



EUROPEAN EDUCATION AND CULTURE
EXECUTIVE AGENCY (EACEA)

Annual Accounts

Financial year 2023

TABLE OF CONTENTS

CERTIFICATION OF THE ACCOUNTS.....	5
INTRODUCTION	6
GENERAL BACKGROUND OF THE AGENCY	6
FINANCIAL STATEMENTS AND EXPLANATORY NOTES.....	13
NOTES ON THE FINANCIAL STATEMENTS	18
1. SIGNIFICANT ACCOUNTING POLICIES	19
1.1 LEGAL BASE	19
1.2 ACCOUNTING PRINCIPLES.....	19
1.3 BASIS OF PREPARATION.....	21
1.4 ACCOUNTING RULES AND METHODS	22
2. NOTES TO THE BALANCE SHEET	27
2.1 INTANGIBLE ASSETS	27
2.2 TANGIBLE ASSETS (PROPERTY, PLANT AND EQUIPMENT)	28
2.3 NON-CURRENT PREFINANCING.....	28
2.4 CURRENT PRE-FINANCING IMPLEMENTED BY CONSOLIDATED ENTITY	29
2.5 RECOVERABLES FROM NON-EXCHANGE TRANSACTIONS	29
2.6 RECEIVABLES FROM EXCHANGE TRANSACTIONS.....	29
2.7 PAYABLES.....	31
2.8 ACCRUED CHARGES.....	32
2.9 NET ASSETS.....	35
3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE	36
3.1 NON-EXCHANGE REVENUE	36
3.2 EXCHANGE REVENUE	37
3.3 STAFF RELATED EXPENDITURE	37
3.4 FIXED ASSETS RELATED EXPENSES.....	39
3.5 EXPENSES.....	39
3.6 PROVISIONS	41
3.7 GAINS AND LOSSES FROM EXCHANGE RATE DIFFERENCES	41
4. NOTES TO THE CASHFLOW STATEMENT.....	42
4.1 OPERATING ACTIVITIES	42
4.2 INVESTING ACTIVITIES	42
5. OTHER DISCLOSURES	43
5.1 CONTINGENT ASSETS / LIABILITIES COMMITMENTS FOR FUTURE FUNDING	43
5.2 RELATED PARTIES	44
5.3 SERVICES IN KIND	45

5.4	EVENTS AFTER REPORTING DATE	45
5.5	CHANGE OF ACCOUNTING PRACTICES.....	45
6.	FINANCIAL INSTRUMENTS.....	45
6.1	MARKET RISK.....	46
6.2	CREDIT RISK	47
6.3	LIQUIDITY RISK.....	47
7.	INTRODUCTION.....	49
7.1	BUDGETARY PRINCIPLES	49
7.2	STRUCTURE AND PRESENTATION OF THE BUDGET.....	50
8.	BUDGET RESULT	51
9.	RECONCILIATION OF FINANCIAL PERFORMANCE WITH BUDGET RESULT	52
10.	BUDGET IMPLEMENTATION REPORTS.....	54
10.1	KEY DATA ON BUDGET IMPLEMENTATION	54
10.2	IMPLEMENTATION OF BUDGET REVENUE.....	55
10.3	IMPLEMENTATION OF BUDGET EXPENDITURE.....	56
11.	OTHER SIGNIFICANT DISCLOSURES.....	77
11.1.	HUMAN RESOURCES OVERVIEW ON 31 DECEMBER 2023	77
	GLOSSARY	79

CERTIFICATION OF THE ACCOUNTS

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European Education and Culture Executive Agency (EACEA) in accordance with Article 102 of the Framework Financial Regulation (FFR) and I hereby certify that the annual accounts of EACEA for the year 2023 have been prepared in accordance with Title IX of the FFR and the accounting rules adopted by the Commission's Accounting Officer, which are to be applied by all the institutions and European Union bodies.

I have obtained from the Authorising Officer all the information necessary to produce the accounts that show EACEA's assets and liabilities and the budgetary implementation. The Authorising Officer has certified the reliability of this information.

Based on this information, and on the checks 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 EACEA.

Mihaela CHIROVICI

Accounting Officer of the

European Education and Culture Executive Agency

INTRODUCTION

GENERAL BACKGROUND OF THE AGENCY

The European Education and Culture Executive Agency (EACEA) is an Executive Agency of the European Commission whose goal is to empower citizens and civil society. EACEA's mandate for the 2021-2027 MFF¹ encompasses a broad portfolio of programmes and the ambitious task of bringing the Commission's policies to life.

EACEA is governed by a Steering Committee² and operates under the supervision of six parent Directorates-General. The Agency has its own legal identity and is entrusted with its own operating budget financed by the EU General Budget. The Director of EACEA is the Authorising Officer (AO) and has overall responsibility for implementing EACEA's budget, in accordance with amongst others, the principles of sound financial management³.

Establishment

The European Education and Culture Executive Agency (EACEA) has been established with the Commission Implementing Decision (EU) 2021/173, repealing Implementing Decision 2013/776/EU, which entered into force on 1 April 2021. EACEA received a new seven-year mandate to continue supporting projects across Europe for the 2021-2027 funding period. In conformity with the above-mentioned Decision and Delegation Act⁴ the Agency performs tasks linked to the implementation of Union programmes in the field of education, audiovisual and culture, citizenship and solidarity comprising the implementation of appropriations entered in the general budget of the Union.

The Agency is located in Brussels.

Mission

EACEA's mission is to support the parent Directorates-General in implementing European projects that connect people and cultures, reach out to the world and make a difference, working together in education, audio-visual media and culture, citizenship and solidarity. The Agency fosters innovation through the exchange of knowledge, ideas and skills in a spirit of cross-border cooperation and mutual respect.

To this end, EACEA supports its six parent Directorates-General in achieving the specific political priorities of the Commission and the strategic objectives defined in their respective Strategic Plans 2020-2024 by managing the implementation of the programmes that have been delegated to it. EACEA contributes to several of the Commission priorities, namely: A Europe fit for the digital age, Promoting our European way of life, A new push for European democracy and A stronger Europe in the world. Furthermore, Erasmus+, Creative Europe and the European Solidarity Corps play a key role in contributing to the European Green Deal.

¹ Multiannual financial framework.

² C(2021)2630 of 20 April 2021.

³ As defined in the Financial Regulation applicable to the general budget of the European Union.

⁴ C(2022) 5057 of 22 July 2022 repealing Decision C(2021)951 and as amended by C(2022)9296 of 15 December 2022 and C(2023)4617 of 12 July 2023.

EACEA strives to provide excellent programme management and high-quality service through transparent and objective processes, showing Europe at its best. Strong values are at the centre of EACEA: commitment, integrity, objectivity, respect for others, and transparency.

Legal base

EACEA operates under the provisions of:

- [EU Council Regulation 58/2003](#) providing a framework regulation and laying down the statute for all Executive Agencies;
- Commission Regulation 1653/2004 setting out a standard financial regulation for Executive Agencies, amended by Commission Regulation 651/2008;
- Commission Decision C (2022)9328 providing guidelines for the establishment and operation of Executive Agencies;
- Commission Implementing Decision 2021/173 establishing the European Education and Culture Executive Agency;
- Commission Decision C (2022)5057 and its annexes repealing Decision C(2021)951 final delegating powers to EACEA for the management of programmes in the 2021-2027 MFF; Commission Decision C (2022) 9296 and its annexes amending Decision C(2022)5057 delegating powers to EACEA for the management of programmes in the MFF 2021-2027;
- Commission Decision C (2023)4617 and its annexes amending Decision C(2022)5057 delegating powers to EACEA for the management of programmes in the MFF 2021-2027.

Furthermore, the provisions of Regulation (EU, Euratom) 2018/1046 on the financial rules applicable to the general budget of the EU, repealing Regulation (EU, Euratom) No 966/2012, apply to the Agency *mutatis mutandis*.

Main operational activities

The Agency implements the parts of the EU funding programmes that have been delegated to EACEA by the European Commission. EACEA manages the full life cycle of EU co-funded actions; from publishing calls to awarding and monitoring grants, as well as ex-post audit activities and disseminating project results. The Agency also provides regular feedback to the policy makers in the European Commission services and to external stakeholders.

In 2023, the Agency managed mainly various programmes from three MFFs: the legacy programmes from the 2007 -2013⁵ and 2014-2020⁶ funding period, which are steadily being phased out in line with the regular progression of projects life and the current 2021-2027 MFF for which the Agency is implementing the following key programmes:

- Erasmus+
- Creative Europe
- Citizens, Equality, Rights and Values (CERV)
- European Solidarity Corps
- Intra-Africa Academic Mobility Scheme V
- Pilot Projects and Preparatory Actions in the field of sports, media and culture

⁵ Some last ex-post closures are still on-going requiring input from central services like DG BUDG and OLAF before finalisation.

⁶ 1 897 projects closed during the reporting period.

In 2023 EACEA implemented a total budget of EUR 1 575 686 519 (2022: EUR 1 476 692 774) with the following policy objectives:

- The **Erasmus+ programme** supports education, training, youth and sport in Europe. Over the past 30 years it has offered life-changing experiences to more than 10 million participants. Through Erasmus+, EACEA gives individuals the chance to study, train, gain work experience and volunteer abroad, and helps organisations to take part in transnational partnerships. EACEA also manages the Erasmus+ programme's Eurydice network, which provides reliable and comparable information on European education systems and policies, as well as the Youth Wiki platform, which serves as Europe's online encyclopaedia of national youth policies.
- The **Creative Europe programme** supports Europe's cultural and audiovisual sectors by providing funding for cultural and creative organisations, cinemas and films. Through Creative Europe, EACEA aims to give the cultural sector a truly European dimension, helping people and organisations to distribute their cultural works across borders. The goal is to help the creative sectors to seize the opportunities of the digital age, to support a diverse, independent and pluralistic media environment, and to promote the competitiveness of European creative industries.
- The **Citizens, Equality, Rights and Values programme** (CERV) aims to protect and promote the European Union's rights and values as enshrined in the EU Treaties and the Charter of Fundamental Rights. With the funding available under CERV, EACEA seeks to support and develop open, rights-based, democratic, equal and inclusive societies based on the rule of law. The CERV programme also provides support for projects that support citizen engagement and participation, and that fight all forms of violence in today's society.
- The **European Solidarity Corps** promotes solidarity in European society. The programme helps young people take part in projects that benefit communities abroad and in their own country. These projects offer an inspiring and empowering experience and give participants the chance to bring about real change while developing their skills and competences. Through the Corps, young people can take part in addressing some of the most pressing societal and humanitarian challenges of today.
- The **Intra-Africa Academic Mobility Scheme V** is the EU's programme to encourage international learning mobility across the African continent by providing support for consortia of African Higher Education Institutions and scholarship opportunities for African trainees, students, and staff. By building on its successful experience, the new Intra-Africa Academic Mobility Scheme (2022-2027) aims to contribute to the economic, social, and human development of Africa by improving the skills and competences of individuals in different areas, particularly those linked to climate change and green transitioning.
- **Pilot Projects** are initiatives of an experimental nature designed to test the feasibility of an action and its usefulness. They test new policy ideas for which there is no legal base yet. As such they may be implemented without a basic act, provided that the actions which they are intended to finance fall within the competences of the European Union. A **Preparatory Action** – typically following a successful pilot project on the same field – is designed to prepare new actions, such as EU policies, legislation and programmes.

Main operating activities

The following administrative units within EACEA support the Agency's operational activities:

- Operational support and Business processes unit B4 centralises the support and advice functions to the management of grants and tenders and provides legal advice for managing public procurement and legal advice for all agency's activities.
- Financial operations unit B5 centralises the management of the financial transactions and of the horizontal functions, linked to ex ante, financial reporting and Budget Implementation framework.
- Digital business solutions unit B6 supports the Agency in the optimal use of available digital solutions and in seizing opportunities to work better through innovation as well as the digital component of operational projects and services managed by the Agency.
- People, Workplace and Communication unit R1 manages human resources, communication, document management and workplace.
- Budget and Control unit R2 supports the Director and the Agency's units ensuring timely and correct planning, supervision and reporting on the management of the operational and operating credits allocated for the actions entrusted to the Agency. The unit is also responsible for handling ex-post audits, monitoring the implementation of Internal Control Principles, including performance, provides guidance on the Risk Management process, managing relations with the European Court of Auditors (ECA), the Internal Audit Service (IAS) and for the coordination of efforts in the fight against fraud.

The budget allocated to EACEA for the operating activities in 2023 was of EUR 65 085 648 (2022: EUR 59 427 758).

Governance

EACEA's status as an executive agency means it has two fundamental features:

- **Autonomy** - because it has its own legal status and can adopt legal acts, as well as its own operational budget for operating costs; and
- **Dependence** - because it can only perform tasks delegated by the Commission, and all financial operations must comply with the Financial Regulation (FR).

The Agency is headed by a Director and supervised by six parent Directorates-General of the European Commission (the Directorate-General for Education, Youth, Sport and Culture – DG EAC; the Directorate-General for International Partnerships – DG INTPA; the Directorate-General for Communications Networks, Content and Technology – DG CNECT; the Directorate-General for Justice and Consumers – DG JUST; the Directorate-General for Employment, Social Affairs and Inclusion – DG EMPL; the Directorate-General for Neighbourhood and Enlargement Negotiations – DG NEAR).

The running of EACEA is overseen by a Steering Committee which is made up of five representatives and three observers appointed by the European Commission, for a renewable term of two years.

EACEA has an Annual Work Programme (AWP) which is adopted by the Agency's Steering Committee, and which translates the actions managed by EACEA into concrete tasks and objectives. The Annual Work Programme is similar to the Management Plan (MP) of a Commission Directorate-General.

The Agency's Director is delegated by the Commission to act as Authorising Officer by delegation for the operational budget. The accounting of operational activity is the responsibility of the European Commission accounting officer. The position of Accounting Correspondent was created as a link between the European Commission Accounting Officer and EACEA's Authorising Officer. The accountant correspondent, hosted in the unit B5 of EACEA, fulfilled the function of accounting correspondent in 2023.

EACEA's operating budget is governed by a Standard Financial Regulation (SFR) for executive agencies⁷ which closely follows the Financial Regulation 2018/1046 while allowing specific requirements. The Director acts as Authorising Officer for the operating budget, and the accounting for administrative activity is the responsibility of the Agency's Accounting Officer.

The Authorising Officer is responsible for implementing revenue and expenditure in accordance with - amongst others - the principle of sound financial management, including through ensuring reporting on performance, and for ensuring compliance with the requirements of legality and regularity and equal treatment of recipients. In terms of accounts, the Director is responsible for the implementation (reliability of data) of the administrative appropriations.

In March, EACEA's services finalise the Annual Activity Reports (AAR) of the Agency, which provide EACEA's management with conclusions on the achievement of the Agency's operational objectives (what has been delivered) and the functioning of the underlying internal control system (how this has been delivered). The European Commission's Annual Management and Performance Report, which aggregates the AAR results, takes overall political responsibility for the management of the EU budget, and is published in June alongside with the AARs of all EC entities.

In accordance with the Standard Financial Regulation for Executive Agencies, the Steering Committee appoints the Accounting Officer who is responsible for preparing the annual accounts.

The Accounting Officer of EACEA is also responsible for treasury management, properly implementing payments, collecting revenue and recovering amounts that are found to be receivable; preparing and presenting the accounts accordance with Title VI of the Standard Financial Regulation for Executive Agencies; keeping the accounts; laying down the accounting rules, procedures and the chart of accounts, laying down and validating the accounting systems and, where appropriate, validating systems laid down by the Authorising Officer.

The Agency's annual accounts are audited by the European Court of Auditors (ECA). The ECA's task is to conduct an external, independent audit of EACEA's annual accounts. It produces a report on the activities financed from the general budget, detailing any observations on the annual accounts and underlying transactions. The ECA issues an opinion based on the audit and presented in the form of a statement of assurance on the reliability of the accounts and the legality and regularity of the underlying transactions.

⁷ Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes.

The European Parliament is the discharge authority within the EU. Following the audit and finalisation of the annual accounts, it falls to the Council to recommend and then to the European Parliament to give a discharge to the Agency as part of the European Commission's budget.

EACEA's activities in 2023

In 2023, the Agency implemented five programmes under the 2021-2027 multiannual financial framework (MFF): Erasmus+, Creative Europe, the Citizens, Equality, Rights and Values programme, the European Solidarity Corps and the Intra-Africa Academic Mobility Scheme. Some Erasmus+ actions (e.g. all capacity building actions) received additional funding from the EU external actions instruments: Neighbourhood, Development and International Cooperation Instrument (NDICI), and the Instrument of Pre-accession assistance III (IPA III).

Following acceptance by EACEA's Director, the parent DGs also entrusted the Agency with the management of new actions and several Pilot Projects and Preparatory Actions (PPPA) in the fields of sport and cultural heritage.

The Agency continued monitoring its portfolio of legacy projects still open from the previous generation of programmes.

Further details can be found in the EACEA Annual Activity report 2023.

Sources of financing of operating activity

EACEA does not receive any external financing and has no external assigned revenue.

The financial resources stem from the general budget of the European Union as well as:

- Annual subsidy from DG EAC and funds received in respect of cooperation and financing agreements with other EU entities like the European Development Fund (EDF).
- Recovery of expenses overcharged the previous year by other consolidated entities.
- Reimbursements of administrative expenses received from non-consolidated entities.

Financial system

Currently⁸, the main system used during 2023 is ABAC, which includes ABAC assets, ABAC workflow, ABAC accounting (SAP) and ABAC Data Warehouse. The owner of the system is the European Commission.

Other systems used for administrative purposes are Speedwell (for replacing the paper workflow), MIPS+ (for management of professional travels for staff members), E-procurement and E-ordering (for acquisition of goods and services).

⁸ ABAC is planned to be replaced by a next generation of corporate financial system SUMMA in 2025.

ANNUAL ACCOUNTS

The objective of annual accounts

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

Legal Basis

The legal framework and the deadlines for the preparation of the annual accounts are set by the Standard Financial regulation for Executive Agencies (SFR). 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).

To be noted that the main source of data throughout this document is coming from ABAC.

Composition of the annual accounts

The annual accounts of the Agency include general accounts and budget accounts. These accounts are in EURO and based on a calendar year. The budget accounts give a detailed picture of the implementation of the budget and are based on the modified⁹ cash accounting principle. The general accounts allow for the preparation of the financial statements as they show all expenditure and income for the financial year and are designed to establish the financial position in the form of a balance sheet on 31 December.

The provisional annual accounts prepared by the Accounting Officer are sent, by 1 March of the following year, to the Accounting Officer of the Commission and the European Court of Auditors (ECA). Following the yearly audit by the ECA, the Accounting Officer prepares the final annual accounts and submits them to the Steering Committee for their opinion.

The final annual accounts, together with the opinion of the Steering Committee, are sent to the Accounting Officer of the Commission, the European Court of Auditors, the European Parliament and the Council by 1 July of the following financial year.

⁹ This differs from cash-based accounting because of elements such as carryovers.

FINANCIAL STATEMENTS AND EXPLANATORY NOTES¹⁰

¹⁰ It should be noted that due to the rounding of figures into euros (EUR), some financial data in the tables below may appear not to add-up.

BALANCE SHEET

	Notes	31.12.2023	31.12.2022	Variation amount	Variation %
NON-CURRENT ASSETS		779 012	1 365 373	(586 361)	(43 %)
INTANGIBLE ASSETS	2.1	554 409	1 148 124	(593 715)	(52 %)
TANGIBLE ASSETS	2.2	156 743	217 249	(60 506)	(28 %)
Property, plant and equipment		0	0	0	0 %
Computer hardware		156 380	215 840	(59 460)	(28 %)
Furniture and vehicles		363	1 114	(751)	(67 %)
Other fixtures and fittings		0	295	(295)	(100 %)
LONG-TERM RECEIVABLES AND RECOVERABLES	2.3	67 860	0	67 860	0 %
Prefinancing implemented by other consolidated entity		67 860	0	67 860	0 %
CURRENT ASSETS		7 138 009	6 865 011	272 998	4 %
CURRENT PREFINANCING	2.4	283 329	0	283 329	0 %
Implemented by consolidated entities		283 329	0	283 329	0 %
Implemented by non consolidated entities		0	0	0	0 %
NON EXCHANGE RECOVERABLES	2.5	10 471	1 478	8 993	609 %
Non-exchange recoverable from non-consolidated entities	2.5.1	0	1 260	(1 260)	(100 %)
Non-exchange recoverable from consolidated entities	2.5.2	10 471	217	10 254	4 716 %
EXCHANGE RECEIVABLES	2.6	6 844 209	6 863 533	(19 324)	(0 %)
Sundry staff receivables	2.6.1	137 959	57 054	80 905	142 %
Exchange receivables from non consolidated entities	2.6.2	809	0	809	0 %
Exchange receivables from consolidated entities	2.6.3	4 139	0	4 139	0 %
Accrued income from non consolidated entities	2.6.4	19 388	0	19 388	0 %
Deferred charges	2.6.5	148 648	143 515	5 133	4 %
Deferred charges non-consolidated entities		148 648	62 702	85 946	137 %
Deferred charges consolidated entities		0	80 813	(80 813)	(100 %)
Central Treasury -liaison accounts	2.6.6	6 533 266	6 662 964	(129 698)	(2 %)
TOTAL ASSETS		7 917 021	8 230 384	(313 363)	(4 %)
NON-CURRENT LIABILITIES		0	0	0	0 %
CURRENT LIABILITIES		6 163 756	5 726 715	437 041	8 %
SHORT-TERM PROVISION		0	0	0	0 %
PAYABLES	2.7	1 709 874	1 751 121	(41 246)	(2 %)
Payables to non-consolidated entities		21 814	27 301	(5 486)	(20 %)
Payables to consolidated entities		1 688 060	1 723 820	(35 760)	(2 %)
ACCRUED CHARGES AND DEFERRED INCOME	2.8	4 453 882	3 975 594	478 287	12 %
Accrued charges with non-consolidated entities		2 562 176	2 622 415	(60 239)	(2 %)
Accrued charges with consolidated entities		1 891 705	1 353 179	538 526	40 %
NET ASSETS/ LIABILITIES	2.9	1 753 265	2 503 669	(750 404)	(30 %)
Accumulated surplus/deficit		2 503 669	3 965 988	(1 462 319)	(37 %)
Economic result of the year		(750 404)	(1 462 319)	711 915	(49 %)
TOTAL LIABILITIES		7 917 021	8 230 384	(313 363)	(4 %)

STATEMENT OF FINANCIAL PERFORMANCE

	Note s	31.12.2023	31.12.2022	Variation amount	Variation %
OPERATING REVENUE		63 518 924	57 706 513	5 812 412	10%
NON-EXCHANGE REVENUE	3.1	63 397 588	57 703 939	5 693 649	10%
European Commission Contribution		63 327 858	57 590 939	5 736 919	10%
Contribution of European Fund for Development (FED)		69 730	113 000	(43 270)	(38 %)
EXCHANGE REVENUE	3.2	121 336	2 574	118 763	4.615 %
Recovery of exchange expenses from consolidated entities		77 347	0	77 347	0 %
Exchange revenue from non-consolidated entities		42 672	892	41 780	4.686 %
Gains from exchange rate differences		1 318	1 682	(364)	(22 %)
OPERATING EXPENSES		(64 269 329)	(59 168 831)	(5 100 498)	9 %
STAFF AND PENSION RELATED EXPENSES	3.3	(47 533 677)	(42 648 575)	(4 885 102)	11 %
Staff rights and entitlements		(44 201 905)	(39 813 165)	(4 388 740)	11 %
Staff related expenses with consolidated entities		(2 902 280)	(2 600 778)	(301 502)	12 %
Staff related expenses with non consolidated entities		(429 492)	(234 632)	(194 859)	83 %
ADMINISTRATIVE AND ICT EXPENSES		(12 574 581)	(12 182 892)	(391 689)	3 %
Administrative and IT Expenses with consolidated entities		(9 243 556)	(8 537 175)	(706 381)	8 %
Administrative and IT expenses with non consolidated entities		(3 331 025)	(3 645 717)	314 692	(9 %)
OTHER EXPENSES WITH NON ICT SERVICE PROVIDERS	3.5	(3 481 569)	(3 477 933)	(3 636)	0 %
FIXED ASSET RELATED EXPENSES	3.4	(678 183)	(857 659)	179 476	(21 %)
PROVISION RELATED EXPENSES	3.6	0	0	0	0 %
EXCHANGE RATE LOSS	3.7	(1 319)	(1 772)	453	(26 %)
SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES		(750 404)	(1 462 318)	711 914	(49 %)
FINANCIAL REVENUE		0	0	0	0 %
Interest revenue		0	0	0	0 %
FINANCIAL EXPENSES		0	0	0	0 %
Bank charges and other financial expenses		0	0	0	0 %
SURPLUS/(DEFICIT) FROM FINANCIAL ACTIVITIES		0	0	0	0 %
ECONOMIC RESULT OF THE YEAR		(750 404)	(1 462 318)	711 914	(49 %)

CASHFLOW STATEMENT

	Notes	31.12.2023	31.12.2022
ECONOMIC RESULT OF THE YEAR		(750 404)	(1 462 319)
OPERATING ACTIVITIES	4.1	620 706	979 977
Amortisation of intangible assets		593 715	802 495
Amortisation of tangible assets		84 426	55 164
Loss from assets retirement		42	0
(Increase)/decrease in LT prefinancing to consolidated entities		(67 860)	0
Increase/(Decrease) in provisions		0	2
(Increase)/decrease in ST prefinancing to consolidated entities		(283 329)	0
(Increase)/decrease in receivables and recoverable from staff and non-consolidated entities		(185 787)	(30 875)
(Increase)/decrease in receivables and recoverable from consolidated entities		66 420	1 598
Increase/(decrease) in payables and accruals non-consolidated entities		(89 687)	130 024
Increase/(decrease) in payables and accruals to consolidated entities		502 766	21 568
INVESTING ACTIVITIES	4.2	0	(194 213)
Purchase of intangible assets, property, plant and equipment		0	(194 213)
NET CASHFLOW	4.3	(129 698)	(676 555)
Liason account at the beginning of period		6 662 964	7 339 521
Liason account at the end of period		6 533 266	6 662 964
INCREASE/ (DECREASE IN LIASON ACCOUNTS)		(129 698)	(676 557)

STATEMENT OF CHANGES IN NET ASSETS

	Accumulated Surplus/ Deficit	Economic result of the year	Net Assets
Balance as of 31.12.2022	3 965 988	(1 462 319)	2 503 669
Changes in accounting policies	0	0	0
Allocation of the 2022 economic result	(1 462 319)	1 462 319	0
Economic result of the year 2023		(750 404)	(750 404)
Balance as of 31.12.2023	2 503 669	(750 404)	1 753 265

NOTES ON THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 LEGAL BASE

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

The financial statements are based on the EU Accounting Rules, as adopted by the European Commission's Accounting Officer, which adapts the International Public Sector Accounting Standards (IPSAS) – and in some cases the International Financial Reporting Standards – to the specific environment of the EU. The reports on implementation of the budget are primarily based on movements of cash.

1.2 ACCOUNTING PRINCIPLES

The overall considerations (or accounting principles) to be followed when preparing the financial statements are laid down in EU Accounting Rule 1 'Financial Statements' as described in IPSAS 1: fair presentation, accrual basis, going concern, consistency of presentation, materiality, aggregation, no netting and comparative information. The qualitative characteristics of financial reporting are relevance, faithful representation (reliability), understandability, timeliness, comparability and verifiability.

Article 53 of the standard financial regulation for executive agencies¹¹ sets out the accounting principles to be applied in drawing up the financial statements:

Going concern basis

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

Prudence

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

¹¹ Commission Regulation (EC) No 1653/2004 of 21 September 2004 on a standard financial regulation for the executive agencies pursuant to Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes and amended by Commission Regulation (EC) No 651/2008 of 9 July 2008.

Consistent accounting methods

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

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

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

Comparability of information

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

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

Materiality

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

Transactions may be aggregated where:

- The transactions are identical in nature, even if the amounts are large.
- The amounts are negligible.
- Aggregation provides more clarity in the financial statements.

No netting

The no-netting principle means that receivables and debts may not be offset against each other, nor may charges and income, except where charges and income derive from the same transaction, from similar transactions or from hedging operations and provided that they are not individually material.

Reality over appearance

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

Accrual-based accounting

The accrual-based accounting principle means that transactions and events must be entered in the accounts when they occur and not when amounts are actually paid or recovered. They must be booked to the financial years to which they relate.

Exception to the accounting principles

In a specific case, if the Accounting Officer deems necessary to deviate from any of the accounting principles defined above, this exception must be duly substantiated and reported in the annex to the financial statements.

In parallel, the overall considerations (or accounting principles) to be followed when preparing the financial statements are also laid down in EU Accounting Rule 1 and are the same as those described in IPSAS 1: fair presentation, accrual basis, going-concern basis, consistency of presentation, aggregation, no offsetting and comparative information.

1.3 BASIS OF PREPARATION

1.3.1. Reporting period

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

1.3.2 Functional and reporting currency

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

Foreign currency transactions are translated into EURO using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary items in foreign currency into EURO at year-end 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 EURO at the date when they were purchased.

Year-end balances of monetary assets and liabilities denominated in foreign currencies are translated into EURO based on the European Central Bank (ECB) exchange rates applying on 31 December. The exchange rate for SEK on 31.12.2023 is 11 096.

1.3.3 Chart of Accounts

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

1.3.4. 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, accrued and deferred revenue and charges, provisions, financial risk on accounts receivable, contingent assets and liabilities, and degree of impairment of assets. 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 on or because 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 must be recognised in the surplus or deficit in the periods in which it becomes known.

1.4 ACCOUNTING RULES AND METHODS

The financial statements, in accordance with Article 80 of the General Financial Regulation, must comply with the accounting rules adopted by the European Commission's Accounting Officer.

The main rules affecting the Agency's accounts are summarised below.

1.4.1. Fixed assets

All property, plant and equipment are stated at historical acquisition cost minus accumulated depreciation and impairment losses. Only goods with a purchase price over EUR 700 are depreciated according to the rules laid down by the European Commission's Accounting Officer.

Subsequent eligible 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 acquisition value minus their residual values over their estimated useful lives, as follows:

Type of asset	Straight-line depreciation rate
Telecommunication equipment and audio-visual	25%
Security and surveillance equipment	12.5%
Furniture	10%
Office equipment	25%, 12.5%
Intangible assets	25%
Computer hardware	25%

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

EACEA applies a threshold of EUR 500 000 for IT developments by the Agency to consider them as intangible assets. IT developments with a value above the threshold are recorded in the inventory as an intangible asset. Developments for a lower value are booked as expenses for the period. The Agency can contribute to an in-house developed software owned by the European Commission and that participation is charged to the financial result for the period.

1.4.2. Lease

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. Leases are classified as either finance leases or operating leases. Finance leases imply 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 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.

1.4.3. 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 minus 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.

1.4.4. 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 several 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 beneficiaries do not incur eligible expenditure, they have 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 minus eligible expenses (including estimated amounts where necessary) incurred during the period.

1.4.5 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).

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.

Recoverables from non-exchange transactions are carried at fair value upon acquisition minus 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.

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 must apply the impairment requirements of the revised EAR 11 to the receivables.

1.4.6 Financial instruments

Financial instruments include cash, current and long-term receivables and recoverable, current and long-term payables, and amounts due to and from consolidated entities. Financial instruments give rise to liquidity, credit, interest rate and foreign currency risks.

1.4.7. Payables

Payables are liabilities to pay for goods or services that have been received or supplied and – unlike accrued charges – have already been invoiced and formally agreed with the supplier at the end of the reporting period. 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. 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.

1.4.8. Accrued and deferred revenue and charges

Transactions and events are recognised in the financial statements in the period to which they relate. At year-end, if an invoice is not yet issued but the service has been rendered, or the supplies have been delivered by the entity or a contractual agreement exists (e.g. by reference to a contract), an accrued revenue will be recognised in the financial statements. Similarly, 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 to ensure that the financial statements provide a faithful representation of the economic details and other information that 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. Subscriptions are rights to access data bases and limited time use of licenses during the following years, and consequentially treated as deferred expenses at the moment of payment.

1.4.9. 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 refers to 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 EU entities, transfers mostly comprise funds received from the European Commission (e.g., balancing subsidy to the traditional agencies, operating subsidy for the grant/delegation/contribution agreements). The entity must recognise an asset in respect of transfers when the entity controls the resources because 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.

1.4.10. 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, and 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.

1.4.11. Contingent assets

A contingent asset is a possible asset that arises from past events and whose 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.

1.4.12. Contingent liabilities

A contingent liability may arise from either a potential obligation, the confirmation of which depends on uncertain future events beyond the entity's control or from a current obligation where it is unlikely that resources or economic benefits will be needed 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.

1.4.13. Contractual commitments without budgetary commitments

Contractual commitments without budgetary commitments represent the amount resulting from long-term contracts.

EACEA considers the Service Level Agreements signed with Office for Infrastructure and Logistics (OIB) and Directorate-General for Human Resources and Security (DG HR) Security Directorate (DS) as falling under this category due to their specific nature.

1.4.14 Events after the reporting period

In accordance with EU accounting rule 19, 'Events after Reporting Date', the events after the reporting date are non-adjusting events, thus not requiring any adjustments to the figures reported in the financial statements.

1.4.15. Consolidation

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

2. NOTES TO THE BALANCE SHEET

NON-CURRENT ASSETS

EACEA uses ABAC Assets as its inventory application, which is an integrated part of the ABAC platform. Non-current assets comprise of following elements:

FIXED ASSETS

The Agency's net fixed assets are 48% less than in 2022. They decreased from EUR 1 365 373 in 2022 to EUR 711 194 in 2023. This reduction in value is due to a higher depreciation than the asset acquisition during the year and retirements of fully depreciated assets.

2.1 INTANGIBLE ASSETS

No other intangible assets have been developed in-house after the release in use of PEGASUS, 2021.

As result of 2023 physical check of inventory, the process of retiring of 29 fully amortised intangible assets in total value of EUR 80 528 has been started during the year. That was finalised after end of reporting period and before the authorisation date for issuing the provisional accounts.

Similarly, 195 obsolete intangible assets, fully amortised, in total value of EUR 5 642 875, have been retired in early 2024. These assets have not been in use during 2023 and are not expected to provide any future economic benefits or service potential in the future.

To ensure the fair view of intangible assets, a manual adjustment has been posted for 2023.

	Software	Intangibles in development	TOTAL
Gross carrying amount at 31.12.2022	7 725 590	0	7 725 589
Additions	0	0	0
Disposals	(5 723 402)	0	(5 723 402)
Transfer between headers	0	0	
Gross carrying amount at 31.12.2023	2 002 187	0	2 002 187
Accumulated depreciation at 31.12.2022	(6 577 466)	0	(6 577 466)
Depreciation of the year	(593 715)	0	(593 715)
Impairments for the year	0	0	
Accumulated Depreciation of disposals	5 723 402	0	5 723 402
Accumulated depreciation at 31.12.2023	(1 447 778)	0	(1 447 779)
Net carrying amount at 31.12.2022	1 148 124	0	1 148 124
Net carrying amount at 31.12.2023	554 408	0	554 408

During 2023, the Agency paid EUR 100 000 to DG CNECT out of which EUR 35 000 for the development of the media database. An additional payment of EUR 235 000 to DG RTD was implemented during the year for the development of e-forms inside the e-Grants ecosystem. The software developed will be owned by DG CNECT and DG RTD and payments have been charged to the financial result of the Agency for the reporting period.

2.2 TANGIBLE ASSETS (PROPERTY, PLANT AND EQUIPMENT)

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

The increase of tangible assets is related to acquisition of hardware value of EUR 23 962, decision taken due to the approaching end-of-life of similar assets, acquired in 2017.

Acquisitions represent 2% of total gross carrying amount of tangible assets in comparison to a corresponding annual amortisation of 5%.

A number of four other fixtures and fittings in value of EUR 5 957, fully amortised, have been transferred to EC during 2023.

As result of 2023 physical check of inventory, the process of retiring 27 tangible assets in total value of EUR 241 356 has started in 2023 and was finalised after the end of reporting period but before the authorisation date for issuing the provisional accounts.

Similarly, 5 fully amortised tangible assets, not in use during 2023 for a total value of EUR 5 314, have been retired in early 2024. A retirement of 100 obsolete assets, in value of EUR 530 555 will be finalised after the authorisation date for issuing the provisional accounts.

The assets above that have not been used during 2023, they are technically obsolete and are not expected to provide any future economic benefits/ service potential. To ensure the fair view of tangible assets, a manual adjustment has been posted for 2023.

	Plant and equipment	Furniture and vehicles	Computer hardware	Other	TOTAL
Gross carrying amount at 31.12.2022	4 756	229 575	1 202 766	134 429	1 571 526
Additions	0	0	23 962	0	23 962
Transfers out	0	0	0	(5 957)	(5 957)
Disposals	(3 807)	(12 843)	(699 700)	(92 341)	(808 690)
Other changes	0	(172)	36 801	0	36 629
Gross carrying amount at 31.12.2023	949	216 560	563 830	36 131	817 471
Accumulated depreciation at 31.12.2022	(4 756)	(228 461)	(986 926)	(134 134)	(1 354 277)
Depreciation charge for the year	0	(751)	(83 421)	(253)	(84 425)
Accumulated Depreciation of transfers out	0	0	0	5 957	5 957
Accumulated Depreciation of disposals	3 807	12 843	699 700	92 299	808 648
Other changes	0	172	(36 801)	0	(36 629)
Accumulated depreciation at 31.12.2023	(949)	(216 197)	(407 450)	(36 131)	(660 726)
Net carrying amount at 31.12.2022	0	1 114	215 840	295	217 249
Net carrying amount at 31.12.2023	0	363	156 380	0	156 744

2.3 NON-CURRENT PREFINANCING

A payment of EUR 70 905 has been paid to OIB for the acquisition of five cash registers for canteen functioning and provided a working capital in value of EUR 67 860, which will be returned to the Agency at the end of the rent agreement.

The payment represents the Agency share of 29% of the total amount of EUR 234 000 requested by OIB from the three executive agencies which moved to North Light.

CURRENT ASSETS

The current assets increased this year by 4% in comparison with previous year, mainly due to the advance paid to Directorate-General for Interpretation (SCIC) as part work for preparation of new offices, in the view of planned move to North Light building mid-March 2024.

2.4 CURRENT PRE-FINANCING IMPLEMENTED BY CONSOLIDATED ENTITY

A total of EUR 283 329 has been paid to SCIC for next year delivery of 18 audio conference rooms, their installation and maintenance during the 2024 and for the transport of the similar equipment low value assets to the new building, SB34 'North Light'.

2.5 RECOVERABLES FROM NON-EXCHANGE TRANSACTIONS

The recoverables at end of 2023 rose to EUR 10 471 from EUR 1 477 the previous year. The amounts included under this heading are of a short-term nature and can be broken down as follows:

2.5.1 Recoverables from non-consolidated entities

There are no recoverable amounts established at the end of 2023 (2022: EUR 1 260). The existing recovery end of last year as result of payment by the Agency of a staff entitlement acquired from a public body, has been cashed during 2023.

2.5.2 Recoverables from consolidated entities

End of the year the Agency has an overall recoverable amount in value of EUR 10 471 (2022: 217) from consolidated entities represented by salary difference paid by the Agency to the seconded officials to be received from the European Commission.

2.6 RECEIVABLES FROM EXCHANGE TRANSACTIONS

The level of short-term receivables fell by 1%, dropping from EUR 6 863 532 in 2022 to EUR 6 842 940 in 2023.

2.6.1 Receivables from non-consolidated entities can be broken down as follows:

At the end of 2023, sundry receivables from non-consolidated entities are represented by staff-related debts with a value of EUR 137 959 (2022: EUR 57 054) and a recovery in value EUR 809 (2022: EUR 0).

An amount of EUR 19 388 (2022: EUR 0) must be recovered from a grant beneficiary as result of a Court's decision issued at the end of December 2023.

2.6.2 Receivables from consolidated entities

At the end of 2023, the Agency has receivables of EUR 4 139 (2022: EUR 0) representing entitlements paid to newcomers but acquired from previous employers EISMEA and the European Committee of Regions.

2.6.3 Deferred charges:

Payments in advance of services which will continue to be delivered during next reporting periods as well as Invoices registered during 2023 which have been paid from anticipated budget, amount to EUR 193 886 (2022: EUR 143 515) as described below:

2023 Deferred charges	Total paid in 2023	Expense of 2023	Expense of 2024
Hardware Maintenance	2 727	2 455	272
ICT Subscriptions	65 314	28 252	37 062
Publication subscriptions	634	317	317
Other insurance	218	164	54
Staff transport contribution	10 445	5 310	5 135
Transport for missions	3 765	0	3 765
Transport for children	42 216	0	42 216
Other staff prerequisites	68 567	24 189	44 378
Total	193 886	60 687	133 199

The invoices registered during the year as expense and paid from 2024 anticipated budget are in value of EUR 43 484 and pertain to: children transport and transport of staff for mission during first quarter of 2024.

Part of these items in value of EUR 133 199 are to be recognised on expense of next year, when the related services will be received, together with the amount of EUR 16 214 has been deferred last year to 2024-2025. Deferred charges have been paid this year only to non-consolidated entities.

2023 Deferred charges	Total paid in 2023	Expense of 2023	Expense of 2024
With non-consolidated entities	193 886	60 687	133 199
With consolidated entities	0	0	0
Total	193 886	60 687	133 199

The 2023 expenses are also impacted by payments done previous year for services which have been received this year.

2023 Expense deferred previous years	Total paid in 2022
Hardware Maintenance	7 714
ICT Subscriptions	35 424
Staff transport contribution	4 115
Trainees	80 813
Total	128 066

2.6.4 Central treasury- liaison accounts

The treasury of EACEA was integrated into the European Commission's treasury system. Because of this, EACEA does not have any bank accounts of its own. All payments and receipts are processed via the European Commission's treasury and registered on central treasury

liaison accounts which are presented under receivables from exchange transaction as central treasury liaison accounts, and amount to EUR 6 533 266 (2022: EUR 6 662 964).

The cash owned by EACEA and held in bank accounts open in the European Commission's name, and it amounts to EUR 6 533 266. The cash will be used to implement payment appropriations carried forward to 2024 and to return the 2023 budget surplus EUR 1 688 060 to the lead parent DG.

2.7 PAYABLES

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). The payables level decreased from EUR 1 751 119 in 2022 to EUR 1 709 874 end of 2023, mainly due to decrease in amount to be reimbursed to Commission.

2.7.1 Payables to non-consolidated entities

The payables relating to exchange transactions decreased from EUR 27 301 registered in 2022 and consist of four invoices verified before the end of the year, in value of EUR 21 814. Two of the invoices pertaining to payables end of 2023, in value of EUR 21 167 have been paid from 2024 budget, with a payment implementation date in January next year.

2.7.2 Payables to consolidated entities

The pre-financing liability related to balancing subsidy of EUR 1 688 060 (2022: EUR 1 723 819) comprises of EUR 334 405 (2022: EUR 357 693) current year subsidy not committed, EUR 99 822 (2022: EUR 892) recovery from consolidated entities of overcharged payments, EUR -1 (2022: EUR -91) exchange rate loss and EUR 1 253 835 (2022: 1 365 325) the unused amount of carried over appropriation from previous year.

The unused amounts of EUR 1 688 060 (2022: EUR 1 723 819) are recorded as pre-financing liabilities under accounts payable until their payment to the Commission.

The amount will be returned to the European Commission in 2024. By comparison, the previous year's balancing subsidy of EUR 7819 was returned to the European Commission on 25 October 2023.

Payables to EC- balancing subsidy	2023	2022
Current pre-financing received from European Commission – Operating subsidy	65 015 918	59 314 758
Current pre-financing received from FED – Operating subsidy	69 730	113 000
Subsidy consumed during the year	(59 739 542)	(54 080 732)
Subsidy to be consumed next year	(5 011 701)	(4 989 332)
Current year subsidy not committed	334 405	357 694
Subsidy received previous year and not consumed	1 253 835	1 365 325
Recovery of payments done previous years	99 822	892
Cashed administrative recovery decided by Court end of previous year	22 475	892
Offsetted Recovery of undully payment previous year	77 347	0
Exchange gain/loss	(1)	(90)
Pre-financing received from Commission - Balancing subsidy	1 688 060	1 723 820

2.8 ACCRUED CHARGES

Accrued charges are liabilities to pay for goods or services that have been received or supplied but – unlike payables – have not yet been invoiced or the invoice was not received before the year-end. As in that case, the exact amount is not known when finalising the accounts, hence an estimation is to be made based on the contractual obligations or other information.

The reversal of accrued changes from the previous year has a decreasing impact on expenses paid during the reporting period as they pertain and already recognised into financial performance of 2022.

Accrued charges also include amounts due to employees for rights acquired during the year and unpaid end of year as well as for entitlements established but unpaid before end of 2023. That will be paid from next year subsidy since related commitments cannot be carried forward.

Similarly, other accrued services could be also paid from next year subsidy in case not enough funds have been committed and carried forward to the next year.

Accruals for goods and services received, to be paid from carry forward funds, represents goods and services received before the end of reporting period but not yet recorded as supplier payables on 31 December 2023. The expenses are of two types:

- invoices to be received next year, which correspond exactly to the amounts accrued;
- estimations set aside to pay for services or goods received in 2023.

The estimation of the accruals is based on the open amount of budgetary commitments at year-end (RAL) in value of EUR 5 011 701 in 2023 (2022: EUR 4 989 332).

Out of total open amount of budgetary commitments above, the value of services and goods received but not paid during the reporting period is estimated by Authorising officer to 3 090 926 in 2023 (2022: EUR 2 958 400).

On top of services and goods received but not paid are unpaid rights acquired during the year and entitlements established for 2023 reporting period, in value of EUR 1 362 956 (2022: EUR 1 017 195).

The total amount of 2023 accruals is EUR 4 453 882 (2022: EUR 3 975 594).

2.8.1 Accrued charges with non-consolidated entities

Included under this heading are accrued charges related to staff and services received but not paid during the reporting period by non-consolidated entities EUR 2 562 176 (2022: EUR 2 622 415).

Accruals related to the staff members include for example untaken holiday, salary expenses occurred in December but paid through the January payroll. Because the establishment of allowances is fully outsourced to PMO, the Agency can estimate reasonable the value of these accruals based only on the December +1 payroll.

Untaken holiday in value of EUR 1 024 990 (2022: EUR 1 017 195) is represented by 3 927 (2022: 3 981) days of untaken annual leave by staff during the year, which will be used next year or paid to staff members who leave Agency.

Accrued staff rights and entitlements	2023	2022
Basic salary pertaining to previous year	1 235	0
Staff allowances pertaining to previous year	18 333	0
Untaken holiday	1 024 990	1 017 195
Total	1 044 558	1 017 195

Included under this heading are also the accrued staff prerequisites - services provided by third parties during the year for staff welfare and unpaid end of reporting period, in value of EUR 120 125 (2022: EUR 9 036).

Accrued staff related services received from non consolidated entities	2023	2022
Staff transport	0	9 036
Social activities	120 125	0
Total	120 125	9 036

The estimated value of other services received during the year from non-consolidated entities amounts up to EUR 1 397 493 (2022: 1 596 184) difference mostly sourced by less use of interims during 2023. That include hardware in value of EUR 23 962 received before the year end of which invoice has been returned to supplier for correction.

Accrued goods and services from non consolidated entities	2023	2022
ASSETS	23 962	0
ADMINISTRATIVE AND ICT EXPENSES	982 690	1 241 865
Infrastructure and staff administration expenses	366 083	611 360
Trainings	2 033	36 006
Office suppliers and maintenance	1 876	5 370
Interims	242 162	465 186
Legal and insurance	22 165	748
Husiers de Justice	1 557	4 116
Other expenses	950	1 213
Maintenance ICT infrastructure - Data center	95 340	98 721
Programme Support expenses	616 607	630 505
Maintenance website content	31 677	88 051
Mission expenses	86 976	24 079
Maintenance ICT local information systems	497 954	518 375
OTHER EXPENSES	390 841	354 319
Programme Support expenses	390 841	354 319
Audits by third parties	390 841	354 319
Total	1 397 493	1 596 184

2.8.2 Accrued charges with consolidated entities

Included under this heading are accrued charges for salaries taxes and services provided by consolidated entities, in total value of EUR 1 891 706 (2022: EUR 1 353 179).

This amount represents the employer contributions for rights and entitlements related to services delivered by staff during 2023 as well as goods and services received before the end

of the year but not booked as suppliers' payables on 31 December 2023. The accruals with consolidated entities are based on the Service Level Agreements signed with European Commission entities or other EU bodies.

The increase in accruals with consolidated entities, related to staff in 2023 compared to 2022 is mainly linked to pension rights of staff paid from RO credits.

Accrued Staff related expenses with consolidated entities	2023	2022
Pension cost and other employer contributions	318 398	0
Employer contributions for 2023 staff entitlements - PMO	59	0
Pension contribution for staff paid from RO credits - PMO	318 340	0
Staff prerequisite and social activities	1 718	120 692
Children Facilities- OIB	0	120 093
Staff transport - OIB	363	599
Social activities - internal events OIB	1 355	0
Total	320 116	120 692

The increase in accruals for other goods and services delivered in 2023 is mainly due to building expenses and training.

Accrued administrative & IT services received from consolidated entities	2023	2022
Infrastructure and Staff administration expenses	1 509 283	1 203 396
Staff administration expenses	228 696	157 530
Payroll preparation, entitlements and reimbursements processing - PMO	20 578	0
HR Services - DG HR	0	77 778
Stagiaries EAC	163 591	0
Medical services - DG HR	44 527	79 752
Other infrastructure expenses	1 280 586	1 045 866
Recruitment - Medical services- DH HR	0	3 358
Trainings - DG HR	43 550	5 555
Missions insurance - PMO	0	886
Treasury services - DG BUDG	5 000	0
Building expenses- OIB	1 209 672	1 012 105
Non building related expenses OIB	22 364	23 963
Programme Support expenses	62 307	29 091
Communication - Publications + Diffusion OP	276	819
Representation - external events	0	2 134
Translations CDT	62 031	26 138
Total	1 571 590	1 232 487

The biggest increase in building relating accruals is for rent, due to an unexpected increase in the annual coefficient charged this year by OIB. The estimation of other unpaid building charges is lower than the previous year.

Accrued Building related services received from consolidated entities	2023	2022
Rent - OIB	698 846	229 367
Building Charges - OIB	369 119	576 165
Refurbishment - OIB	500	2 000
Archiving -OIB	29 186	3 928
Security & Surveillance -DG HR	93 152	195 676
Furniture LVA -OIB	595	0
Audio conference supplies -SCIC	0	4 969
Maintenance cafeteria - OIB	18 275	0
Total	1 209 672	1 012 105

Details of unpaid non-building related expenses received from OIB, are presented below.

Accrued Non building related services received from OIB	2023	2022
Trainings catering - OIB	380	0
Office suppliers - OIB	190	9 108
Postage OIB	11 794	1 554
Potable water OIB	10 000	10 000
Reproduction OIB	0	3 300
Total	22 364	23 963

2.9 NET ASSETS

The net assets amount to surplus of EUR 1 753 265 and comprise the total of the economic result of previous years for the amount of EUR 2 503 669 (2022: EUR 3 965 988) and the economic result of the current year – a loss of EUR 750 404 (2022: loss of EUR 1 462 319).

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

3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

3.1 NON-EXCHANGE REVENUE

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 includes amounts received from the European Union during the year.

The revenue registered by Agency in 2023 is 10% higher than in 2022, similar to the increase in the subsidy received.

Non exchange revenue	2023	2022
Revenue from the Commission	63 327 858	57 590 938
Revenue from FED	69 730	113 000
Total from EU	63 397 588	57 703 938

The 2023 revenue has been registered as result of implementing payments in value of EUR 59 739 542 (2022: EUR 54 080 732). Additionally, an estimated carry forward of EUR 5 011 701 (2022: EUR 4 989 332) has been included to next year from subsidy received this year from European Union. Furthermore, EUR 1 253 835 (2022: EUR 1 365 325) has been deducted, representing the cancellation of unused appropriations carried forward from 2022.

The amount of EUR 99 822 recovered during the year (2022: EUR 892) from costs charged in excess previous years has been also deducted and reported separately as exchange revenue.

The contribution received from the European Development Fund (FED) EUR 69 730 (2022: EUR 113 000) is firstly used to by Agency to pay the administration of the operational budget implementation and, consequently, it is immediately recognised on revenue.

Non Exchange Revenue	2023	2022
Payments from 2023 subsidy	64 751 243	59 070 065
Payments implemented during the year from 2023 subsidy	59 739 542	54 080 732
Payments to be implemented next year from 2023 subsidy	5 011 701	4 989 332
Payments failed to be implemented 2023 from 2022 subsidy	(1 253 835)	(1 365 325)
Exchange gain/loss	1	90
Exchange revenue- Recovered undully paid amounts	(99 822)	(892)
Non Exchange Revenue	63 397 588	57 703 938
Non exchange Revenue from FED	69 730	113 000
Non exchange Revenue from the Commission	63 327 858	57 590 938

3.2 EXCHANGE REVENUE

The revenue from exchange transactions and events relates to the following types of transactions: rendering of services, sale of goods, and the use by others of entity assets yielding interest, royalties and dividends, recoveries of administrative expenses or as result of a court decision.

Exchange revenue	2023	2022
Miscellaneous income from non-consolidated entities	42 672	892
Miscellaneous income from consolidated entities	77 347	
Total	120 018	892

The amount of EUR 42 672 is composed as well of: EUR 22 475 represents a recovery of administrative nature, cashed during the year as a result of a court decision on a case pertaining to operational budget. EUR 19 387 is a recovery decided by Court end of 2023 and registered as accrued income. Additionally, an amount of EUR 809 recovery from a supplier of services charged in excess during the reporting year also not cashed before the end of the year.

The value of EUR 77 347 represents services invoiced in excess by DG BUDG and DG DIGIT last year and deducted from the payment due for services received in 2023.

Included under this heading of exchange revenue are also foreign exchange gains: EUR 1 318 (2022: EUR 1 682). The foreign exchange gains include amounts related to both realised and unrealised exchange gains. The corresponding exchange losses are included under other expenses (see section 3.5).

3.3 STAFF RELATED EXPENDITURE

This heading includes basic salaries and allowances, social and pension contributions, stagiaires and welfare expenses (including the contribution to school transport and the reimbursement of staff public transportation costs). The staff cost includes the accrual for untaken holidays.

Based on the service level agreement between the Agency and the European Commission, the calculations of staff related costs is carried out by the European Commission's Office for Administration and Payment of Individual Entitlements (also known as the Paymaster's Office - PMO).

The PMO's mission is to manage the financial rights of permanent, temporary, and contractual staff working at the Commission, to calculate and to pay their salaries and other financial entitlements.

The PMO is responsible for the establishment of financial entitlements and benefits under the EU Staff Regulations. Staff members send their request and related documentation for personal entitlements directly to PMO, who manages, implements, and validates the requests.

The PMO provides these services for other EU institutions and agencies as well.

The PMO is also responsible for managing the health insurance fund of the institutions, together with processing and paying the claims for reimbursement from staff members. The

PMO also manages the pension fund and pays the pensions of retired staff members. PMO is audited by the European Court of Auditors.

The Agency transmits to the PMO reliable information to enable the calculation of staff costs. The Agency is also responsible for checking that this information has been correctly reflected in the monthly payroll report.

The cost to the EU Budget is not reflected in the Agency's accounts. Similarly, no provision related to future pension payments is recognised in the annual accounts of the Agency, as the obligation falls on the Commission.

3.3.1 Staff related expenses with non-consolidated entities

The increase under this heading is mainly due to salaries to inflation coefficient, increase in grade of several staff members and an increase in the number of staff members.

Staff expenses with non consolidated entities	2023	2022
Staff rights and entitlements	44 201 905	39 813 165
Staff prerequisite and social activities	429 492	234 632
Children Transport to School	258 679	214 028
School for children	24 189	
Staff transport	14 122	19 799
Social activities	132 503	806
Total	44 631 397	40 047 797

The total of staff rights and entitlements paid in 2023 pertaining to previous five years is EUR 13 484 (2022: EUR 95 671).

3.3.2 Staff related expense with consolidated entities

The increase in this heading is mainly due to accrued pension contribution for staff paid from RO funds.

Staff expenses with consolidated entities	2023	2022
Employer salaries taxes - PMO	2 162 668	1 667 059
Staff prerequisite and social activities	739 612	933 719
Children Facilities- OIB	717 058	954 330
Staff transport - OIB	7 953	(22 940)
Social activities- internal events OIB	14 601	2 329
Total	2 902 280	2 600 778

3.4 FIXED ASSETS RELATED EXPENSES

The expense with fixed assets includes the annual depreciation of intangible and tangible assets, in value of EUR 678 141 (2022: EUR 857 659) and a loss of EUR 42 pertaining to assets retirement.

Depreciation of 2023 decreased in comparison with 2022 by 21%, mainly because the acquisition of new assets has been very limited during the last years and most of the assets at the end of useful life.

The Agency has been provided with ICT equipment and necessary licences installed as well as with ICT support as result of Digital Workplace service, acquired from DG DIGIT.

3.5 EXPENSES

3.5.1 Expense with non-consolidated entities

Other Expenses provided by non-consolidated entities count to EUR 6 812 593 (2022: EUR 7 123 650) slightly lower than in previous year. Other expenses provided by non-consolidated entities consist of Administrative and ICT expenses for e.g., staff training, legal, maintenance of ICT infrastructure as well as Other Non-ICT expenses for e.g. interims and audits.

The main decrease was sourced by trainings, interims, and maintenance.

Expenses with non consolidated entities	2023	2022
ADMINISTRATIVE AND ICT EXPENSES	3 331 025	3 645 717
Infrastructure expenses	926 604	876 291
Trainings	110 269	197 083
Office suppliers	24 044	28 703
Subscription and hardware maintenance	200 152	317 601
Legal and insurance	106 282	654
Building related services	555	0
Maintenance ICT infrastructure - Data centre	485 301	332 251
Programme Support expenses	2 404 421	2 769 426
Maintenance website content	175 373	350 620
Mission expenses	209 380	73 490
Maintenance ICT local information systems	2 019 667	2 345 316
OTHER EXPENSES	3 481 569	3 477 933
Infrastructure and staff administration expenses	2 456 115	2 617 473
Recruitment - business software ST access	40 681	29 482
Interim staff	2 412 000	2 504 766
Other expenses	1 918	81 806
Bailiff services	1 515	1 420
Programme Support expenses	1 025 454	860 460
Audits by third parties	1 025 454	860 460
Total	6 812 593	7 123 650

3.5.2 Expense with consolidated entities

Included under this heading are expenses of an administrative and ICT nature related the Agency infrastructure such as staff administration services, recruitment, operating leasing expenses, but also Programme support expenses such as communications, publications, translations etc.

These expenses count to EUR 9 243 556 (2022: EUR 8 537 175), more than in the previous year. The increase is explained also in services provided by PMO and DG HR, including medical services as part of the recruitment process; DG BUDG and DG CNET services , and by the Publication Office and Translation Centre support for programmes.

Administrative and IT expenses with consolidated entities	2023	2022
Infrastructure and staff administration expenses	8 525 984	8 044 570
Staff administration expenses	1 025 776	867 710
Payroll preparation entitlements and reimbursements processing - PMO	445 325	335 849
HR Services - DG HR	167 183	78 243
Staff insurance - PMO	0	975
Stagaries EAC	407 748	303 214
Medical services - DG HR	5 519	149 429
Other administrative expenses	7 500 209	7 176 860
Recruitment - Medical services- DH HR	48 443	2 263
Trainings - DG HR	144 086	68 890
Missions insurance PMO	2 271	0
Treasury services	21 000	10 000
Corporate systems - 1 year use (ABAC, Speedwell, Hani, Sysper) - DGBUDG, ERCEA, SG	400 692	434 223
Building expenses- OIB	4 981 405	5 018 276
Non building related services- OIB	56 103	2 387
ICT infrastructure - DIGIT	1 846 209	1 640 822
Programme Support expenses	717 572	492 605
ICT services (eGrants) - RTD	235 000	264 000
ICT services (MediaDB) - CNECT	100 000	0
Communication website infrastructure -DIGIT	45 000	20 000
Communication - Publications OP	45 928	(3 537)
Representation - external events	556	0
Translations SCIC	1 590	0
Translations CDT	289 498	212 142
Total	9 243 556	8 537 175

Building expenses with consolidated entities

The building expenses with consolidated entities are for a total of EUR 4 981 405 (2022: EUR 5 018 276). They include expenses for rent, maintenance, utilities, security, and various other services for the upkeep of the building during the year. These are similar to 2022.

Building related expenses with consolidated entities	2023	2022
OIB Rent	3 220 633	3 054 593
OIB Utilities & Maintenance	1 079 667	1 234 199
OIB Refurbishment	(411)	(28 000)
OIB Archive	113 430	60 000
DG HR Security & Surveillance	529 014	709 677
OIB Furniture	3 045	6 814
SCIC Audio conference supplies	631	4 969
OIB: maintenance cafeteria	35 396	(23 977)
Total	4 981 405	5 018 276

OIB provides other services, not related to the building which increased mainly due to postal services.

Non building related expenses with OIB	2023	2022
Office suppliers - OIB	(8 434)	(8 894)
Postage OIB	55 650	10 905
Trainings - OIB	1 998	0
Potable water OIB	0	(3 682)
Reproduction OIB	6 889	4 057
Total	56 103	2 387

ICT Administration Expenses with consolidated entities

The increase in ICT expenses is rather marginal and mainly due to infrastructure services provided by DG DIGIT.

ICT Infrastructure services received from DIGIT	2023	2022
ICT management - DIGIT	13 586	14 611
ICT Security platform - DIGIT	20 000	0
ICT infrastructure - data centre-other - DIGIT	20 460	61 029
ICT infrastructure - digital workplace- DIGIT	1 524 733	1 315 243
ICT services - DIGIT	237 430	219 939
ICT advisory services Cliso - DIGIT	30 000	30 000
Total	1 846 209	1 640 822

Additionally, an amount of EUR 100 000 has been paid to DG CNECT and 235 000 to RTD for programmes support. See section 2.1a for details.

3.6 PROVISIONS

EACEA management is currently not aware of any request by the municipality on the occupied buildings for a property tax. Consequentially, no provision has been established and no contingent liability will be disclosed.

There is one trial on-going related to operational activity and the Agency management expects no impact on operating budget implementation.

3.7 GAINS AND LOSSES FROM EXCHANGE RATE DIFFERENCES

The gains/losses from exchange rate differences of EUR 1 319 (2022: EUR 1 772) arose from payments to staff salaries in Swedish krona (SEK).

4. NOTES TO THE CASHFLOW STATEMENT

Cashflow information is used to provide a basis for assessing the ability of the Agency to generate cash and cash equivalents, and its need to utilise those cashflows.

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

Cashflows arising from transactions in a foreign currency are recorded in the EU's reporting currency (EURO), by applying to the foreign currency amount the exchange rate between the euro and the foreign currency at the date of the cashflow.

The cashflow statement presented reports cashflows during the period classified by operating and investing activities – the Agency does not have financing activities.

The decrease in liaison accounts at the end and beginning and end of the year is EUR 129 698 (2022: EUR 676 557) and can be explained as:

4.1 OPERATING ACTIVITIES

Operating activities encompass the regular business operations of the Agency. These are most of the activities performed and their associated cashflows.

The adjustments applied this year to Economic Result as non-monetary items increasing the cash result in value of EUR 678 183 (2022: EUR 857 659), are mainly represented by depreciation of tangible and intangible assets, a decreased amount with 79% in comparison with last year, due to their ageing.

The amount of EUR 470 556 (2022: EUR 29 277) was also applied as result of increasing the prefinancing in value of EUR 351 189 (2022: 0) and the receivables EUR 119 367 (2022: 29 277).

The increase of EUR 413 080 in payables and accruals (2022: EUR 151 593) is mainly due to accruals.

Total cashflow adjustments related operating activities counts to EUR 620 707 (2022: EUR 979 977).

4.2 INVESTING ACTIVITIES

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

During the year, invoices have not been received nor paid for tangibles assets, compared to EUR 194 213 paid throughout the previous year.

5. OTHER DISCLOSURES

5.1 CONTINGENT ASSETS / LIABILITIES COMMITMENTS FOR FUTURE FUNDING

Commitments for future funding are off balance sheet obligations arising from obligations contracted by the Agency in 2023 or earlier and concern goods and services to be rendered after the closure date.

Commitments for future funding	31.12.2023	31.12.2022
ACCOUNTING RAL – commitments against appropriations not yet consumed	1 789 771	1 849 378
Carry forward appropriations	5 011 701	4 989 332
Accruals	(3 066 964)	(2 958 400)
Deferred expenses	(133 199)	(143 515)
Unpaid validated expenses	(21 768)	(38 039)
OPERATING LEASE	13 292 404	4 891 208
ADMINISTRATIVE CONTRACTS	9 732 208	0
Total	24 814 383	5 723 991

5.1.1 Accounting RAL

The Agency has a budgetary RAL (reste à liquider) carried over appropriations amounting to EUR 5 011 701 (2022: EUR 4 989 332).

On the other hand, invoices receivable in 2023 for services received and agreed with the suppliers in 2023 have already been recorded as an expense to be charged to the liabilities of the balance sheet.

The accounting RAL of EUR 1 789 771 (2022: EUR 1 849 378) is estimated as the difference between the commitments carried over to the next year and:

- the accrued charges (unpaid salaries, untaken holiday and other staff expenses excluded), booked at the end of the year EUR 3 066 964 (2022: EUR 2 958 400);
- the deferred charges at year-end EUR 133 199 (2022: EUR 143 515);
- the invoices unpaid at the end of the year 21 768 (2022: EUR 38 039);

5.1.2 Multiannual contracts

The commitments for future funding related buildings were calculated for the buildings occupied until the end of the current agreement on 15 March 2024 and for the new building will be occupied after that, until the end of the Agency mandate on 31 December 2028.

The service level agreement between OIB and EACEA had not been signed at the time the provisional accounts were released. However, information has been exchanged between the two institutions and that are used for the management assessment of legal commitments and constructive obligation the Agency has in the future years.

As of 31 December 2023, EACEA's operating lease was the following:

Rent	Total surface	Rent for the current year 2023	Rent for the next year 2024	Rent for the second until the fifth next year
J59	8 946	1 051 425	222 333	
SPA2	5 001	2 102 851	444 665	
J70	893	295 154	62 413	
North Light	10 909		2 438 343	10 124 651
Total		3 449 430	3 167 754	10 124 651

The multiannual legal commitments represent the amount resulting from agreements for building administration with OIB and DG HR which management do not intend to end before the end of current mandate the Agency (2028).

Other administrative contracts	Building administration for the current year 2023	Building administration for the next year 2024	Building administration for the second until the fifth next year
Security (DGHR)	700 000	764 886	3 149 042
Charges (OIB)	1 399 999	1 180 311	4 637 968
Total	2 099 999	1 945 197	7 787 010

5.1.3 Other commitments for future funding

There are no contingent assets or liabilities related staff expenses to disclose for the year ending on 31 December 2023.

Newly appointed staff may be entitled to claim compensations for certain costs related to their entry into service, providing that they can demonstrate that they have taken up residence at their new place of employment.

Out of 149 newcomers during last 2 years, the vast majority were already resident in Brussels and only few fulfilled the above-mentioned conditions. However, none of them expressed their intention to ask removal costs from EACEA and consequently their cost incurred by the event of recruitment before end of 2023 is either 0 or impossible to reasonable estimate.

Eight retirees from the Agency are eligible to request reinstallation allowance and removal costs after 31 December 2023. At the date of releasing the accounts, none of them announced his /her intention to return to their country of origin and consequentially their cost incurred by the past event of retirement before end 2023 is either 0 or impossible to estimate reasonable.

There are no settlements foreseen by the Compliance team in relation to EACEA staff members end of 2023.

5.2 RELATED PARTIES

The related parties of the entity are the other EU consolidated entities and the key management personnel of these entities. The remuneration equivalent to the grades of the key management personnel in the Agency's establishment plan was originally published in Official Journal L 345/10 of 23 December 2007. The key management personnel are shown below:

	31.12.2023	31.12.2022	31.12.2021
Director		AD 14	AD 14
2 Heads of Department	AD 14		
5 Heads of Unit	AD 14		

5.3 SERVICES IN KIND

DG EAC provided an in-kind contribution by sharing their Qlik environment (access to licenses and servers) with EACEA for the purpose of a seamless reporting infrastructure. Applying a pro-rata approach (max 15% share of use) the monetary value of these in-kind services can be estimated at EUR 35 000 in 2023.

5.4 EVENTS AFTER REPORTING DATE

Sophie BEERNAERTS was nominated Director on 26 of January 2024. She was Acting Director following the retirement of Roberto CARLINI, on 1 February 2023.

In March 2024, EACEA relocated to the North Light building (SB34) joining two other Executive Agencies. The new building will offer the chance to enhance the attractiveness of the workplace with modern offices. The new premises will be equipped with ergonomic furniture as well as dynamic collaborative and social spaces.

The migration to the new intranet, based on SharePoint Online, has completed in early 2024 to enhance data and knowledge management.

In accordance with EU accounting rule 19, Events after Reporting Date, the war in Ukraine that began in February 2022, is a non-adjusting event. This will not require any adjustments to the figures reported in these financial statements on 31 December 2023. For subsequent reporting periods, the war may affect the recognition and measurement of some assets and liabilities on the balance sheet as well as 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, there is no financial impact.

5.5 CHANGE OF ACCOUNTING PRACTICES

There were no changes in accounting policies for the financial year 2023.

6. FINANCIAL INSTRUMENTS

Financial instruments comprise cash, current and long-term receivables, and recoverable, current and long-term payables, and amounts due to and from consolidated entities.

The estimated fair values of all financial instruments of the Agency are equal to their book values on 31 December 2022 and 31 December 2023.

Financial instruments give rise to liquidity, credit, interest rate and foreign currency risks. Information about them, and how they are managed, is set out below.

Financial instruments	2023	2022
Short-term receivables and recoveries less defered expenses	162 295	57 054
Liaison accounts	6 533 266	6 662 964
Total	6 695 561	6 720 018

6.1 MARKET 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 Agency has no significant market risk.

1) Foreign currency risks

Currency risk entails the Agency's operations, or its investment values will be affected by changes in exchange rates. This risk arises from the change in value of one currency to another.

A salary transfer is paid in other currency than EUR and the payment is done at the exchange rate of the previous month. All other transactions, financial assets and liabilities are in euro. Consequently, the Agency has no foreign currency risk.

2) Interest rate risk

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

The Agency does not have any loans thus it is not exposed to interest rate risk.

3) Inflation risk

Inflation risk refers to the possibility that overall rises in prices of goods and services will undermine the value of money, and adversely impact the value of investments.

This year, the Agency applied on salaries an indexation coefficient of 1.7% for the first semester of 2023 and 1% for the second semester, as calculated by EUROSTAT and agreed with PMO and paid that to staff members in two tranches.

At the same time, pension contributions have been increased from 10.1% to 11.1%, with retroactive effect since July 2023.

The war in Ukraine may affect the recognition and measurement of some assets and liabilities on the balance sheet and 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, there is no financial impact.

The budget undergoes several revisions during the year to estimate the Agency's need for funds as precisely as possible.

6.2 CREDIT 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. Treasury resources are kept with the European Commission.

Financial instruments	Receivable non consolidated	2023 Receivable consolidated	Liaison account	Receivable non consolidated	2022 Receivable consolidated	Liaison account
Counterparts with external credit rating	0	0	0	0	0	0
Prime and high grade						
Upper medium grade						
Lower medium grade						
non investment grade						
Counterparts without external rating	158 155	4 140	6 533 266	57 054		6 662 964
Debts who never defaulted	158 155	4 140	6 533 266	57 054		6 662 964
Debtors who defaulted in the past						
	158 155	4 140	6 533 266	57 054	0	6 662 964

6.3 LIQUIDITY RISK

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.

The Agency manages liquidity risk by continually monitoring forecast and actual cash flows with the help of the budgetary execution tables. Details of contractual maturities for assets and liabilities form an important source of information for the management of liquidity risk.

None of the financial assets is overdue or impaired.

Financial instruments	<1 year	1-5 years	> 5 years	Total
Exchange Receivables - non consolidated entities	100 603	57 552		158 155
Advances paid to staff (4520200)	80 231	57 552		137 783
Wage garnishments and assignments (45410000)	176			176
Receivables from non consolidated entities (40001060)	809			809
Accrued income	19 387			19 387
Exchange Receivables - consolidated entities	6 537 406			6 537 406
Liaison account with consolidated entities	6 533 266			6 533 266
Receivables from other agencies (40005200)	2 963			2 963
Receivables from Global cons entities (40005000)	1 177			1 177
Total	6 638 009	57 552	0	6 695 561

The deferred expenses are already paid future expenses and have been excluded from the group of receivables for the purpose of calculation of credit and currency risk.



EUROPEAN EDUCATION AND CULTURE
EXECUTIVE AGENCY (EACEA)

BUDGET IMPLEMENTATION REPORTS AND EXPLANATORY NOTES

7. INTRODUCTION

7.1 BUDGETARY PRINCIPLES

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

Principles of unity and budget accuracy

This principle means that no revenue may be collected, and no expenditure effected unless linked to a budget line of EACEA. 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 that is considered necessary.

Principle of annuality

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

Principle of equilibrium

Revenue and payment appropriations must be in balance.

Principle of unit of account

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

Principle of universality

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

Principle of specification

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

Principle of sound financial management

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

Principle of transparency

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

7.2 STRUCTURE AND PRESENTATION OF THE BUDGET

For each financial year, the budget of EACEA must forecast and authorise all revenue and expenditure considered necessary.

EACEA makes use of non-differentiated appropriations for its administrative expenditure. The statement of expenditure must be set out based on a nomenclature with a classification by purpose.

The budget of EACEA is structured by title and chapter. The chapters are further detailed in articles and items. The budget is planned at item level and is presented to the Steering Committee at item level.

The budget structure is divided into three titles.

Title 1 Budget lines relating to staff expenditure such as salaries and allowances for personnel employed by EACEA. It also includes recruitment expenses, staff training, expenses for the sociomedical infrastructure and representation costs.

Title 2 Budget lines relating to infrastructure and operating expenditure such as building-related costs, IT systems, furniture, office equipment, telecommunication, legal expenses, and correspondence.

Title 3 Budget lines providing support for the implementation of the operational activities and tasks assigned by the European Commission to EACEA.

Origin and composition of appropriations

The main source of appropriations is the Agency's budget for the current year. However, there are also other types of appropriations: Payment appropriations carried over from the previous financial year and possible appropriations from outside sources:

- Initial budget = appropriations voted in Year N-1
- Final budget appropriations = initial budget appropriations + amending budgets appropriations + (possible) additional appropriations.
- Additional (payment) appropriations = carry over from the previous year.

8. BUDGET RESULT

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

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

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

Payment appropriations carried over include automatic carryovers only. The cancellation of unused payment appropriations carried over from the previous year shows the cancellations on appropriations also carried over automatically.

	Title	2023	2022
Revenue		65 185 470	59 428 650
of which:			
European Commission subsidy		65 015 918	59 314 758
Other EU subsidies -FED		69 730	113 000
Other revenue		99 822	892
Expenditure		(64 751 243)	(59 070 065)
of which:			
Payment appropriation implemented during the year		(59 739 542)	(54 080 732)
Staff expenditure	1	(50 371 367)	(45 703 402)
Administrative expenditure	2	(7 589 891)	(6 692 128)
Operating expenditure	3	(1 778 284)	(1 685 202)
Payment appropriation carried over to the following year		(5 011 701)	(4 989 332)
Staff expenditure	1	(686 256)	(912 220)
Administrative expenditure	2	(1 840 959)	(1 350 039)
Operating expenditure	3	(2 484 486)	(2 727 074)
Outturn of the Financial year		434 227	358 585
Cancellation of unused appropriations carried over from previous year		1 253 835	1 365 325
Exchange rate differences		(1)	(90)
Budget result		1 688 060	1 723 820

The 2023 budget result includes EUR 434 227 outturn of the year, representing the total of EUR 334 405 subsidy received and not committed and EUR 99 822 "recovery" of unduly paid amounts from previous years, as well as EUR 1 253 835, the unused part of appropriations carried over from 2022.

9. RECONCILIATION OF FINANCIAL PERFORMANCE WITH BUDGET RESULT

The financial result for the year is determined using accrual accounting principles. The budget outturn, however, is based on modified cash accounting rules, in accordance with the Financial Regulation. As both are the result of the same underlying transactions, it is a useful control to ensure that they are reconcilable. The table below shows this reconciliation, highlighting the key reconciling amounts, split between revenue and expenditure items.

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

The net accrued expenses mainly consist of accruals made for year-end cut-off purposes, i.e., eligible expenses for goods delivered and services received but not yet invoiced to the Agency. While accrued expenses are not considered as a budgetary expenditure, payments made in the current year relating to invoices registered in prior years are part of the current year's budgetary expenditure. The accrual liability of 2023 includes goods received but not invoiced by supplier, amount with no impact on expense and therefore on reconciliation between economic and budget result.

The net effect of pre-financing is the combination of:

- the new amounts paid in the current year and recognised as budgetary expenditure of the year;
- the clearing of the pre-financing paid in the current year or previous years through the acceptance of invoices. The clearing of pre-financing represents an expense in accrual terms but not in the budgetary accounts since the payment of the initial pre-financing had already been considered as a budgetary expenditure at the time of its payment.

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

Other reconciling amounts are comprised of different elements such as asset depreciation, asset acquisitions, capital lease payments and financial transactions for which the budgetary and accrual accounting treatments differ. The following tables give a detailed picture of the budget implementation during 2023. Detailed information and qualitative descriptions of the financial situation and the events which had a significant influence on financial activities during the year can be found in the report on budgetary and financial management.

	2023	2022
ECONOMIC RESULT OF THE YEAR	(750 404)	(1 462 319)
Adjustment for items not in the budgetary result but included in the economic result	4 758 695	5 227 034
Adjustments for accrual cut-off (N-1)	(3 975 594)	(4 486 459)
Adjustments for accrual cut-off (N)	4 429 920	3 975 594
Accrued income	(19 388)	0
Staff expenses not charged to budget	0	1 500
Unpaid invoices at end of year N booked in expenses	21 768	27 301
Paid invoices in year N from next year budget	22 317	0
Depreciation of intangible and tangible assets	678 141	857 659
Loss from fixed assets retirement	42	0
Budgetary Recovery issued during year N and not cashed in the year	(809)	0
Pre-financing given in previous year N-1 and cleared in the year N	0	0
Payments made from carry-over of payment appropriations of previous year (C8)	3 735 498	4 994 954
Adjustments for deferral cut-off (N)	(133 199)	(143 515)
Adjustment for budgetary items (item included in the budgetary result but not in the economic result)	(2 320 232)	(2 040 895)
Asset acquisitions (less unpaid amounts)	0	(194 213)
New pre-financing paid in the year and remaining open as at 31 December	(351 189)	0
New pre-financing received in the year and remaining open as at 31 December	1 688 060	1 723 820
Entitlements established in previous year and cashed in the year	0	0
Entitlements established on balance sheet accounts and cashed in the year	0	0
Charges of previous year paid this year (invoices FIN100 end of previous year)	(27 301)	(27 870)
Payment appropriations carried over to next year	(5 011 701)	(4 989 332)
Cancellation of unused carried over payment appropriations from previous year	1 253 835	1 365 325
Adjustment for carry-over of assigned revenue appropriations from previous year	0	0
Adjustments for deferral cut-off (N-1)	128 065	81 376
BUDGET RESULT OF THE YEAR	1 688 060	1 723 819

10. BUDGET IMPLEMENTATION REPORTS

10.1 KEY DATA ON BUDGET IMPLEMENTATION

The subsidy of EUR 65 085 648 (2022: EUR 59 427 758) has been received for the operating activity in relation to the following programmes implemented by the Agency:

- EUR 38 819 217 (2022: EUR 36 083 927) Erasmus+, to which EUR 69.730 are to be added for the EDF contribution;
- EUR 17 282 981 (2022 : EUR 15 373 464) Creative Europe ;
- EUR 1 590 420 (2022 : EUR 1 565 365) European Solidarity Corps ;
- EUR 7 323 300 (2022: EUR 6 292 002) CERV.

The implementation of the final budget appropriations, fund source C1, is at a level of 99.5% for commitments (99.4% in 2022 and 99.2% in 2021) and 92.3% for payments against commitments (91.6% in 2022 and 88.1% in 2021).

In 2023, the payments execution in C1 against the final budget amounted to 91.8 % (91% in 2022 and 87.4% in 2021).

Budget Implementation 2023	2023	2022	2023%
Budgetary Revenue	65 085 648	59 427 758	100% collected
Commitment appropriations	64 751 243	59 070 064	99,5 % committed 7,7% carried forward to 2024
Payments appropriations of current year	59 739 542	54 080 732	91,8% payments implemented
Payments on commitments carried forward from previous year	3 735 498	4 994 954	74,9% implemented

10.2 IMPLEMENTATION OF BUDGET REVENUE¹²Breakdown and changes in commitment appropriations. Note: FED stands for *European Development Fund*

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 entitlement carried over	Total	%	
		1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	
1 1 1 1	Subvention: DG EAC(Erasmus+)	0	0	30 620	0	30 620	30 620	0	30 620	-	0
1 1 1 2	Subvention: DG EAC + DG CNET (Creative Europe)	0	0	17 283	0	17 283	17 283	0	17 283	-	0
1 1 1 3	Subvention: DG JUST (European Solidarity Corps)	0	0	7 323	0	7 323	7 323	0	7 323	-	0
1 1 1 4	Subvention: DG NEAR + DG EAC (NDICI)	0	0	6 678	0	6 678	6 678	0	6 678	-	0
1 1 1 5	Subvention: DG FPI+EAC (IP3)	0	0	1 521	0	1 521	1 521	0	1 521	-	0
1 1 1 6	Subvention: DG EAC (SOLIDARITY CORPS)	0	0	1 590	0	1 590	1 590	0	1 590	-	0
1 1 2 1	Subvention: FED	0	0	70	0	70	70	0	70	-	0
Total Chapter 1 1		0	0	65 086	0	65 086	65 086	0	65 086	-	0
Total Title 1		0	0	65 086	0	65 086	65 086	0	65 086	-	0

EUR '00

	Item	Income appropriations		Entitlements established			Revenue				Out-standing
		Initial budget	Final budget	Current year	Carried over	Total	On entitlements of current year	On entitlement carried over	Total	%	
		1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	
2 3 1 1	Reimbursement of other expenses	0	0	100	0	100	100	0	100	-	0
Total Chapter 2 3		0	0	100	0	100	100	0	100	-	0
Total Title 2		0	0	100	0	100	100	0	100	-	0

GRAND TOTAL			65 185	0	65 185	65 185	0	65 185	-	0
--------------------	--	--	---------------	----------	---------------	---------------	----------	---------------	----------	----------

¹² The data presented follows the DG BUDG BO report template.

10.3 IMPLEMENTATION OF BUDGET EXPENDITURE

10.3.1. Breakdown and changes in commitment appropriations

EUR 000

	Item	Budget appropriations				Additional appropriations			Total approp. available 8=4+7
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carryovers	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	
1 1 1 1	Temporary staff	19 657	(1 235)	0	18 422	0	0	0	18 422
1 1 2 1	Contract staff	28 134	(468)	0	27 666	0	0	0	27 666
1 1 3 1	Interim staff	2 100	312	25	2 437	0	0	0	2 437
1 1 3 2	Trainees	338	25	(25)	338	0	0	0	338
Total Chapter 1 1		50 229	(1 366)	0	48 863	0	0	0	48 863
1 2 1 1	Administrative staff management	590	113	0	703	0	0	0	703
1 2 2 1	Language courses, retraining and further training	360	(60)	0	300	0	0	0	300
1 2 3 1	Medical Service	110	0	(23)	87	0	0	0	87
1 2 3 2	Mobility	33	0	0	33	0	0	0	33
1 2 3 3	Social services and other interventions	1 130	(50)	0	1 080	0	0	0	1 080
1 2 4 1	Representation, internal meetings and event expenses	138	0	23	161	0	0	0	161
Total Chapter 1 2		2 361	3	0	2 364	0	0	0	2 364
Total Title 1		52 589	(1 363)	0	51 226	0	0	0	51 226

EUR 000

	Item	Budget appropriations				Additional appropriations			Total appropri. available
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carryovers	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	
2 1 1 1	Rent/usufruct and incidental expenses	3 500	(50)	0	3 450	0	0	0	3 450
2 1 1 2	Charges relating to buildings	2 400	(300)	0	2 100	0	0	0	2 100
2 1 2 1	Fitting - out of premises and other expenditure	5	(5)	0	1	0	0	0	1
Total Chapter 2 1		5 905	(355)	0	5 551	0	0	0	5 551
2 2 1 1	Data-processing and telecommunication equipment	130	73	0	203	0	0	0	203
2 2 1 2	Computer applications	230	(53)	0	177	0	0	0	177
2 2 2 1	Other external data-processing services	2 200	80	0	2 280	0	0	0	2 280
Total Chapter 2 2		2 560	100	0	2 660	0	0	0	2 660
2 3 1 1	Purchase, hire, maintenance and repair of furniture, technical equipment and installations	50	507	(5)	552	0	0	0	552
2 3 1 2	Handling and removal costs	50	(50)	0	0	0	0	0	0
2 3 2 1	Stationery and office supplies	20	0	0	20	0	0	0	20
2 3 2 2	Postage on correspondence and delivery charges	60	0	0	60	0	0	0	60
2 3 3 1	Library, subscription to publications, information acquisition and document archiving	135	(20)	0	115	0	0	0	115
2 3 4 1	Banking fees and other financial expenses, including the SLA budget	170	(74)	5	101	0	0	0	101
2 3 4 2	Legal fees, damages and interest	120	(32)	0	89	0	0	0	89

2 3 5 1	Insurance and other current miscellaneous operating expenditure, including the HAN SLA and GH HR	334	10	0	344	0	0	0	344
Total Chapter 2 3		939	342	0	1 281	0	0	0	1 281
Total Title 2		9 404	87	0	9 492	0	0	0	9 492

EUR 000

	Item	Budget appropriations				Additional appropriations			Total approp. available 8=4+7
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carryovers	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	
3 1 1 1	Meetings	15	(13)	0	3	0	0	0	3
3 1 2 1	Information, communication and publication	360	(25)	(4)	331	0	0	0	331
3 1 3 1	Translation and interpreting	300	0	(9)	291	0	0	0	291
3 1 4 1	Audits	1 300	0	0	1 300	0	0	0	1 300
3 1 5 1	Missions and travel expenses and other incidental expenditure	220	(10)	13	223	0	0	0	223
3 1 6 1	Specific IT	2 500	(280)	0	2 220	0	0	0	2 220
Total Chapter 3 1		4 695	(328)	0	4 368	0	0	0	4 368
Total Title 3		4 695	(328)	0	4 368	0	0	0	4 368
GRAND TOTAL		66 689	(1 603)	0	65 086	0	0	0	65 086

10.3.2 Breakdown and changes in payment appropriations

EUR '000

	Item	Budget appropriations				Additional appropriations			Total appropri. available
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carryovers	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
1 1 1 1	Temporary staff	19 657	(1 235)	0	18 422	0	0	0	18 422
1 1 2 1	Contract staff	28 134	(468)	0	27 666	0	0	0	27 666
1 1 3 1	Interim staff	2 100	312	25	2 437	465	0	465	2 902
1 1 3 2	Trainees	338	25	(25)	338	0	0	0	338
Total Chapter 1 1		50 229	(1 366)	0	48 863	465	0	465	49 328
1 2 1 1	Administrative staff management	590	113	0	703	81	0	81	784
1 2 2 1	Language courses, retraining and further training	360	(60)	0	300	135	0	135	435
1 2 3 1	Medical Service	110	0	(23)	87	80	0	80	167
1 2 3 2	Mobility	33	0	0	33	10	0	10	43
1 2 3 3	Social services and other interventions	1 130	(50)	0	1 080	120	0	120	1 200
1 2 4 1	Representation, internal meetings and event expenses	138	0	23	161	22	0	22	182
Total Chapter 1 2		2 361	3	0	2 364	447	0	447	2 811
Total Title 1		52 589	(1363)	0	51 226	912	0	912	52 139

EUR '000

		Budget appropriations				Additional appropriations			Total appropriations available
	Item	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carryovers	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
2 1 1 1	Rent/usufruct and incidental expenses	3 500	(50)	0	3 450	229	0	229	3 679
2 1 1 2	Charges relating to buildings	2 400	(300)	0	2 100	772	0	772	2 872
2 1 2 1	Fitting-out of premises and other expenditure	5	(5)	0	1	2	0	2	3
Total Chapter 2 1		5 905	(355)	0	5 551	1 003	0	1 003	6 554
2 2 1 1	Data-processing and telecommunication equipment	130	73	0	203	0	0	0	203
2 2 1 2	Computer applications	230	(53)	0	177	0	0	0	177
2 2 2 1	Other external data-processing services	2 200	80	0	2 280	204	0	204	2 484
Total Chapter 2 2		2 560	100	0	2 660	204	0	204	2 864
2 3 1 1	Purchase, hire, maintenance and repair of furniture, technical equipment and installations	50	507	(5)	552	14	0	14	566
2 3 1 2	Handling and removal costs	50	(50)	0	0	6	0	6	6
2 3 2 1	Stationery and office supplies	20	0	0	20	6	0	6	26
2 3 2 2	Postage on correspondence and delivery charges	60	0	0	60	6	0	6	66
2 3 3 1	Library, subscription to publications, information acquisition and archiving	135	(20)	0	115	5	0	5	120
2 3 4 1	Banking fees and other financial expenses, including the SLA budget	170	(74)	5	101	0	0	0	101
2 3 4 2	Legal fees, damages and interest	120	(32)	0	89	104	0	104	193
2 3 5 1	Insurance and miscellaneous operating expenditure, including the HAN SLA	334	10	0	344	2	0	2	346
Total Chapter 2 3		939	342	0	1 281	143	0	143	1 424
Total Title 2		9 404	87	0	9 492	1 350	0	1 350	10 842

EUR '000

		Budget appropriations				Additional appropriations			Total appropri. available
	Item	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carryovers	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
3 1 1 1	Meetings	15	(13)	0	3	9	0	9	11
3 1 2 1	Information, communication and publication	360	(25)	(4)	331	249	0	249	580
3 1 3 1	Translation and interpreting	300	0	(9)	291	124	0	124	415
3 1 4 1	Audits	1 300	0	0	1 300	1 055	0	1 055	2 355
3 1 5 1	Missions and travel expenses and other incidental expenditure	220	(10)	13	223	51	0	51	274
3 1 6 1	Specific IT	2 500	(280)	0	2 220	1 240	0	1 240	3 460
Total Chapter 3 1		4 695	(328)	0	4 368	2 727	0	2 727	7 095
Total Title 3		4 695	(328)	0	4 368	2 727	0	2 727	7 095
GRAND TOTAL		66 689	(1 603)	0	65 086	4 989	0	4 989	70 075

10.3.3 Implementation of commitment appropriations

EUR '000

		Total approp. available	Commitments made					Appropriations carried over to 2024			Appropriations lapsing			
	Item		from final adopt. budget	from carryov ers	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carryov ers	from assign. revenue	Total
			2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
1 1 1 1	Temporary staff	18 422	18 421	0	0	18 421	100 %	0	0	0	1	0	0	1
1 1 2 1	Contract staff	27 666	27 666	0	0	27 666	100 %	0	0	0	0	0	0	0
1 1 3 1	Interim staff	2 437	2 412	0	0	2 412	99 %	0	0	0	25	0	0	25
1 1 3 2	Trainees	338	332	0	0	332	98 %	0	0	0	6	0	0	6
Total Chapter 1 1		48 863	48 832	0	0	48 832	100 %	0	0	0	31	0	0	31
1 2 1 1	Administrative staff management	703	645	0	0	645	92 %	0	0	0	58	0	0	58
1 2 2 1	Language courses, retraining and further training	300	300	0	0	300	100 %	0	0	0	0	0	0	0
1 2 3 1	Medical Service	87	82	0	0	82	94 %	0	0	0	5	0	0	5
1 2 3 2	Mobility	33	33	0	0	33	100 %	0	0	0	0	0	0	0
1 2 3 3	Social services and other interventions	1 080	1 021	0	0	1 021	95 %	0	0	0	59	0	0	59
1 2 4 1	Representation, internal meetings and event expenses	161	146	0	0	146	91 %	0	0	0	15	0	0	15
Total Chapter 1 2		2 364	2 226	0	0	2 226	94 %	0	0	0	138	0	0	138
Total Title 1		51 226	51 058	0	0	51 058	100 %	0	0	0	169	0	0	169

EUR '000

	Item	Total approp. available	Commitments made					Appropriations carried over to 2024			Appropriations lapsing			
			from final adopt. budget	from carryovers	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carryovers	from assign. revenue	Total
			2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
2 1 1 1	Rent/usufruct and incidental expenses	3 450	3 450	0	0	3 450	100 %	0	0	0	0	0	0	0
2 1 1 2	Charges relating to buildings	2 100	2 100	0	0	2 100	100 %	0	0	0	0	0	0	0
2 1 2 1	Fitting- out of premises and other expenditure	1	1	0	0	1	100 %	0	0	0	0	0	0	0
Total Chapter 2 1		5 551	5 551	0	0	5 551	100 %	0	0	0	0	0	0	0
2 2 1 1	Data-processing and telecommunication equipment	203	199	0	0	199	98 %	0	0	0	4	0	0	4
2 2 1 2	Computer applications	177	176	0	0	176	100 %	0	0	0	1	0	0	1
2 2 2 1	Other external data-processing services	2 280	2 251	0	0	2 251	99 %	0	0	0	29	0	0	29
Total Chapter 2 2		2 660	2 627	0	0	2 627	99 %	0	0	0	33	0	0	33
2 3 1 1	Purchase, hire, maintenance and repair of furniture, technical equipment and installations	552	552	0	0	552	100 %	0	0	0	0	0	0	0
2 3 2 1	Stationery and office supplies	20	20	0	0	20	100 %	0	0	0	0	0	0	0
2 3 2 2	Postage on correspondence and delivery charges	60	60	0	0	60	100 %	0	0	0	0	0	0	0
2 3 3 1	Library, subscription to publications, information acquisition and document archiving	115	115	0	0	115	100 %	0	0	0	0	0	0	0

2 3 4 1	Banking fees and other financial expenses	101	101	0	0	101	100 %	0	0	0	0	0	0
2 3 4 2	Legal fees, damages and interest	89	67	0	0	67	76 %	0	0	0	21	0	21
2 3 5 1	Insurance and other current miscellaneous operating expenditure, including the HAN SLA	344	339	0	0	339	98 %	0	0	0	6	0	6
Total Chapter 2 3		1 281	1 254	0	0	1 254	98 %	0	0	0	28	0	28
Total Title 2		9 492	9 431	0	0	9 431	99 %	0	0	0	61	0	61

EUR '000

		Total approp. available	Commitments made					Appropriations carried over to 2024			Appropriations lapsing			
	Item		from final adopt. budget	from carryovers	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carryovers	from assign. revenue	Total
			2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
3 1 1 1	Meetings	3	2	0	0	2	93 %	0	0	0	0	0	0	0
3 1 2 1	Information, communication and publication	331	319	0	0	319	96 %	0	0	0	12	0	0	12
3 1 3 1	Translation and interpreting	291	291	0	0	291	100 %	0	0	0	0	0	0	0
3 1 4 1	Audits	1 300	1 212	0	0	1 212	93 %	0	0	0	88	0	0	88
3 1 5 1	Missions, travel expenses and other expenditure	223	223	0	0	223	100 %	0	0	0	0	0	0	0
3 1 6 1	Specific IT	2 220	2 216	0	0	2 216	100 %	0	0	0	4	0	0	4
Total Chapter 3 1		4 368	4 263	0	0	4 263	98 %	0	0	0	105	0	0	105
Total Title 3		4 368	4 263	0	0	4 263	98 %	0	0	0	105	0	0	105

GRAND TOTAL	65 086	64 751	0	0	64 751	99 %	0	0	0	334	0	0	334
--------------------	---------------	---------------	----------	----------	---------------	-------------	----------	----------	----------	------------	----------	----------	------------

10.3.4. Implementation of payment appropriations

EUR
'000

		Total approp. available.	Payments made					Appropriations carried over to 2024				Appropriations lapsing			
	Item		from final adopt. budget	from carryove rs	from assign. revenue	Total	%	Autom. carryovers	By decis ion	As- signed rev.	Total	from final adopt. budget	from carryov ers	from assign. rev.	Total
			2	3	4	5=2+ 3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+ 12+13
1 1 1 1	Temporary staff	18 422	18 421	0	0	18 421	100%	0	0	0	0	1	0	0	1
1 1 2 1	Contract staff	27 666	27 666	0	0	27 666	100%	0	0	0	0	0	0	0	0
1 1 3 1	Interim staff	2 902	2 170	465	0	2 635	91%	242	0	0	242	25	0	0	25
1 1 3 2	Trainees	338	169	0	0	169	50%	164	0	0	164	6	0	0	6
Total Chapter 1 1		49 328	48 426	465	0	48 891	99%	406	0	0	406	31	0	0	31
1 2 1 1	Administrative staff management	784	624	81	0	705	90	21	0	0	21	58	0	0	58
1 2 2 1	Language courses, retraining and further training	435	218	27	0	245	56%	82	0	0	82	0	108	0	108
1 2 3 1	Medical Service	167	37	48	0	85	51%	45	0	0	45	5	32	0	37
1 2 3 2	Mobility	43	31	1	0	32	76%	2	0	0	2	0	9	0	9
1 2 3 3	Social services and other interventions	1 200	1 021	91	0	1 112	93%	0	0	0	0	59	29	0	88
1 2 4 1	Representation, internal meetings and event expenses	182	14	18	0	32	18%	131	0	0	131	15	3	0	18
Total Chapter 1 2		2 811	1 945	266	0	2 211	79%	281	0	0	281	138	181	0	319
Total Title 1		52 139	50 371	731	0	51 103	98%	686	0	0	686	169	181	0	350

EUR
'000

		Total approp. available	Payments made					Appropriations carried over to 2024				Appropriations lapsing			
	Item		from final adopt. budget	from carryove rs	from assign. revenue	Total	%	Autom. carryovers	By decisi on	Assi- gned rev.	Total	from final adopt. budget	from carryov ers	from assign. rev.	Total
			2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+ 9	11	12	13	14=11+ 12+13
2 1 1 1	Rent/usufruct and incidental expenses	3 679	2 751	0	0	2 751	75 %	699	0	0	699	0	229	0	229
2 1 1 2	Charges relating to buildings	2 872	1 638	281	0	1 919	67 %	462	0	0	462	0	491	0	491
2 1 2 1	Fitting- out of premises and other expenditure	3	0	1	0	1	44 %	1	0	0	1	0	1	0	1
Total Chapter 2 1		6 554	4 389	282	0	4 671	71 %	1 162	0	0	1 162	0	721	0	721
2 2 1 1	Data-processing and telecommunicat ion equipment	203	21	0	0	21	10 %	178	0	0	178	4	0	0	4
2 2 1 2	Computer applications	177	176	0	0	176	100 %	0	0	0	0	1	0	0	1
2 2 2 1	Other external data-processing services	2 484	2 032	204	0	2 236	90 %	219	0	0	219	29	0	0	29
Total Chapter 2 2		2 864	2 230	204	0	2 434	85 %	397	0	0	397	33	0	0	33
2 3 1 1	Purchase, hire, maintenance and repair of furniture, technical equipment and installations	566	369	9	0	379	67 %	183	0	0	183	0	5	0	5
2 3 1 2	Handling and removal costs	6	0	0	0	0	0 %	0	0	0	0	0	6	0	6
2 3 2 1	Stationery and office supplies	26	18	5	0	23	88 %	2	0	0	2	0	1	0	1

2 3 2 2	Postage on correspondence and delivery charges	66	46	3	0	49	75 %	14	0	0	14	0	2	0	2
2 3 3 1	Library, subscription to publications, information acquisition and document archiving	120	84	4	0	89	74 %	30	0	0	30	0	0	0	1
2 3 4 1	Banking fees and other financial expenses, including the SLA budget	101	96	0	0	96	95 %	5	0	0	5	0	0	0	0
2 3 4 2	Legal fees, damages and interest	193	21	64	0	85	44 %	46	0	0	46	21	41	0	62
2 3 5 1	Insurance and other current miscellaneous operating expenditure, including the HAN SLA and GH HR	346	337	2	0	338	98 %	2	0	0	2	6	0	0	6
Total Chapter 2 3		1 424	971	87	0	1 059	74 %	282	0	0	282	28	55	0	83
Total Title 2		10 842	7 590	574	0	8 163	75 %	1 841	0	0	1 841	61	776	0	837

EUR
'000

		Total approp. available	Payments made					Appropriations carried over to 2024				Appropriations lapsing			
	Item		from final adopt. budget	from carryove rs	from assign. revenue	Total	%	Autom. carryovers	By decis ion	Assi- gned rev.	Total	from final adopt. budget	from carryov ers	from assign. rev.	Total
			2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+ 9	11	12	13	14=11+ 12+13
3 1 1 1	Meetings	11	2	2	0	5	40 %	0	0	0	0	0	7	0	7
3 1 2 1	Information, communicatio n and publication	580	50	246	0	296	51 %	268	0	0	268	12	3	0	15
3 1 3 1	Translation and interpreting	415	229	26	0	255	61 %	62	0	0	62	0	98	0	98
3 1 4 1	Audits	2 355	68	920	0	988	42 %	1 144	0	0	1 144	88	135	0	223
3 1 5 1	Missions and travel expenses and other incidental expenditure	274	136	13	0	149	54 %	87	0	0	87	0	38	0	38
3 1 6 1	Specific IT	3 460	1 293	1 223	0	2 516	73 %	923	0	0	923	4	17	0	21
Total Chapter 3 1		7 095	1 778	2 431	0	4 209	59 %	2 484	0	0	2 484	105	296	0	401
Total Title 3		7 095	1 778	2 431	0	4 209	59 %	2 484	0	0	2 484	105	296	0	401
GRAND TOTAL		70 075	59 740	3 735	0	63 475	91 %	5 012	0	0	5 012	334	1 254	0	1 588

10.4 EVOLUTION OF OUTSTANDING COMMITMENTS

EUR '000

		Commitments outstanding at the end of previous year				Commitments of the current year				Total commit. outstanding at year-end
	Item	Commitm. carried for- ward from previous 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. outstanding at year-end	
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
1 1 1 1	Temporary staff	0	0	0	0	18 421	18 421	0	0	0
1 1 2 1	Contract staff	0	0	0	0	27 666	27 666	0	0	0
1 1 3 1	Interim staff	465	0	465	0	2 412	2 170	0	242	242
1 1 3 2	Trainees	0	0	0	0	332	169	0	164	164
Total Chapter 1 1		465	0	465	0	48 832	48 426	0	406	406
1 2 1 1	Administrative staff management	81	0	81	0	645	624	0	21	21
1 2 2 1	Language courses, retraining and further training	135	(108)	27	0	300	218	0	82	82
1 2 3 1	Medical Service	80	(32)	48	0	82	37	0	45	45
1 2 3 2	Mobility	10	(9)	1	0	33	31	0	2	2
1 2 3 3	Social services and other interventions	120	(29)	91	0	1 021	1 021	0	0	0
1 2 4 1	Representation, internal meetings and event expenses	22	(3)	18	0	146	14	0	131	131
Total Chapter 1 2		447	(181)	266	0	2 226	1 945	0	281	281
Total Title 1		912	(181)	731	0	51 058	50 371	0	686	686

EUR '000

		Commitments outstanding at the end of previous year				Commitments of the current year				Total commit. outstanding at year-end
	Item	Commitm. carried for- ward from previous year	Decommit. Revaluation Cancel- lations	Pay- ments	Total	Commit- ments made during the year	Pay- ments	Cancellation of commit. which cannot be carried forward	Commit. outstanding at year-end	
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	
2 1 1 1	Rent/usufruct and incidental expenses	229	(229)	0	0	3 450	2 751	0	699	699
2 1 1 2	Charges relating to buildings	772	(491)	281	0	2 100	1 638	0	462	462
2 1 2 1	Fitting- out of premises and other expenditure	2	(1)	1	0	1	0	0	1	1
Total Chapter 2 1		1 003	(721)	282	0	5 551	4 389	0	1 162	1 162
2 2 1 1	Data-processing and telecommunication equipment	0	0	0	0	199	21	0	178	178
2 2 1 2	Computer applications	0	0	0	0	176	176	0	0	0
2 2 2 1	Other external data-processing services	204	0	204	0	2 251	2 032	0	219	219
Total Chapter 2 2		204	0	204	0	2 627	2 230	0	397	397
2 3 1 1	Purchase, hire, maintenance and repair of furniture, technical equipment and installations	14	(5)	9	0	552	369	0	183	183
2 3 1 2	Handling and removal costs	6	(6)	0	0	0	0	0	0	0
2 3 2 1	Stationery and office supplies	6	(1)	5	0	20	18	0	2	2
2 3 2 2	Postage on correspondence and delivery charges	6	(2)	3	0	60	46	0	14	14

2 3 3 1	Library, subscription to publications, information acquisition and document archiving	5	(0)	4	0	115	84	0	30	30
2 3 4 1	Banking fees and other financial expenses, including the SLA budget	0	0	0	0	101	96	0	5	5
2 3 4 2	Legal fees, damages and interest	104	(41)	64	0	67	21	0	46	46
2 3 5 1	Insurance and other current miscellaneous operating expenditure, including the HAN SLA and GH HR	2	(0)	2	0	339	337	0	2	2
Total Chapter 2 3		143	(55)	87	0	1 254	971	0	282	282
Total Title 2		1 350	(776)	574	0	9 431	7 590	0	1 841	1 841

EUR '000

		Commitments outstanding at the end of previous year				Commitments of the current year				Total commit. 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. outstanding at year-end	
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	
3 1 1 1	Meetings	9	(7)	2	0	2	2	0	0	0
3 1 2 1	Information, communication and publication	249	(3)	246	0	319	50	0	268	268
3 1 3 1	Translation and interpreting	124	(98)	26	0	291	229	0	62	62
3 1 4 1	Audits	1 055	(135)	920	0	1 212	68	0	1 144	1 144
3 1 5 1	Missions and travel expenses and other incidental expenditure	51	(38)	13	0	223	136	0	87	87
3 1 6 1	Specific IT	1 240	(17)	1 223	0	2 216	1 293	0	923	923
Total Chapter 3 1		2 727	(296)	2 431	0	4 263	1 778	0	2 484	2 484
Total Title 3		2 727	(296)	2 431	0	4 263	1 778	0	2 484	2 484
GRAND TOTAL		4 989	(1 254)	3 735	0	64 751	59 740	0	5 012	5 012

10.5 EXPLANATORY NOTES ON THE AGGREGATED BUDGETARY OPERATIONS

Budget revenue implementation

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

The 2023 operating budget of the Agency, referred to as the administrative budget, was adopted by the EACEA Steering Committee on 19 December 2022 and it amounted to EUR 66 688 838 (2022: EUR 61 111 356).

During the year, two amending budgets were adopted by the Steering Committee.

The first amending budget approved an overall increase in amount of EUR 54 500 of the 2023 initial budget. The contribution split between programmes conducted to an increase in contribution of Creative Europe EUR 149 068, Global Europe instrument (NDICI) (EUR 27 251) and Instrument for Pre-accession Assistance (IPA) (EUR 6 207) balanced by a decrease in contribution of Erasmus+ (EUR 123 843) and European Solidarity Corps (EUR 4 183).

The result of the second revision decreased the first amended budget with EUR 1 657 690 and involved a reduction in contribution of Erasmus + (EUR 1 519 107), ESC (EUR 14 767) and Creative Europe (EUR 78 546), while the other programmes such as Citizens, Equality, Rights and Values (CERV), NCDICI and IPA have not been affected. Contribution from the European Development Fund (EDF) was also reduced by EUR 45 270 and will be used next year as agreed with DG EAC.

This year, EUR 65 085 648 (2022: EUR 59 427 758) has been received from the European Commission, and it has been registered on title 1 chapter 11.

RO Contract or File nr	RO Cashed Amount (Eur)	DGEAC	FED	Cashing date	Payment done by
1 st instalment 2023	20 218 060	20 183 195	34 865	20-01-23	DGEAC
2 nd instalment 2023	20 218 060	20 183 195	34 865	26-04-23	DGEAC
3 rd instalment 2023	21 500 000	21 500 000	0	11-07-23	DGEAC
4 th instalment 2023	2 977 466	2 977 466	0	22-11-23	DGEAC
5 th instalment 2023	172 062	172 062	0	13-12-23	DGEAC
Cashed subsidy	65 085 648	65 015 918	69 730		

EUR 99 822 of income were registered in income line 2311 "Reimbursement of other expenditures". Out of this amount, EUR 77 347 come from overcharged 2022 services. The outstanding amount of EUR 22 475 is a reimbursement resulting from a Court decision. The total amount in IC1 was not included in the budget presentation since it has to be reimbursed to the European Commission.

Budgetary revenue	2023	2022
Revenue from the Commission	65 015 918	59 314 757
Revenue from FED	69 730	113 000
Recovery cashed	22 475	892
Recovery Offsetted	77 347	
Total from EU	65 185 470	59 428 650

Breakdown and changes in commitment and payments appropriations

The first amending budget increases the expenditure strand by EUR 54 000. Title 1 and title 2 respectively increased by EUR 71 000 and EUR 226 000, while title 3 decreased by EUR 242 500.

The second revision decreased the budget by EUR 1 657 690 due to a decrease of EUR 1 434 000 in staff expenditure (title 1). The impact on Infrastructure operating expenditure (title 2) and Programmes support (title 3) have been limited respectively to EUR 138 690, and EUR 85 000.

The cumulative effect of both revisions was a 2.4% decrease of the initial budget EUR 66 688 838. The final budget amounts to 65 085 648 EUR (2022: EUR 59 427 758).

In view of optimising the operating budget execution, the Agency has proceeded during the year with seven transfers between budget lines pertaining to different articles of same chapters.

The first two transfers consist in a decrease with EUR 5 100 of budget line 2311 “Purchase, hire, maintenance and repair of furniture, technical equipment and installations” in favor of budget line 2341 “Banking fees and other financial expenses” and a decrease by EUR 23 000 of budget line 1231 “Medical Service” in favor of budget line 1241 “Representation, internal meetings and event expenses”. The reasons for these transfers were to pay the advance of the Service Level Agreements (SLA) BUDG (line 2341) and the cost for the staff events and catering contractor (CARES), higher than initially estimated.

The third and fourth second transfers, were de facto operated before the approval of the second revision. The former consists of a decrease by EUR 17 900 of the budget line 1121 “Contract staff – salaries, compensation allowances and charges” and EUR 2 000 of budget line 1132 “Trainees” in favor of budget line 1111 “Temporary staff” and a decrease by EUR 2 000 of budget line 2211 “Data processing and telecommunication” and EUR 5 000 budget line 2221 “Other external data - processing services” in favor of budget line 2212 “Computer applications”. The reason for these transfers was to cover payments exceeding the second revision. As it was too late to still inform the Steering Committee in 2023, the two de facto transfers will be shared at the first Steering Committee meeting in 2024.

The three last transfers consist in decreasing budget line 3121 “Information, communication, and publication” by EUR 4 100 and budget line 3131 “Translation and interpreting” by EUR 8 900, in the favor of budget line 3151 “Mission and travel expenses” as well as decreasing of budget line 1132 “Trainees” by EUR 25 000 in favor of budget line 1131 “Interim Staff”. The reasons of these transfers were to cover costs of missions, then consequently additional translations, and a possible indexation for interim staff expenditure. They will be shared at the first meeting of the Steering Committee in 2024.

The breakdown of appropriations by type of expenditure shows that the total staff expenditure (title I) accounts for about 78.7% (2022: 78.6%) of total commitments, i.e., EUR 51 226 414 (2022: EUR 46 686 556). The contractual agent’s expenditure is, as in previous years, the main item of the staff expenses 54% (52%)

The infrastructure and operating expenditure (title 2) of the Agency in value EUR 9 491 734 (2022: EUR 8 162 202) stands for 14.6% (2022: 13.6%) of the total appropriations. This category among others the office rent and related charges of 58.5% (2022: 64.2%) and external services of about 24% (2022: 21%) of total infrastructure appropriations. The increase in infrastructure appropriations is mainly reflected in office rent and external services.

Programme support expenditure (title 3) amounts to EUR 4 367 500 (2022: EUR 4 579 000) and stands for 6.7% (2022: 7.7%) of the total appropriations.

Out of this amount, 50.8% are allocated to IT services and 29.8 % to audit performed by third parties. The rest consists mainly of missions (5.1%), translations (6.6%) and communication (7.5%). Compared to 2022, the decrease in percentage of total appropriations is mainly due to communication and ICT expenditure.

The 2022 payments appropriations that were carried over to 2023 as C8 appropriations amounting EUR 4 989 332 (8.4% of the 2022 budget of EUR 59 427 758).

The appropriations carried over to 2023, mainly relate to audits 21.1% (2022: 11.8), ICT Expenditure 24.8% (2022: 25%) and buildings related expenditure 20.1% (2022: 29.38%) of total amount carried forward.

By comparison, payments appropriations carried over to 2022 amounted to EUR 4 994 954 (11.83% from the 2021 budget of EUR 53 729 670).

In conclusion, in relative terms the carry forward of 2022 to 2023 was lower than previous year, decreasing from 11.83% to 8.4%.

Implementation of commitment and payments appropriations

The overall implementation of 2023 commitment appropriation accounted for EUR 64 751 243 (2022: 59 070 064, representing 99.5 % (2022: 99.4%) of the budget.

The highest rate of committed budget appropriations relates to staff expenditure (title 1) 99.7% (2022: 99.8%) followed shortly by infrastructure (title 2) 99.4 % (2022: 98.5%) and programmes support (title 3) 97.6 % (2022: 96.4%), showing an improvement in 2023.

An amount of EUR 59 739 542 has been paid from fresh budget appropriations in 2023 (92.3% of committed amounts), in comparison to EUR 54 080 732 (91.6 % of committed amounts) in 2022.

In terms of budget appropriations, payments represent 91.8%, slight increasing trend in comparison with previous years: 2022 91% and 2021 87.35%.

The highest rate of payments implementation against commitments has been reached by staff expenditure (99%), followed by infrastructure expenditure (80%) and programmes support (42%),

The percentages calculated against budget appropriations are 98.3% for staff related expenditure, 80% infrastructure expenditure and 40% of programme support.

For title III, the low level of payments implementation in C1 appropriations comes mainly from the ICT (3161) and audit (3141) budget lines. For ICT expenditure it is due to contracts concluded for the last months of the year and first ones of following year, while for audits, the reason is the low performance of one of the contractors.

Last year, the execution of carry forward of ICT programmes support commitments was 94.9% while it reached 98.7% in 2023. Execution of audit related carry forward, significantly increased this year from 62% in 2022 to 87.2% in 2023.

The implementation of infrastructure related payments is limited due to existing mechanism of invoicing during the year by OIB of 80% of last year cost is invoiced in the year of commitment and the balance to current year cost current year cost, only the year after. The European Commission applies the same mechanism to all agencies who rent offices from OIB. However, in case of contracts for building owned by Commission, it is less difficult to estimate the building costs and the carry forward. EACEA is not in such a situation.

Evolution of outstanding commitments

The total commitment appropriations carried over to 2024, in value of EUR 5 011 701 (from 2022 to 2023: 4 989 332) are in relative terms less than previous year: 7.7% of final budget instead of 8.3% in 2022.

The outstanding commitments related to Title 1 represent 1.3% of commitment appropriations, in comparison with 1.9% last year. The decrease is sourced mainly by stronger monitoring and timely invoicing of Interim staff and social services provided by APEE and OIB (transport of children to school and the agency contribution for crèche).

The outstanding commitments related to Title 2 represent 19.5% of commitment appropriations, in comparison with 16.8 % last year. The increase is sourced mainly by the expected increase in rent as announced by OIB as well as planned acquisition of hardware and furniture in view of the agency move to the North Light building.

The outstanding commitments related to Title 3 represent 58.3% of commitment appropriations, in comparison with 61.8% last year. The decrease is sourced mainly by translation and ICT services provided for programme support.

The 2022 committed but unpaid appropriations that were carried over to 2023 as C8 appropriations amounts EUR 4 989 332. Out of this amount, EUR 3 735 498 have been paid in 2023 (74.9%), in comparison with EUR 4 994 953 payments in 2022 (78.5%) out of EUR 6 360 278 carried forward from 2021.

The payments against the 2022 carry forward added to the payments made in 2022 from fresh budget (C1), valued at EUR 54 080 732 indicate a total 2022 budget execution of 97.3%.

The implementation rate of carried over commitment appropriations is 80.2% for title 1, 42.5% for title 2 and 89.1% for title 3.

The unduly carried over amount from 2022 to 2023 EUR 1 253 834 (2022: EUR 1 365 324) had to be decommitted. It represents 25.1% (2022: 21.5%) of the carryover from 2022 to 2023.

Unduly carried over appropriations has four main sources. The first one is the rent and building expenditure lines that amount to EUR 720 130 (2022 EUR 579 987) representing 57.4% (2022: 42.5%) of the total unduly amounts carried over amounts. Those costs are invoiced by OIB that once again, did not timely communicate a reliable estimate of the annual costs, despite the Agency's insistence.

The second source is the audit line EUR 134 931 (2022: 336 894) representing 10.8% (2022: 24.7%), with a big improvement this year (the contractor(s) better delivered in 2023). The third source is the translation line EUR 97 858 (2022: EUR 25 752) representing 10.7% (2022: 1.8%) and the fourth source is the training line (EUR 108 071) representing 8.6% (2022: EUR 11 398, 0.8%) due to cancellation of orders.

11. OTHER SIGNIFICANT DISCLOSURES

11.1. HUMAN RESOURCES OVERVIEW ON 31 DECEMBER 2023

At the end of the reporting period, EACEA had 511 staff members (508 in 2022), out of the 544 envisaged for 2023. The staff members represented 26 EU nationalities. At the end of the reporting period, the vacancy and turnover rates were 6% and 6% respectively (2.7% and 3.3% in 2022).

The Agency also had up to 100 external staff members, including interim staff, trainees, and consultants.

Number of staff 2023	Planned	Actual	%
Seconded officials	34	30	88%
Temporary agents	101	93	92%
Contract agents	409	388	94%
Total	544	511	94%

Unit	Planned	Actual	%
Director's office + Pool	10	3	30%
A	6	6	100%
A1	36	33	92%
A2	34	30	88%
A3	46	45	98%
A4	36	34	94%
A5	31	29	94%
A6	44	44	100%
R1	32	31	97%
R2	19	18	95%
B	3	3	100%
B1	33	30	91%
B2	64	60	94%
B3	46	43	93%
B4	38	37	97%
B5	55	55	100%
B6	11	10	91%
TOTAL	544	511	94%

TOTAL STAFF IN ESTABLISHMENT PLAN: 544

11.2 Establishment plan of 2023

Temporary Agents

Category and grade	Number of posts	Number of posts filled in 2023
AD15	1	0
AD14	17	7
AD13	6	6
AD12	19	16
AD11	16	16
AD10	13	12
AD9	15	10
AD8	12	10
AD7	10	12
AD6	5	7
AD5	1	7
TOTAL AD	115	103
AST11	1	1
AST10	2	0
AST9	0	0
AST8	2	1
AST7	9	7
AST6	5	7
AST5	1	3
AST4	0	1
AST3	0	0
AST2	0	0
AST1	0	0
TOTAL AST	20	20

Contractual Agents

Category and grade	Number of posts	Number of posts filled in 2023
FGIV	171	153
FGIII	181	180
FGII	54	52
FGI	3	3
TOTAL FG	409	388

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.

Budget funding

The budget forecasts both commitments (legal pledges to provide finance) and payments (cash or bank transfers to the beneficiaries). Appropriations for the operating budget are undifferentiated appropriations.

Assigned revenue

Revenue earmarked to finance specific items of expenditure.

Budget result

The difference between income received and amounts paid, including adjustments for carryovers, 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 or agreed 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 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 (staff) or are not carried over must be cancelled.

Carryover of appropriations

Exception to the principle of annuality appropriations that could not be used in a given budget year must, under conditions set out in the Financial Regulation, be carried over for use during the following year.

Commitment appropriations

Commitment appropriations cover the total value of legal or contractual obligations (contracts, order forms, SLAs, (possible) judicial decisions)) that are born in the current financial year.

De-commitment

An operation whereby the responsible Authorising Officer cancels wholly or partly the reservation of appropriations previously made by means of a budgetary commitment.

Differentiated appropriations (not applicable to the operating budget)

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

The 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 any budget spending from all types of funding sources.

Grants (not applicable to the operating budget)

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

Legal basis / basic act

The legal act adopted by the legislative authority (usually the Council and European Parliament or the European Commission).

Legal commitment

The act whereby the Authorising Officer enters into an obligation towards third parties which results in a charge for the European Union's budget. Common forms of legal commitments are contracts and SLAs.

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.

Payment appropriations

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