
1200 Recruitment costs	–	–	–	–	97	83	–	14	14
1210 Medical services	48	(17)	31	–	88	26	–	63	63
Total Chapter 12	48	(17)	31	–	185	109	–	76	76
1300 Missions and travel	20	(1)	19	–	554	475	–	80	80
Total Chapter 13	20	(1)	19	–	554	475	–	80	80
1400 Training expenditure	121	(41)	80	–	646	184	–	462	462
Total Chapter 14	121	(41)	80	–	646	184	–	462	462
1500 Social measures	175	–	175	–	357	294	–	63	63
Total Chapter 15	175	–	175	–	357	294	–	63	63
1600 External service providers	315	(26)	289	–	1 014	543	–	471	471
Total Chapter 16	315	(26)	289	–	1 014	543	–	471	471
1800 Tuition fees	165	–	165	–	2 159	1 894	–	265	265
Total Chapter 18	165	–	165	–	2 159	1 894	–	265	265
Total Title 1	844	(85)	759	–	26 855	25 439	–	1 416	1 416

6.2. Outstanding commitments – Title 2

EUR '000

		Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
Item		Commitm. carried for- ward from pre- vious year	Decommit. Revaluation Cancel- lations	Pay- ments	Total	Commit- ments made during the year	Pay- ments	Cancel- lation of commit. which cannot be carried forward	Commit. outstand- ing at year-end	
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
2000	Investment in immovable property, rental	1 287	(44)	1 243	–	3 356	1 608	–	1 747	1 747
Total Chapter 20		1 287	(44)	1 243	–	3 356	1 608	–	1 747	1 747
2100	Data processing cost	2 223	(28)	2 196	–	5 090	1 170	–	3 920	3 920
Total Chapter 21		2 223	(28)	2 196	–	5 090	1 170	–	3 920	3 920
2200	Movable property and associated costs	7	(2)	5	–	410	15	–	395	395
Total Chapter 22		7	(2)	5	–	410	15	–	395	395
2300	Current administrative expenditure	569	(14)	555	–	1 968	772	–	1 195	1 195
Total Chapter 23		569	(14)	555	–	1 968	772	–	1 195	1 195
2400	Postage and telecommunication costs	89	(4)	85	–	105	50	–	55	55
Total Chapter 24		89	(4)	85	–	105	50	–	55	55
2500	Expenditure in meetings	–	–	–	–	19	17	–	2	2
Total Chapter 25		–	–	–	–	19	17	–	2	2
2600	Security Accreditation Board (SAB) administrative expenditure	2	(0)	1	–	171	83	–	88	88
Total Chapter 26		2	(0)	1	–	171	83	–	88	88
Total Title 2		4 177	(92)	4 085	–	11 118	3 715	–	7 403	7 403

6.3. Outstanding commitments – Title 3

EUR '000

Item		Commitments outstanding at the end of previous year				Commitments of the current year				Total commitment. outstanding at year-end
		Commitment. carried forward from previous year	Decommit. Revaluation Cancel- lations	Pay- ments	Total	Commit- ments made during the year	Pay- ments	Cancel- lation of commitment. which cannot be carried forward	Commit. outstand- ing at year-end	
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
3100	Expenditure on studies	3 738	(199)	3 153	386	18 661	892	–	17 769	18 155
Total Chapter 31		3 738	(199)	3 153	386	18 661	892	–	17 769	18 155
3300	Security Accreditation Board (SAB) expenditure	771	(2)	769	–	793	212	–	581	581
Total Chapter 33		771	(2)	769	–	793	212	–	581	581
3918	Public regulated services	686	–	121	565	–	–	–	–	565
3920	EGNOS exploitation	425 358	(262 968)	83 987	78 403	346 865	29 118	–	317 748	396 151
3921	Horizon 2020 - 1st call	3 060	(102)	1 281	1 676	35	35	–	–	1 676
3922	GALILEO exploitation	535 438	(127 449)	314 591	93 398	513 232	115 178	–	398 054	491 452
3923	Horizon 2020 - 2nd call	836	(292)	16	529	18	–	–	18	547
3924	Horizon 2020 - 3rd call	3 355	(249)	620	2 486	9	1	–	8	2 494
3925	Horizon 2020 - 4th call	9 412	–	5 922	3 490	–	–	–	–	3 490
3926	GOVSATCOM prep.	322	(8)	258	55	331	99	–	231	286
3927	Horizon 2020 - 5th call	10 227	–	–	10 227	3 901	1 950	–	1 952	12 178
3928	Govsatcom Entrusted	–	–	–	–	2 812	2 109	–	703	703
3929	GALILEO activities	–	–	–	–	5018 650	946 655	–	4071 994	4071 994
3930	EGNOS activities	–	–	–	–	475 252	73 000	–	402 252	402 252
3934	Copernicus - Downstream activities	–	–	–	–	600	–	–	600	600
Total Chapter 39		988 694	(391 068)	406 798	190 828	6 361 705	1 168 146	–	5 193 559	5 384 388
Total Title 3		993 203	(391 269)	410 719	191 215	6 381 159	1 169 250	–	5 211 910	5 403 124
GRAND TOTAL		998 224	(391 446)	415 564	191 215	6 419 133	1 198 404	–	5 220 729	5 411 944

7. GLOSSARY

Administrative appropriations

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

Adopted budget

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

Amending budget

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

Appropriations

Budget funding.

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

Assigned revenue

Revenue dedicated to finance specific items of expenditure.

Budget result

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

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

Budget implementation

Consumption of the budget through expenditure and revenue operations.

Budget item / Budget line / Budget position

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

Budgetary commitment

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

Cancellation of appropriations

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

Carryover of appropriations

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

Commitment appropriations

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

De-commitment

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

Differentiated appropriations

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

Economic result

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

Entitlements established

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

Exchange rate difference

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

Expenditure

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

Grants

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

Lapsing appropriations

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

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

Legal basis / basic act

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

Legal commitment

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

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

Non-differentiated appropriations

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

Operational appropriations

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

Outstanding commitments

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

Payment appropriations

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

RAL (Reste à liquider)

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

Surplus

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

Transfer between budget lines

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