



FINAL ANNUAL ACCOUNTS OF THE TRANSLATION CENTRE 2022

In accordance with Article 101 of the Financial Regulation of the Translation Centre.
These accounts have been prepared and signed by Victor Contineanu, the Accounting Officer of the Translation Centre for the Bodies of the European Union.

Date: 12 May 2023

Signature:

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FINANCIAL STATEMENTS OF THE TRANSLATION CENTRE

A.1 Balance sheet

in EUR

ASSETS	Note	31.12.2022	31.12.2021	% change
NON-CURRENT ASSETS		3 203 115.3	1 653 018.3	93.8%
INTANGIBLE FIXED ASSETS	1	2 395 341.3	1 219 676.3	96.4%
Computer software		9 838.0	19 717.0	-50.1%
Computer software in progress		2 385 503.3	1 199 959.3	N/A
TANGIBLE FIXED ASSETS	2	807 774.0	433 342.0	86.4%
Computer hardware		663 697.0	227 809.0	191.3%
Furniture and vehicles		67 723.0	78 899.0	-14.2%
Plant, machinery and equipment		1 552.0	5 277.0	-70.6%
Other fixtures and fittings		74 802.0	121 357.0	-38.4%
CURRENT ASSETS		32 996 728.6	34 346 886.1	-3.9%
STOCKS		605 000.0	713 000.0	-15.1%
Work in progress	3	605 000.0	713 000.0	-15.1%
SHORT-TERM RECEIVABLES		13 940 995.2	10 759 092.0	29.6%
VAT paid and other recoverable from the Member States	4	5 711.5	13 396.7	-57.4%
Accounts receivable from EU institutions & bodies	5	121 609.1	230 387.7	-47.2%
Accrued income from EU institutions & bodies	5	3 088 428.1	3 659 704.7	-15.6%
Deferred expenses	6	589 370.4	226 112.8	160.7%
Sundry receivables	7	81 120.0	98 789.9	-17.9%
Accrued interest	8	49 896.7	0.0	N/A
Term deposits due within three months and one year	9	4 859.4	6 530 700.2	-99.9%
Current financial assets	9	10 000 000.0	0.0	N/A
CASH AND CASH EQUIVALENTS	9	18 450 733.4	22 874 794.2	-19.3%
TOTAL		36 199 843.9	35 999 904.5	0.6%
LIABILITIES				
CURRENT LIABILITIES		3 657 803.3	5 145 879.2	-28.9%
ACCOUNTS PAYABLE		3 657 803.3	5 145 879.2	-28.9%
Accrued expenses	10	1 858 773.5	2 211 200.0	-15.9%
Suppliers	11	319 605.0	401 741.6	-20.4%
Pre-financing received	12	1 433 058.8	2 496 844.4	-42.6%
Other liabilities	13	46 366.0	36 093.2	28.5%
NET ASSETS/LIABILITIES		32 542 040.5	30 854 025.3	5.5%
Reserves	14	16 529 466.3	16 529 466.3	0.0%
Accumulated result for previous financial years		14 324 558.9	11 017 243.3	30.0%
Economic outturn for the financial year		1 688 015.3	3 307 315.7	-49.0%
TOTAL		36 199 843.9	35 999 904.5	0.6%

A.2 Statement of financial performance

in EUR

	Note	2022	2021	% change
OPERATING REVENUE		44 210 263.9	45 497 324.6	-2.8%
TOTAL REVENUE FROM OPERATIONS		43 992 577.2	44 922 395.0	-2.1%
Translations	15	41 769 477.5	43 556 984.5	-4.1%
Interinstitutional cooperation – IATE database	16	658 377.0	634 357.6	3.8%
Terminology	17	716 850.0	76 050.0	842.6%
Term lists	18	537 335.0	234 776.0	128.9%
Subtitling	19	163 795.0	160 228.0	2.2%
'Other	20	146 742.8	259 999.0	-43.6%
OTHER OPERATING REVENUE		217 686.7	574 929.5	-62.1%
Sale of fixed assets		0.0	0.0	N/A
Grant for rent from Luxembourg Government	21	170 000.0	170 000.0	0.0%
Miscellaneous revenue	22	47 686.7	404 929.5	-88.2%
OPERATING EXPENSES		42 607 766.9	42 188 587.2	1.0%
Staff expenses	23	26 091 602.5	24 252 438.3	7.6%
Administrative expenses	24	7 538 881.7	7 533 017.7	0.1%
Operational expenses	25	8 977 282.7	10 403 131.2	-13.7%
SURPLUS FROM OPERATING ACTIVITIES		1 602 496.9	3 308 737.4	-51.6%
FINANCIAL OPERATIONS REVENUE		87 079.4	1.4	6047079.2%
Bank interest		87 060.5	0.0	
Exchange-rate gain		18.9	1.4	1214.6%
FINANCIAL EXPENSES		1 561.1	1 423.2	9.7%
Bank charges		1 335.5	1 437.6	-7.1%
Exchange-rate loss		225.6	-14.4	-1663.2%
SURPLUS FROM NON-OPERATING ACTIVITIES		85 518.3	-1 421.7	-6115.0%
SURPLUS FROM ORDINARY ACTIVITIES		1 688 015.2	3 307 315.7	-48.9%
SURPLUS/DEFICIT FROM EXTRAORDINARY ACTIVITIES		0.0	0.0	N/A
ECONOMIC OUTTURN OF THE YEAR		1 688 015.2	3 307 315.7	-48.9%

A.3 Statement of changes in net assets/liabilities

in EUR

	Note	Reserves*		Accumulated surplus/deficit	Economic outturn for the year	Total net assets/liabilities
		Capital	Reserves			
Movements in reserves		0.0	0.0	0.0	0.0	0.0
Allocation of the economic outturn 2020		0.0	0.0	1 046 002.9	-1 046 002.9	0.0
Economic outturn for the year		0.0	0.0	0.0	3 307 315.7	3 307 315.7
Situation as at 31 December 2021		0.0	16 529 466.3	11 017 243.3	3 307 315.7	30 854 025.3
Movements in reserves		0.0	0.0	0.0	0.0	0.0
Allocation of the economic outturn 2021		0.0	0.0	3 307 315.7	-3 307 315.7	0.0
Economic outturn for the year		0.0			1 688 015.3	1 688 015.3
Situation as at 31 December 2022		0.0	16 529 466.3	14 324 558.9	1 688 015.3	32 542 040.5

* Article 67(a) of the Centre's Financial Regulation provides for a permanent pre-financing fund that guarantees financing for the proper functioning of the Centre until invoiced amounts have been received from clients. In accordance with Article 57(a) of the Regulation laying down detailed rules for the implementation of the Centre's Financial Regulation, the amount of this fund may not be less than four twelfths of the appropriations for the financial year.

The statutory reserves (i.e. the permanent pre-financing fund) recognised under accounting rules in the financial statements should be distinguished from the budgetary reserves (i.e. the reserves for stability pricing and for exceptional investments) as listed in Chapter B.5 'Budget outturn' that do not fulfil the criteria for reserves in general accounting.

A.4 Cash flow statement

in EUR

	2022	2021
CASH FLOWS ASSOCIATED WITH THE BUSINESS		
Economic Outturn of the Year	1 688 015.3	3 307 315.7
+ Depreciation	285 735.5	156 508.4
+/- Provision for risks and charges	0.0	0.0
+/- Welfare benefits	0.0	0.0
+/- Variation in stocks	108 000.0	-39 000.0
+/- Variation in operating amounts receivable	292 256.0	76 598.1
+/- Variation in operating debts	-1 488 075.9	1 165 157.1
+/- Variation in other amounts receivable associated with the business	0.0	0.0
+/- Variation in other debts associated with the business	0.0	0.0
+/- (Profit)/Loss on sales of installations, equipment and immovable property	0.0	0.0
NET CASH FLOWS RESULTING FROM THE BUSINESS	885 930.9	4 666 579.3
CASH FLOWS ASSOCIATED WITH LOANS AND BORROWING		
+/- Financial assets (own funds)	0.0	0.0
+/- Financial assets (borrowed funds)	0.0	0.0
+/- Financial liabilities (funds originating from a credit)	0.0	0.0
NET CASH FLOWS RESULTING FROM LOANS AND BORROWING	0.0	0.0
CASH FLOWS ASSOCIATED WITH INVESTMENT OPERATIONS		
- Acquisitions of fixed assets	-1 835 832.5	-1 462 833.7
- Term deposits	-3 474 159.2	-6 528 946.3
+ Transfers of fixed assets	0.0	0.0
+ Reduction of financial assets	0.0	0.0
+/- Variation in amounts receivable and debts on fixed assets	0.0	0.0
+ Dividends paid	0.0	0.0
NET CASH FLOWS ASSOCIATED WITH INVESTMENT TRANSACTIONS	-5 309 991.7	-7 991 780.0
CASH FLOWS ASSOCIATED WITH FINANCING TRANSACTIONS		
+/- Financial liabilities	0.0	0.0
+/- Long-term liabilities	0.0	0.0
- Reimbursement to clients by bank transfer	0.0	0.0
NET CASH FLOWS ASSOCIATED WITH FINANCING TRANSACTIONS	0.0	0.0
CASH VARIATION	-4 424 060.8	-3 325 200.8
Cash at the start	22 874 794.2	26 199 994.9
Cash at the end	18 450 733.4	22 874 794.2

A.5 Notes to the financial statements

1. DESCRIPTION OF THE BUSINESS

The mission of the Translation Centre for the Bodies of the European Union is to provide translation services to the other decentralised EU agencies and assist those EU institutions and bodies that have their own translation services in times of peaks in workload. In addition, it participates in the work of the Interinstitutional Committee for Translation and Interpretation (ICTI), which works to promote collaboration based on the rules of subsidiarity and to achieve economies of scale in the translation field.

2. LEGAL FORM

The Centre was formally established in 1994 by Council Regulation (EC) No 2965/94 of 28 November 1994, as amended by Council Regulation (EC) No 1645/2003 of 18 June 2003.

The Centre is an agency governed by European public law with legal personality. It has its own financial resources constituted by the payments from the agencies, bodies, offices and institutions in exchange for services provided.

3. BASIS OF PRESENTATION

The annual accounts have been prepared on the basis of the Centre's accounting records, and are presented in compliance with the requirements of the Centre's Financial Regulation, as well as the accounting rules and methods adopted by the Commission's accounting officer.

The financial year begins on 1 January 2022 and ends on 31 December 2022.

The accounts are in euro.

4. ACCOUNTING PRINCIPLES

The Centre's financial statements are drawn up in accordance with the generally accepted accounting principles as specified in the Centre's Financial Regulation (Article 95), namely:

- (a) fair presentation
- (b) accrual basis
- (c) going concern
- (d) consistency of presentation
- (e) aggregation
- (f) offsetting
- (g) comparative information.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Intangible fixed assets

Intangible fixed assets include assets with an estimated useful life greater than one year and an acquisition cost greater than EUR 420 per item.

Purchased intangible fixed assets are stated at cost, less accumulated depreciation and any recognised impairment losses.

The cost of fixed asset improvements exceeding EUR 420 increases the acquisition cost of the related fixed asset.

Amortisation of intangible fixed assets is recorded on a monthly straight-line basis over their estimated useful lives, using the amortization rates given in the table below as defined by the European Commission.

5.2 Intangible fixed assets developed internally

Internally developed intangible fixed assets comprise software specifically developed for the Centre with an estimated useful life greater than one year and an acquisition cost greater than EUR 150 000, built in-house or tendered to external contractors.

No intangible asset arising from research (or from the research phase of an internal project) is recognised as an asset, but as an expense when incurred.

An internal or external IT development project in the development phase is assessed as to whether it complies with the recognition criteria for an asset and whether the expenditure incurred relating to the project should be recognised as an intangible asset. The following specific conditions have to be met in order to demonstrate that the asset will generate probable future economic benefit or service potential at the end of the project:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the Centre's intention to complete the intangible asset and use or sell it;
- how the intangible asset will generate future economic benefits or service potential;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

At the end of the development phase, the project is expected to meet the definition of an asset.

Amortisation of intangible fixed assets developed internally is recorded on a monthly straight-line basis over their estimated useful lives, using the amortization rates given in the table below as defined by the European Commission.

5.3 Tangible fixed assets

Tangible fixed assets include assets with an estimated useful life greater than one year and an acquisition cost greater than EUR 420 per item.

Purchased tangible fixed assets are stated at cost, less accumulated depreciation and any recognised impairment losses.

The cost of fixed asset improvements exceeding EUR 420 increases the acquisition cost of the related fixed asset.

Repairs and maintenance are charged to the expenses during the financial period in which they are incurred. Depreciation is charged so as to write off the cost of tangible fixed assets, other than land and assets under construction, over their estimated useful lives, based on a monthly straight-line basis, using the depreciation rate given in the table below as defined by the European Commission.

Table of depreciation rates

Type of inventory	Straight-line depreciation rate
Computer software	25.00%
Computer equipment	25.00%
<i>Kitchens – Cafeterias – Nurseries</i>	
Small electrical equipment	25.00%
Cash registers	25.00%
Large kitchen equipment	12.50%
Specialist furniture for kitchens, cafeterias	12.50%
Specialist furniture for nurseries	25.00%
PLANT, MACHINERY AND TOOLS	
<i>Telecommunications and audio-visual equipment</i>	
Telephone and fax machines	25.00%
Headphones, earphones, microphones	25.00%
Cameras	25.00%
Videos	25.00%
Tape recorders and dictating equipment	25.00%
Projectors (slide and overhead)	25.00%
Photographic equipment	25.00%
Projection screens	25.00%
Televisions, radios, monitors (not including computers)	25.00%
<i>Technical equipment</i>	
Printers, mail security, building tools	12.50%
Measuring or laboratory equipment	25.00%
<i>Other plant, machinery and tools</i>	12.50%
<i>Movable shelving, partitions, false floors, false ceilings and wiring</i>	25.00%
<i>Vehicles</i>	25.00%
<i>Furniture</i>	10.00%
<i>Buildings</i>	4.00%
<i>Land</i>	Not applicable

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the net book value of the asset at the sale date, and is recognised through the profit and loss account.

5.4 Low-value fixed assets

When durable goods are of a low value, they can be considered as being consumed in the financial year of their commissioning and are therefore accounted for under expenses and not under fixed assets. At present, the amount for low-value goods is EUR 420. Above this unit value, the goods always have to be recorded as fixed assets.

5.5 Stocks

Stocks consist of work in progress made up of units for translation services (translation, modification, revision, editing, term lists, terminology) which are at an intermediate stage of the translation process at the end of the year.

The work in progress is valued at the lower of sale price or production cost, which is calculated by adding together direct and indirect costs associated with the volume of the translation services at different stages of completeness.

The difference in the value of the work in progress between 2021 and 2022 is recorded under operating revenue in the statement of financial performance, under the heading 'Miscellaneous revenue'.

5.6 Short-term receivables

Receivables are booked at their nominal value and are subsequently reduced by the appropriate provisions for doubtful and bad amounts. A write-down for impairment of receivables is established when there is objective evidence that the Centre will not be able to collect all the amounts due according to the original terms of the receivables.

The receivables for December translations invoiced in January of the following year are recognised as accrued income. This income is included in the revenues of the statement of financial performance. For further details, see Note 5 of Chapter A.5.6. 'Additional information'.

The Centre applies a treasury management policy that allows cash to be placed in term deposits in banks. Term deposits of more than three months are recognised as current financial assets and reported under short-term receivables in accordance with EU Accounting Rule 11.

5.7 Cash and cash equivalents

The Centre's treasury is managed by the accounting officer via current accounts, savings accounts and term deposits of less than three months which are held in euro at the Banque et Caisse d'Épargne de l'État and BGL BNP Paribas. Cash deposits and withdrawals are accounted for on the value date shown on the bank statements.

5.8 Accounts payable

Accounts payable are booked at their nominal value. Accounts payable represent a short-term liability to suppliers for goods delivered and services provided to the Centre before year-end, irrespective of whether or not the invoice has been received by the Centre.

Accounts payable also include the liability for unused holidays. The accrued liability for unused holidays is calculated based on the number of days of unused holidays by staff at year-end and their individual salary.

5.9 Provisions for risks and charges

A provision is a present obligation arising from a past event, but there is uncertainty about timing and future outflow of resources for settling the obligation. The probability of an outflow is likely and can be reliably estimated. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision should be reversed as revenue. The reversal into revenues is accounted for only if it occurs in a different reporting period from that in which the provision was recognised. If this is the case, the initial creation of the provision is reversed.

A provision is used only for expenditure for which the provision was originally recognised. The existing provision is then used and expenses are charged against it.

5.10 Reserves – Permanent pre-financing fund

Article 67(a) of the Centre's Financial Regulation provides for a permanent pre-financing fund that guarantees financing for the proper functioning of the Centre until invoiced amounts have been received from clients. In accordance with Article 57(a) of the Regulation laying down detailed rules for the implementation of the Centre's Financial Regulation, the amount of this fund may not be less than four twelfths of the appropriations for the financial year.

5.11 Revenue

Revenue from translations and other revenue for the year are recognised in the accounts when the corresponding services have been rendered and accepted by clients, net of discounts, regardless of when the corresponding collection of payments is made.

Interest income is accounted for on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Non-exchange transactions are those where 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. Revenue from non-exchange transactions is measured at the amount of the increase in net assets recognised by the Centre. An example of non-exchange transactions is the financial contribution for rent received by the Centre from the Luxembourg government, as described in Note 21 of Chapter A.4.6. 'Additional information'.

5.12 Expenses

Expenses for the year are entered into the account once the services or goods have been received at the Centre, regardless of when the payment is made.

5.13 Transactions and balances denominated in foreign currencies

Transactions denominated in foreign currencies during the year are converted into euro using the monthly exchange rate published by the European Commission, effective on the date of initiation of the payment order or recovery order relating to the transaction. Any exchange gains or losses made at the time of settlement of the transaction are considered as financial expenses or income in the statement of financial performance for the corresponding year.

At the balance sheet date, financial assets, current assets and liabilities denominated in a foreign currency are converted into euro using the effective exchange rate published by the European Commission as at that date. Any resulting foreign exchange rate gains and losses are recorded in the current year's financial expenses or income, as appropriate.

5.14 Ordinary income

Ordinary revenue and expenses arising from the Centre's core business and any event deriving from this business.

5.15 Extraordinary revenue and expenses

Extraordinary revenue and expenses arising from events or transactions that are clearly distinct from the Centre's ordinary activities, as well as revenue and expenses from events or transactions that are not expected to recur frequently or regularly.

5.16 Economic outturn for the year

The economic outturn for the year consists of revenue and expenses which have been included in the statement of financial performance during the accounting year. All revenue and expenses recognised during the financial year have to be included in the economic outturn for the year. The economic outturn for the year will be equal to the net sum of the ordinary and extraordinary activities for the financial year.

5.17 Use of estimates

The presentation of financial statements requires the Centre's management to make estimates and assumptions that affect the reported amounts of assets at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. The Centre's management believes that the estimates and assumptions used will not significantly differ from the actual outcomes in the following reporting periods.

5.18 Change in accounting methods, valuation, depreciation or accounting policies

The financial statements for the year ended 31 December 2022 were not restated to reflect any change in accounting methods, valuation, depreciation or accounting policies.

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

The adoption of the revised EU Accounting Rule 11 'Financial Instruments' requires disclosures on financial instruments and on how the Centre manages the risks arising from financial instruments.

The Centre's financial instruments are comprised mainly of cash, exchange receivables and payables. Financial instruments give rise to risks such as credit, liquidity and market risk (interest rate risk and foreign currency risk). Our analysis (see below) shows that the adoption of EU Accounting Rule 11 had no impact on retained earnings and has had no impact on the Centre's annual accounts:

Credit risk

The main credit risks for the Centre relate to exchange receivables from fees and charges to customers as well as cash balances.

For exchange receivables the risk (loss due to a debtor's non-payment or failure to meet a contractual obligation) is very low as all our customers are part of the EU system with pre-defined budgets allocated for payment of our services. In addition, our exchange receivables are rigorously monitored and followed up with customers.

As regards cash balances all our cash (in euro) is deposited with prime and high-grade banks (see note 8) and therefore represent a very low risk.

Liquidity risk

Liquidity risk arises from ongoing financial obligations, including the settlement of payables. All payables have a contractual maturity of less than one year. Liquidity risk is managed by carefully monitoring actual cash flows and forecasting requirements. The Centre remains in a strong financial position with a healthy cash balance. Liquidity risk is considered very low.

Market risk

Interest rate risk

The Centre does not borrow money and is, therefore, not exposed to interest rate risk on borrowing. However, it is now difficult to avoid negative interest charges on bank balances. The Centre is actively working on solutions to limit the impact of these negative interest rates.

Foreign currency risk

As all of the Centre's financial assets and financial liabilities are in euro, the Centre is not exposed to foreign currency risk.

5.19 Cash flow statement

The cash flow statement is prepared using the indirect method. Cash equivalents include current liquid assets which are easily convertible into cash for an amount agreed in advance. Cash flows from operating, investment and financial activities presented in the cash flow table are not offset.

5.20 Segment reporting

Segment reporting concerns entities that have a distinguishable activity or group of activities for which it is appropriate to separately report financial information for the purpose of evaluating the entity's past performance in achieving its objectives and for making decisions about the future allocation of resources. In the context of the Centre, all the activities are considered to belong to one single activity and therefore the financial statements are presented as a single segment.

6. ADDITIONAL INFORMATION ON THE BALANCE SHEET, STATEMENT OF FINANCIAL PERFORMANCE AND CASH FLOW STATEMENT

Note 1: Intangible fixed assets

in EUR

	Computer software	Computer software in progress	Total
A. Purchase value			
Previous year-end	2 518 028.7	1 199 959.3	3 717 988.0
<u>Changes during the financial year</u>			
Acquisitions in the financial year	0.0	1 185 544.0	1 185 544.0
Disposals and withdrawals	0.0	0.0	0.0
Transfers between headings	0.0	0.0	0.0
<u>Year-end</u>	2 518 028.7	2 385 503.3	4 903 532.0
B. Amortisation and reductions in value			
Previous year-end	2 498 311.7	0.0	2 498 311.7
<u>Changes during the financial year</u>			
Depreciation for the financial year	9 879.0	0.0	9 879.0
Write-off of the residual value of disposed assets	0.0	0.0	0.0
<u>Year-end</u>	2 508 190.7	0.0	2 508 190.7
NET BOOK VALUE (A-B)	9 838.0	2 385 503.3	2 395 341.3

The main part of the intangible fixed assets represents the internally developed asset called the new eCdT, which is the Centre's latest program for the management of the translation workflow. This platform is designed to replace the old eCdT and is necessary to accommodate new business needs, leverage the use of new technologies and change business processes in order to gain efficiency and reduce costs

The development of this platform was finalised at the end of 2022 and the system became operational on 1 January 2023. Overall, the total capitalised amounts comprise internal costs of EUR 956 931.7 and external development costs of EUR 1 428 571.6 for a total of EUR 2 385 503.3.

Totally amortised intangible fixed assets

The purchase value of intangible fixed assets in use, which were totally amortised on 31 December 2022, amounted to EUR 2 478 508 (EUR 2 478 508 in 2021 – status quo).

Note 2: Tangible fixed assets

in EUR

	Computer hardware	Furniture and vehicles	Plant, machinery and equipment	Other tangible fixed assets	Total
A. Purchase value					
Previous year-end	2 322 022.7	361 080.8	17 056.0	531 793.7	3 231 953.2
<u>Changes during the financial year</u>					
Acquisitions	1 180 002.6	0.0		12 112.4	1 192 114.9
Disposals and withdrawals	-3 486.8	-16 107.5		0.0	-19 594.3
Reconciliation SAP vs ABAC	-541 826.4	0.0			-541 826.4
<u>Year-end</u>	2 956 712.1	344 973.3	17 056.0	543 906.1	3 862 647.5
B. Depreciations and value adjustments					
Previous year-end	2 094 213.7	282 181.8	11 779.0	410 436.7	2 798 611.2
<u>Changes during the financial year</u>					
Depreciation for the financial year	202 288.2	11 176.0	3 725.0	58 667.4	275 856.5
Disposals and withdrawals	-3 486.8	-16 107.5		0.0	-19 594.3
Write off of residual value					
<u>Year-end</u>	2 293 015.1	277 250.3	15 504.0	469 104.1	3 054 873.5
NET BOOK VALUE (A-B)	663 697.0	67 723.0	1 552.0	74 802.0	807 774.0

The amount of equipment purchased in 2022 (EUR 1 180 002) concerns mainly IT purchases to ensure continuity of work. The large order placed in 2021 for computer equipment (EUR 616 000) to improve teleworking was delivered in 2022 and therefore it was part of the 2022 inventory exercise.

In 2022, the administration department undertook the decommissioning of 138 fully amortised and obsolete furniture items. All of them were more than 10 years old and no longer usable. The total purchase value of these items was EUR 45 736. Thanks to the physical inventory realized in June 2022, 203 additional items were identified as to be decommissioned. These 203 items will be decommissioned in 2023 as they were evacuated in January 2023.

Totally depreciated tangible fixed assets

The purchase value of fixed assets in use, which were totally depreciated on 31 December 2022, amounted to EUR 4 787 093 (EUR 2 299 845 in 2021).

Low-value tangible fixed assets

The Centre acquired 1 231 various items that were charged directly to expenses and amounted to EUR 203 192 and EUR 7 479 for the years ended 31 December 2022 and 2021, respectively. These assets are low-value tangible assets with an estimated useful life greater than one year and an individual acquisition cost lower than EUR 420. Low-value tangible assets are not recorded under fixed assets but are charged through expense accounts.

Note 3: Work in progress

in EUR

Work in progress	2022	2021	% change
Work in progress (in EUR)	605 000.00	713 000.00	-15.15%
Documents in progress (in pages)	43 610.09	59 876.81	-27.17%
Term lists in progress (in terms)	291.00	1 487.00	-80.43%
Terminology in progress (in man/days)	57.00	36.00	58.33%
Subtitling in progress (in minutes)	56	313.00	-82%

The financial valuation of the work in progress in 2022 is 15% less than that of 2021, due to approximately 16 266 fewer pages of documents being processed at year-end.

Note 4: Recoverable VAT and other receivables from the Member States

As an EU body, the Centre benefits from VAT exemptions for the purchase of goods and services. In the case of the indirect exemption applied by the Portuguese tax authorities, the Centre has to claim back the VAT paid to its suppliers. The balance of the VAT receivable is the sum of all claims of reimbursement submitted to the Portuguese tax authorities in December 2022; there are no claims outside the deadline for recovery.

in EUR

VAT receivable from the Member States	2022	2021	% change
Nominal value of VAT claims	5 711.5	13 396.7	-57%
Net value of VAT receivable	5 711.5	13 396.7	-57%

The receivables from Member States are considered receivables from non-exchange transactions.

Credit risk disclosure

The long-term credit rating of Portugal is BBB+ (Fitch).

Note 5: Accounts receivable, accrued income from the EU institutions and bodies and other accrued revenues

in EUR

Clients	Accounts Receivable	Accrued income	Total
European Environment Agency (EEA)	0.0	28 814.0	28 814.0
European Training Foundation (ETF)	0.0	9 569.5	9 569.5
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	0.0	24 128.6	24 128.6
European Medicines Agency (EMA)	0.0	200 756.3	200 756.3
European Agency for Safety and Health at Work (EU-OSHA)	0.0	80 467.5	80 467.5
European Union Intellectual Property Office (EUIPO)	0.0	352 831.0	352 831.0
European Union Intellectual Property Office (EUIPO) Trade Marks	0.0	343 367.2	343 367.2
Community Plant Variety Office (CPVO)	0.0	0.0	0.0
European Union Agency for Law Enforcement Cooperation (Europol)	0.0	0.0	0.0
European Foundation for the Improvement of Living and Working Conditions (Eurofound)	0.0	70 209.0	70 209.0
European Centre for the Development of Vocational Training (Cedefop)	16 269.0	12 620.0	28 889.0
European Union Agency for Fundamental Rights (FRA)	0.0	70 210.5	70 210.5
European Investment Bank (EIB)	0.0	339.5	339.5
European Food Safety Authority (EFSA)	0.0	2 904.0	2 904.0
European Union Agency for Criminal Justice Cooperation (Eurojust)	0.0	29 432.0	29 432.0
European Maritime Safety Agency (EMSA)	0.0	11 919.0	11 919.0
European Union Aviation Safety Agency (EASA)	0.0	11 480.0	11 480.0
European Union Agency for Railways (ERA)	0.0	0.0	0.0
European Union Agency for Cybersecurity (ENISA)	0.0	0.0	0.0
European Centre for Disease Prevention and Control (ECDC)	41 889.0	68 475.0	110 364.0
European Border and Coast Guard Agency (Frontex)	0.0	404 459.0	404 459.0
European Education and Culture Executive Agency (EACEA)	0.0	26 137.5	26 137.5
Executive Agency for Small and Medium-sized Enterprises (EASME)	0.0	0.0	0.0
European Union Agency for Law Enforcement Training (CEPOL)	0.0	0.0	0.0
European Union Agency for the Space Programme (EUSPA)	0.0	0.0	
European Defence Agency (EDA)	975.0	3 037.5	4 012.5
European Chemicals Agency (ECHA)	0.0	129 012.0	129 012.0
European Fisheries Control Agency (EFCA)	0.0	0.0	0.0
Fusion for Energy Joint Undertaking (European Joint Undertaking for ITER and the Development of Fusion Energy)	0.0	0.0	0.0
European Climate, Infrastructure and Environment Executive Agency Former INEA: Innovation and Networks Executive Agency (CINEA)	0.0	0.0	0.0
European Institute of Innovation and Technology (EIT)	0.0	0.0	0.0
European Research Council Executive Agency (ERCEA)	0.0	5 089.5	5 089.5
European Research Executive Agency (REA)	0.0	41 564.0	41 564.0
Clean Aviation Joint Undertaking (Clean Aviation JU)	0.0	0.0	0.0
European Institute for Gender Equality (EIGE)	0.0	3 772.0	3 772.0
Single European Sky ATM Research 3 Joint Undertaking (SESAR 3 JU)	0.0	0.0	0.0
Innovative Health Initiative Joint Undertaking (IHI JU)	0.0	0.0	0.0
Clean Hydrogen Joint Undertaking (Clean Hydrogen JU)	0.0	0.0	0.0
European Union Agency for Asylum (EUAA)	0.0	317 629.5	317 629.5
European Union Agency for the Cooperation of Energy Regulators (ACER)	0.0	1 296.0	1 296.0
European Securities and Markets Authority(ESMA)	0.0	0.0	0.0
European Banking Authority (EBA)	0.0	41 544.0	41 544.0
European Insurance and Occupational Pensions Authority (EIOPA)	0.0	0.0	0.0

Clients	Accounts Receivable	Accrued income	Total
Agency for Support for BEREC (BEREC Office)	0.0	0.0	0.0
European Union Agency for the Operational Management of large-scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)	0.0	762.0	762.0
Key Digital Technologies Joint Undertaking (KDT JU)	0.0	0.0	0.0
Single Resolution Board (SRB)	0.0	112 693.5	112 693.5
Office of the Secretary-General of the European Schools (OSGES)	1 271.0	0.0	1 271.0
Bio-based Industries Joint Undertaking (BBI JU)	0.0	0.0	0.0
Europe's Rail Joint Undertaking (Europe's Rail JU)	0.0	0.0	0.0
European High-Performance Computing Joint Undertaking (EuroHPC JU)	0.0	0.0	0.0
European Labour Authority (ELA)	0.0	283 721.5	283 721.5
European Public Prosecutor's Office (EPPO)	0.0	274 381.5	274 381.5
European Health and Digital Executive Agency (HaDEA)	0.0	0.0	0.0
Unified Patent Court (UPC)	0.0	870.0	870.0
European Commission Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL)	0.0	48 372.0	48 372.0
European Parliament	0.0	0.0	0.0
Council of the European Union (Council)	0.0	18 055.5	18 055.5
European Court of Auditors (ECA)	0.0	8 550.0	8 550.0
European Committee of the Regions (CoR)	0.0	0.0	0.0
European Economic and Social Committee (EESC)	0.0	91.0	91.0
Court of Justice of the European Union (CJEU)	0.0	0.0	0.0
European Central Bank (ECB)	14 982.0	3 510.0	18 492.0
European Ombudsman (Ombudsman)	0.0	14 979.5	14 979.5
European Data Protection Supervisor (EDPS)	0.0	31 377.5	31 377.5
Interinstitutional projects with the institutions (IATE)	0.0	0.0	0.0
Total	75 386.0	3 088 428.1	3 163 814.1
Non-translation related (Euro HPC/Frontex)	46 223.1	0.0	46 223.1
Grand total	121 609.1	3 088 428.1	3 210 037.1

Accrued income from EU institutions represents income from invoices drawn up in January 2023 for translations delivered to clients in December 2022. The information on the average payment date is included in the budget implementation set out in Chapter B.8. 'Budget revenue from operational activities 2022'.

Credit risk disclosure

The credit risk of receivables is low, as the Centre's clients are European agencies, bodies and institutions. All receivables fall into the category 'not past due and not impaired'.

Currency risk disclosure

The Centre is not exposed to currency risk as all receivables are in euro.

Note 6: Deferred expenses

in EUR

	2022	2021	% change
Deferred expenses	589 370.4	226 112.8	160.7%
Total	589 370.4	226 112.8	160.7%

Deferred expenses consist of expenses paid by the Centre in the current year that relate to future accounting periods. Most of them refer to maintenance of software licenses and subscriptions.

Note 7: Sundry receivables

in EUR

	2022	2021	% change
Sundry receivables	81 120.0	98 789.9	-17.9%
Total	81 120.0	98 789.9	-17.9%

The balance of sundry receivables contains short-term staff-related receivables as well as short-term dues from the CPE Foyer (day care facility).

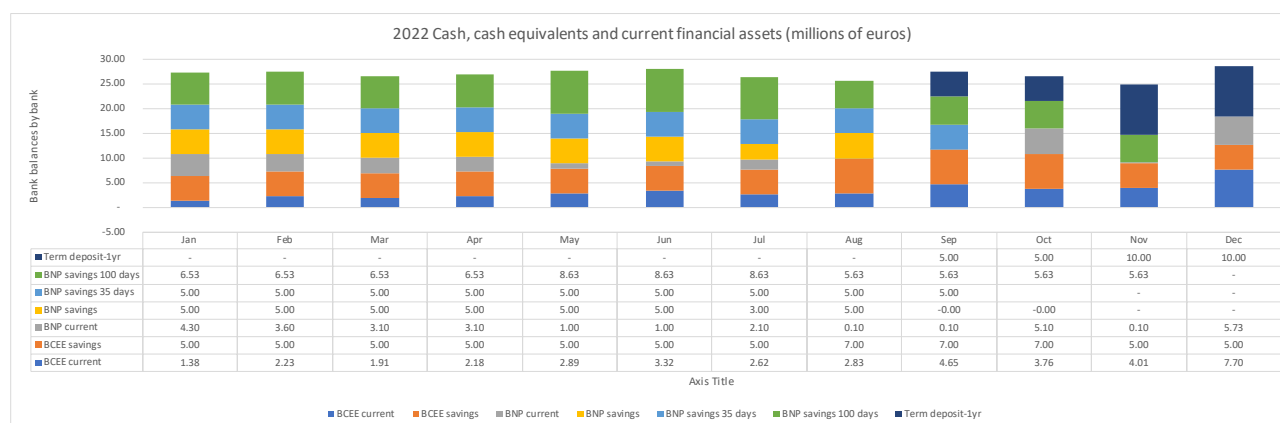
Note 8: Accrued interest

The interest earned (around 2.12% annually) related to the two term accounts opened at the end of September and October respectively for 2022 (see note 9 below) was accrued at the end of the year as the interest will only be paid at the end of the contracts (after 12 months).

Note 9: Cash, cash equivalents and current financial assets

The treasury is managed by the Centre's Accounting Officer. The objective is to preserve capital and ensure sufficient liquidity to meet operating cash while earning a competitive market rate of return on the Centre's cash.

Due to positive interest rates offered by the banks in the last quarter of 2022, two term deposit accounts (with a term of 12 months) of EUR 5 million each (EUR 10 million in total) with Banque et Caisse d'Épargne de l'État (BCEE) and BNP Paribas Luxembourg were opened. The interest rates offered are 2.12% for each and is guaranteed for a term of 12 months, at the end of which the related interest will be collected. These sums are reported as current financial assets in the balance sheet in compliance with EU Accounting Rule 11, while the rest of the funds appear under the cash and cash equivalents (including EUR 5 million in a savings account with BCEE).



Breakdown of the cash balance and current financial assets

Year	2022	2021	% change
Cash in bank – current accounts	13 434 764.8	7 874 813.9	70.6%
Cash in bank – saving accounts	5 015 968.6	14 999 980.2	-66.6%
Total cash and cash equivalents	18 450 733.4	22 874 794.1	-19.3%

Term deposits due within three months and one year	4 859.4	6 530 700.2	-99.9%
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Current financial assets	10 000 000.0	0.0	N/A
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Credit risk disclosure

in EUR

Bank	Long-term credit rating (Moody's)	Long-term credit rating (S&P)	Long-term credit rating (Fitch)	Balance of cash and cash equivalents
Banque et Caisse d'Épargne de l'État	Aa2	AA+		17 720 185.2
BNP Paribas	Aa2		A+	10 735 407.5
TOTAL				28 455 592.8

Currency risk disclosure

The Centre is not exposed to currency risk as all cash balances are in euro.

Note 10: Accrued expenses

in EUR

Accrued expenses	2022	2021	% change
Accrued expenses based on carryover analysis	1 438 773.5	1 792 200.0	-19.7%
Leave not taken by staff	420 000.0	419 000.0	0.2%
Total	1 858 773.5	2 211 200.0	-15.9%

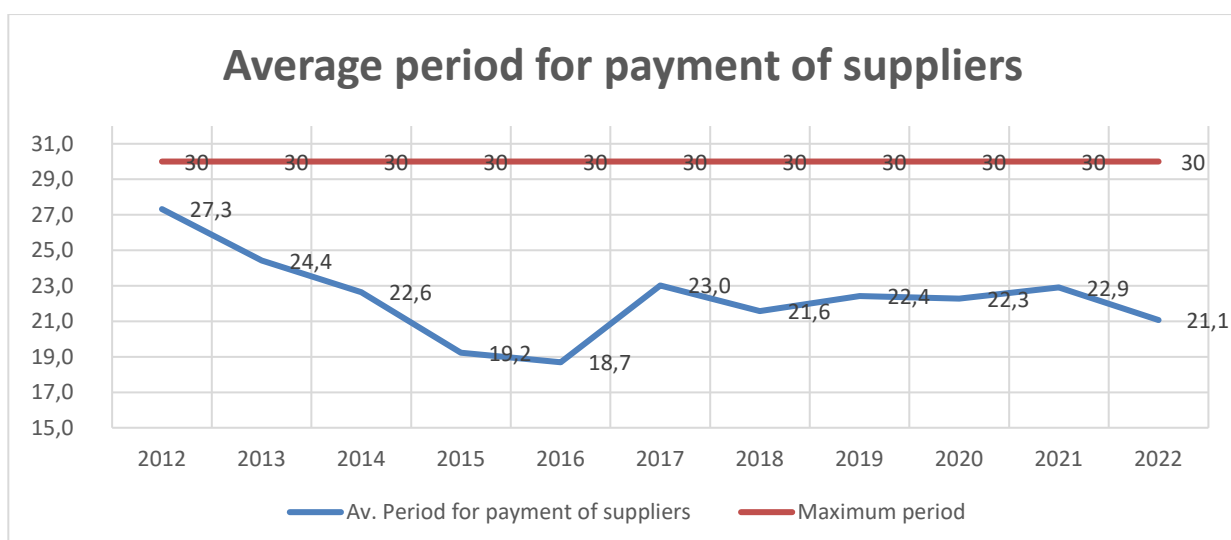
Leave not taken by staff

Leave not taken by staff	2022	2021	% change
Number of days not taken	1 339.4	1 472.6	-9.0%
Financial evaluation of leave not taken (in euro)	420 000.0	419 000.0	0.2%

The accrued liability for untaken leave is calculated based on the number of days of unused holidays not taken by staff at year-end and their average salary. Compared to 2021, the number of untaken days shows a slight decrease, however the overall liability is almost the same due the increase in salaries.

Note 11: Suppliers

All payments have been executed as soon as possible after the payment workflow in the budget accounting process has been completed. The average period for the payment of suppliers is slightly better than in 2021 (21.1 versus 22.9) and within the official payment limit of 30 days.



Currency risk disclosure

The Centre is not exposed to currency risk as all receivables and liabilities are in euro.

Note 12: Pre-financing received

In EUR

Clients	2022	2021	% change
European Insurance and Occupational Pensions Authority (EIOPA)	0.0	20 390.4	-100.0%
European Institute for Gender Equality (EIGE)	3 017.6	11 316.0	-73.3%
European Union Agency for Asylum (EUAA)	1 075 708.0	2 103 135.2	-48.9%
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	0.0	70 200.0	-100.0%
European Chemicals Agency (ECHA)	354 333.2	291 802.8	21.4%
TOTAL	1 433 058.8	2 496 844.4	-42.6%

The advance payment mechanism allows the Centre to request pre-financing from clients before the translation service is completed. The pre-financing amounts to 80% of the cost of the translation requests sent to the Centre that are pending as of 30 November.

By year-end, eleven clients had signed an amendment to the agreement allowing the collection of advance payments, and three clients had sent advances to the Centre with a total value of EUR 1 433 058.8 versus EUR 2 496 844.4 in 2021. The advances will be cleared with the translation services invoiced in 2023.

Note 13: Other liabilities

in EUR

	2022	2021	% change
Other liabilities	46 366.0	36 093.2	28.5%
Total	46 366.0	36 093.2	28.5%

Other liabilities consist of short-term staff-related liabilities.

Note 14: Reserves – Permanent pre-financing fund

Article 67(a) of the Centre's Financial Regulation provides for a permanent pre-financing fund that guarantees financing for the proper functioning of the Centre until invoiced amounts have been received from clients. In accordance with Article 57(a) of the Regulation laying down detailed rules for the implementation of the Centre's Financial Regulation, the amount of this fund may not be less than four twelfths of the appropriations for the financial year, excluding 'Reserves' in Title 10.

The statutory reserves (i.e. the permanent pre-financing fund) recognised under accounting rules in the financial statements should be distinguished from the budgetary reserves (i.e. the reserves for stability pricing and for exceptional investments) as listed in Chapter B.5 'Budget outturn' that do not fulfil the criteria for reserves in general accounting.

The balance of the permanent pre-financing fund has remained the same since 2010.

in EUR

Permanent pre-financing fund	Amount
Initial allocation	5 006 840.0
2003 allocation	3 322 850.3
2004 allocation	1 431 500.0
2005 allocation	0.0
2006 allocation	0.0
2007 allocation	999 143.0
2008 allocation	2 406 368.0
2009 allocation	1 196 465.0
2010 allocation	2 166 300.0
2011 allocation	0.0
2012 allocation	0.0
2013 allocation	0.0
2014 allocation	0.0
2015 allocation	0.0
2016 allocation	0.0
2017 allocation	0.0
2018 allocation	0.0
2019 allocation	0.0
2020 allocation	0.0
2021 allocation	0.0
2022 allocation	0.0
Total	16 529 466.3

Note 15: Translations (including modification, editing and revision)

in EUR

Clients	2022	2021	% change
European Environment Agency (EEA)	264 545.0	252 012.0	5.0%
European Training Foundation (ETF)	266 901.0	403 842.5	-33.9%
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	203 140.3	285 070.8	-28.7%
European Medicines Agency (EMA)	2 450 180.0	3 180 942.3	-23.0%
European Agency for Safety and Health at Work (EU-OSHA)	756 667.0	993 182.0	-23.8%
European Union Intellectual Property Office (EUIPO)	3 706 832.0	4 730 469.9	-21.6%
European Union Intellectual Property Office (EUIPO) Trade Marks	9 512 152.2	10 894 532.7	-12.7%
Community Plant Variety Office (CPVO)	5 575.5	39 182.0	-85.8%
European Union Agency for Law Enforcement Cooperation (Europol)	72 894.0	54 736.1	33.2%
European Foundation for the Improvement of Living and Working Conditions (Eurofound)	280 104.0	566 405.0	-50.5%
European Centre for the Development of Vocational Training (Cedefop)	158 304.5	93 172.5	69.9%
European Union Agency for Fundamental Rights (FRA)	1 370 667.5	1 092 416.9	25.5%
European Investment Bank (EIB)	7 969.0	3 140.9	153.7%
European Food Safety Authority (EFSA)	232 231.5	354 973.9	-34.6%
European Union Agency for Criminal Justice Cooperation (Eurojust)	803 612.5	845 389.9	-4.9%
European Maritime Safety Agency (EMSA)	153 608.5	119 951.0	28.1%
European Union Aviation Safety Agency (EASA)	112 485.5	162.0	69335.5 %
European Union Agency for Railways (ERA)	370 527.5	77 763.1	376.5%
European Union Agency for Cybersecurity (ENISA)	47 348.0	464 453.2	-89.8%
European Centre for Disease Prevention and Control (ECDC)	474 374.5	772 575.4	-38.6%
European Border and Coast Guard Agency (Frontex)	2 623 033.0	1 338 969.7	95.9%
European Education and Culture Executive Agency (EACEA)	212 142.0	292 201.0	-27.4%
Executive Agency for Small and Medium-sized Enterprises (EASME)	63 779.0	18 916.5	237.2%
European Union Agency for Law Enforcement Training (CEPOL)	23 394.0	21 776.3	7.4%
European Union Agency for the Space Programme (EUSPA)	47 715.0	55 312.0	-13.7%
European Defence Agency (EDA)	13 258.5	13 629.0	-2.7%
European Chemicals Agency (ECHA)	1 563 606.0	1 783 777.4	-12.3%
European Fisheries Control Agency (EFCA)	206 911.5	268 169.0	-22.8%
Fusion for Energy Joint Undertaking (European Joint Undertaking for ITER and the Development of Fusion Energy)	6 156.0	11 148.0	-44.8%
European Climate, Infrastructure and Environment Executive Agency Former INEA: Innovation and Networks Executive Agency (CINEA)	2 703.0	9 482.0	-71.5%
European Institute of Innovation and Technology (EIT)	3 868.5	3 790.0	2.1%
European Research Council Executive Agency (ERCEA)	6 090.0	10 644.0	-42.8%
European Research Executive Agency (REA)	278 132.0	145 369.8	91.3%
Clean Aviation Joint Undertaking (Clean Aviation JU)	3 001.5	2 337.0	28.4%
European Institute for Gender Equality (EIGE)	74 816.5	41 952.0	78.3%
Single European Sky ATM Research 3 Joint Undertaking (SESAR 3 JU)	26 230.5	4 915.5	433.6%
Innovative Health Initiative Joint Undertaking (IHI JU)	1 489.0	4 633.0	-67.9%
Clean Hydrogen Joint Undertaking (Clean Hydrogen JU)	2 001.0	1 914.0	4.5%
European Union Agency for Asylum (EUAA)	3 871 662.5	3 643 701.7	6.3%
European Union Agency for the Cooperation of Energy Regulators (ACER)	330 877.0	218 811.7	51.2%
European Securities and Markets Authority(ESMA)	300 284.3	578 897.3	-48.1%
European Banking Authority (EBA)	1 522 186.3	1 205 211.5	26.3%
European Insurance and Occupational Pensions Authority (EIOPA)	309 066.5	122 688.5	151.9%
Agency for Support for BEREC (BEREC Office)	12 222.5	33 167.1	-63.1%

European Union Agency for the Operational Management of large-scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)	953 800.5	992 009.9	-3.9%
Key Digital Technologies Joint Undertaking (KDT JU)	2 001.0	2 001.0	0.0%
Single Resolution Board (SRB)	1 580 717.0	1 305 934.1	21.0%
Office of the Secretary-General of the European Schools (OSGES)	1 804.0	105 505.4	-98.3%
Bio-based Industries Joint Undertaking (BBI JU)	4 002.0	3 564.0	12.3%
Europe's Rail Joint Undertaking (Europe's Rail JU)	4 023.0	12 288.0	-67.3%
European Labour Authority (ELA)	1 660 236.0	1 620 948.4	2.4%
European Public Prosecutor's Office (EPPO)	2 767 710.8	0.0	N/A
European Health and Digital Executive Agency (HaDEA)	0.0	353 707.0	-100.0%
Unified Patent Court (UPC)	870.0	0.0	N/A
HADEA, EPPO	72 015.0	1 000 769.3	-92.8%
European Commission Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL)	319 663.5	494 992.7	-35.4%
European Parliament	7 774.5	40 545.5	-80.8%
Council of the European Union (Council)	31 641.5	85 378.5	-62.9%
European Court of Auditors (ECA)	87 039.0	213 075.1	-59.2%
European Committee of the Regions (CoR)	194.0	318.0	-39.0%
European Economic and Social Committee (EESC)	9 454.5	10 058.0	-6.0%
Court of Justice of the European Union (CJEU)	59 686.5	8 596.0	594.4%
European Central Bank (ECB)	51 514.5	59 267.2	-13.1%
European Ombudsman (Ombudsman)	259 631.0	241 564.3	7.5%
European Data Protection Supervisor (EDPS)	1 140 953.0	1 950 674.5	-41.5%
Interinstitutional projects with the institutions (IATE)	0.0	0.0	N/A
TOTAL	41 769 477.5	43 556 984.5	-4.1%

The revenue for translation services is invoiced to clients on the basis of an agreed unit price per page and on the number of pages translated by the Centre.

Note 16: Interinstitutional cooperation – IATE database

in EUR

Clients	2022	2021	% change
European Investment Bank (EIB)	21 945.9	21 145.3	3.8%
European Commission (EC)	137 161.9	132 157.8	3.8%
European Parliament (EP)	32 918.9	31 717.9	3.8%
Council of the European Union (Council)	17 145.2	16 519.7	3.8%
European Court of Auditors (ECA)	102 871.4	99 118.4	3.8%
European Committee of the Regions (CoR)	274 323.7	264 315.7	3.8%
European Economic and Social Committee (EESC)	6 858.1	6 607.9	3.8%
Court of Justice of the European Union (CJEU)	3 429.1	3 303.9	3.8%
European Central Bank (ECB)	61 722.8	59 471.0	3.8%
TOTAL	658 377.0	634 357.6	3.8%

The InterActive Terminology for Europe (IATE) database is a tool for terminology work used by the EU's translation services. The project's objective is to provide a web-based infrastructure for all EU terminology resources. The Centre is responsible for managing the IATE administration and technical support. The administration and development costs are invoiced to the institutions involved in the project.

Note 17: Terminology

in EUR

Clients	2022	2021	% change
European Environment Agency (EEA)	0.0	0.0	N/A
European Training Foundation (ETF)	32 400.0	0.0	N/A
European Union Agency for Asylum (EUAA)	504 000.0	72 000.0	600.0%
European Ombudsman (Ombudsman)	69 750.0	0.0	N/A
European Chemicals Agency (ECHA)	20 700.0	0.0	N/A
European Court of Auditors (ECA)	8 550.0	11 137.5	-23.2%
European Union Intellectual Property Office (EUIPO)	16 200.0	16 425.0	-1.4%
European Union Agency for the Cooperation of Energy Regulators (ACER)	21 600.0	787.5	2642.9%
Council of the European Union (Council)	7 650.0	0.0	N/A
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	36 000.0	-24 300.0	248.1%
TOTAL	716 850.0	76 050.0	842.6%

The revenue for terminology services is invoiced to clients on the basis of an agreed unit price per man-day and on the number of days spent on the terminology work by the Centre.

Note 18: Term lists

in EUR

Clients	2022	2021	% change
European Medicines Agency (EMA)	32 370.0	46 808.0	-30.8%
European Agency for Safety and Health at Work (EU-OSHA)	12 560.0	2 496.0	403.2%
European Union Intellectual Property Office (EUIPO)	165 904.0	165 196.0	0.4%
Community Plant Variety Office (CPVO)	0.0	92.0	-100.0%
European Centre for the Development of Vocational Training (Cedefop)	24 092.0	368.0	6446.7%
European Border and Coast Guard Agency (Frontex)	1 380.0	1 288.0	7.1%
European Union Agency for Cybersecurity (ENISA)	276.0	0.0	N/A
European Maritime Safety Agency (EMSA)	184.0	828.0	-77.8%
European Food Safety Authority (EFSA)	121.0	0.0	N/A
European Institute for Gender Equality (EIGE)	92.0	92.0	N/A
European Environment Agency (EEA)	1 104.0	832.0	32.7%
European Labour Authority (ELA)	164 012.0	4 572.0	3487.3%
European Chemicals Agency (ECHA)	129 576.0	4 748.0	2629.1%
European Union Agency for Asylum (EUAA)	1 932.0	1 564.0	23.5%
European Commission Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL)	0.0	0.0	N/A
European Fisheries Control Agency (EFCA)	1 104.0	276.0	300.0%
Single European Sky ATM Research 3 Joint Undertaking (SESAR 3 JU)	0.0	0.0	N/A
Innovative Health Initiative Joint Undertaking (IHI JU)	184.0	276.0	-33.3%
European Union Agency for the Operational Management of large-scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA)	276.0	1 264.0	-78.2%
Single Resolution Board (SRB)	552.0	2 548.0	-78.3%
Agency for Support for BEREC (BEREC Office)	276.0	184.0	50.0%
Europe's Rail Joint Undertaking (Europe's Rail JU)	552.0	276.0	N/A
European Centre for Disease Prevention and Control (ECDC)	0.0	700.0	N/A
Bio-based Industries Joint Undertaking (BBI JU)	0.0	92.0	N/A
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	788.0	0.0	N/A
European Union Agency for the Cooperation of Energy Regulators (ACER)	0.0	276.0	-100.0%
TOTAL	537 335.0	234 776.0	128.9%

The revenue for term list services is invoiced to clients on the basis of an agreed unit price per term and on the number of terms translated by the Centre.

Note 19: Subtitling

in EUR

Clients	2022	2020	% change
European Agency for Safety and Health at Work (EU-OSHA)	27 470.0	34 563.0	-20.5%
European Union Agency for Fundamental Rights (FRA)	3 772.0	0.0	N/A
European Food Safety Authority (EFSA)	3 280.0	82.0	3900.0%
European Chemicals Agency (ECHA)	41.0	21 689.0	-99.8%
European Union Intellectual Property Office (EUIPO)	0.0	41 164.0	-100.0%
European Centre for Disease Prevention and Control (ECDC)	34 932.0	3 075.0	1036.0%
Bio-based Industries Joint Undertaking (BBI JU)	0.0	615.0	N/A
European Border and Coast Guard Agency (Frontex)	0.0	7 134.0	-100.0%
European Ombudsman (Ombudsman)	1 886.0	0.0	N/A
European Institute for Gender Equality (EIGE)	5 658.0	4 715.0	20.0%
European Union Agency for Asylum (EUAA)	32 144.0	24 190.0	32.9%
European Labour Authority (ELA)	24 272.0	0.0	N/A
European Training Foundation (ETF)	0.0	328.0	-100.0%
European Parliament	1 640.0	0.0	N/A
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	328.0	0.0	N/A
European Union Agency for Criminal Justice Cooperation (Eurojust)	28 372.0	22 673.0	N/A
TOTAL	163 795.0	160 228.0	2.2%

The revenue for subtitling is invoiced to clients on the basis of an agreed unit price per minute of source video and per target language.

Note 20: Transcriptions

in EUR

Clients	2022	2021	% change
European Union Intellectual Property Office (EUIPO)	63 900.0	40.0	159650.0%
European Court of Auditors (ECA)	31 950.0	0.0	N/A
European Union Agency for Law Enforcement Cooperation (Europol)	0.0	18 000.0	-100.0%
European Union Agency for Fundamental Rights (FRA)	1 309.0	99 810.5	-98.7%
European Investment Bank (EIB)	14 780.0	4 077.0	262.5%
European Union Agency for Cybersecurity (ENISA)	0.0	68 562.0	-100.0%
European Border and Coast Guard Agency (Frontex)	225.0	900.0	-75.0%
European Fisheries Control Agency (EFCA)	5 907.5	3 884.5	52.1%
European Research Council Executive Agency (ERCEA)	0.0	3 375.0	-100.0%
Court of Justice of the European Union (CJEU)	5 046.3	0.0	N/A
European Union Agency for the Cooperation of Energy Regulators (ACER)	0.0	900.0	-100.0%
European Labour Authority (ELA)	225.0	450.0	-50.0%
European Public Prosecutor's Office (EPPO)	22 500.0	0.0	N/A
European Union Agency for Asylum (EUAA)	900.0	0.0	N/A
HADEA, EPPO	0.0	50 000.0	-100.0%
European Commission Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL)	0.0	10 000.0	-100.0%
TOTAL	146 742.82	259 999.0	-43.6%

Note 21: Financial contribution for rent from the Luxembourg government – non-exchange revenues

Since 2013, the Centre has received an annual financial contribution from the Luxembourg government of EUR 243 250 in order to compensate for the increased rental costs of the Technopolis (former Drosbach) building compared with the rental costs paid previously to the Luxembourg government for the Nouvel Hémicycle building.

A new building contract was signed in 2021. This has made it possible to reduce the space occupied in order to reduce costs and give the possibility of teleworking to all staff. As a consequence of this new building contract, a financial contribution from the Luxembourg Government has been adjusted down to EUR 170.000 per year.

The financial contribution is the only revenue that fulfils the criteria of non-exchange revenue. All other revenue is considered to be revenue in exchange for services rendered by the Centre.

Note 22: Miscellaneous revenue

Miscellaneous revenue mainly represents revenue from the subletting of the Centre's offices, parking spaces, data centre and from recovery of expenses paid in previous accounting periods as well as the impact of the work in progress.

Note 23: Staff expenses

in EUR

Type of expense	2022	2021	% change
Staff costs (excluding SNE's and other experts)	17 144 308.7	15 995 037.4	7.2%
Pensioners and temporary unemployment	4 360 044.8	4 057 605.5	7.5%
Staff requisites and social activities	21 608.1	3 302.6	554.3%
Allowances (excluding SNE's and other experts)	4 565 640.9	4 196 492.9	8.8%
TOTAL	26 091 602.5	24 252 438.3	7.6%

The main reason for the increase in personnel costs is the indexation of salaries throughout 2022: 2.4% from January to June and 4.5% from July to December.

The change in basic salaries has an impact on overall staff costs, pensions and unemployment contributions and allowances. The main allowances are family allowances, expatriation and foreign residence allowances, travel expenses for annual leave and allowances linked to recruitment or departing staff members.

Note 24: Administrative expenses

in EUR

Type of expense	2022	2021	% change
Rent of land & buildings	1 974 285.8	2 267 010.4	-12.9%
Operating lease expenses	220 688.5	156 040.1	41.4%
Maintenance & security – building	398 026.8	601 827.2	-33.9%
Insurance building	1 999.8	0.0	N/A
Office supplies & maintenance	1 745 090.2	1 387 347.5	25.8%
Communications & publications	161 422.4	175 024.9	-7.8%
Publicity and legal expenses	1 600.0	18 046.2	-91.1%
Insurance – others	18 112.1	22 301.2	-18.8%
Transport & travel expenses	663.1	-874.4	-175.8%
Recruitment costs	4 480.3	22 545.3	-80.1%
Training costs	93 967.1	78 198.5	20.2%
Missions	37 951.0	500.0	7490.2%
Experts and related expenditure	4 454.0	0.0	N/A
External operational IT costs	1 652 301.9	1 674 030.7	-1.3%
Other external non-IT services	218 669.2	259 829.3	-15.8%
Expenses with other consolidated entities	719 434.0	714 682.7	0.7%
Depreciation of fixed assets	285 735.5	156 508.4	82.6%
Other	0.0	0.0	N/A
TOTAL	7 538 881.7	7 533 017.7	0.1%

The overall administrative expenses remain similar to those of 2021 mainly as a net result of the full impact of the savings resulting from the new lease of office space (reduced office space and reduced maintenance for a total of EUR 496 525, or 12.9%) and the increase in office supplies and maintenance for a total of EUR 203 800.3 or 25.8% as well as depreciation of fixed assets (EUR 129 227.1 or 82.6%).

Note 25: Operational expenses

in EUR

	2022	2021	% change
Externalised translation orders in pages	430 639.0	480 035.3	-10.3%
Externalised translation orders in euro	8 977 282.7	10 403 131.2	-13.7%

Operational expenses comprise direct operational costs relating to the Centre's core activity of translation. The costs of translations undertaken by external language service providers are recorded under operational expenses. The translations are carried out on the basis of framework contracts or negotiated procedures with external language service providers. The price of translations resulting from the tender procedures depends on the language combination, domain and type of translation (translation, modification, revision, editing, EU trade mark, Community design, term list or terminology).

Operational expenses decreased by EUR 1 673 908.9 or 16.1% in 2022 compared to 2021, reflecting the latest strategic initiative of internalising more of the work.

A.6 Other information

Number of employees

The following table summarises the number of staff members for the years ended 31 December 2022 and 31 December 2021, as set out in the establishment plan (including 2 Assistant Secretaries-AST/SC):

Number of staff		
	2022	2021
Administrator	131	132
Assistant	50	52
<i>Total</i>	181	184

In addition to the staff defined in the establishment plan, the Centre also employs contract and agency staff. A detailed breakdown of the Centre's total staff, as at 31 December 2022, is set out in the following table:

Number of staff					
	Officials	Temporary agents	Contract agents	Agency staff	Total
Administrator	41	90	9	0	140
Assistant	5	45	14	12*	76
<i>Total</i>	46	135	23	12	216

* 'Agency staff' reflects the number of 'Structural Service Providers'.

Management Board

The members of the Management Board do not receive any payment for their duties, except the reimbursement of travel expenses that are paid only to the Member State representatives.

Related-party transactions

The Centre's key management staff as at 31 December 2022 was as follows:

Grade	Number of staff
AD 14	1
AD 13	1
AD 12	2
AD 11	1
<i>Total</i>	5

The remuneration of key management staff is in accordance with the Staff Regulations of Officials of the European Union.

Contingent assets, contingent liabilities and other significant disclosures

Contingent assets and liabilities

The Centre may have to pay, under the worst-case scenario, up to EUR 150 000 following a Court decision regarding an ongoing case which has been appealed by the complainant. The decision was still pending as of the end of 2022. Consequently, a contingent liability of EUR 150 000 has been recorded.

Performance guarantees

The Centre currently has one 'performance guarantee' that ensures the recovery of damages related to the execution of the contract with the service provider, as summarised below:

Company	Contract No	Guarantee No	Guarantee amount (EUR)	Start date	Expiry date
Innoclean	CDT/NET2022	2022/50351-1	7 266.5	-	30 days after expiry of contract

a) Commitments against appropriations not yet consumed

The budgetary RAL (Reste à liquider) is an amount representing commitments carried over for which payments have not yet been made. This is the usual consequence if there is a carryover of credit appropriations. On 31 December 2022, the budgetary RAL totalled EUR 2 783 109.

The accounting RAL is the part of the budgetary RAL that has not yet been consumed via the cut-off (year-end accruals). The year-end accruals that have been included as expenses in the statement of financial performance 2022 amount to EUR 1 858 773. Therefore, the accounting RAL amounts to EUR 924 336 .

b) Operating leases

In EUR

Description	Date of inception	Date of expiration	Total lease value	Payments made in the current year	Outstanding payments due		
					Up to one year	One to five years	> 5 years
BMW Gran Tourer 2020	16/06/2020	15/06/2024	19 285	4 821	4 821	2 411	
Leasing Server Cancom OF 0356 et 0356A	05/07/2020	04/07/2025	75 100	16 827	16 827	26 642	
Leasing Storage Bechtle OF775315412	18/11/2022	17/11/2027	55 223	17 923	3 730	33 569	
Leasing Storage Bechtle OF775317043	18/11/2022	17/11/2027	49 559	15 611	3 395	30 553	
Loyer bureaux + parkings	20/10/2021	19/10/2030	13 659 828	1 546 104	1 541 138	7 705 689	2 866 897
Loyer EBRC	01/01/2013	31/03/2024	364 125	357 420	91 031	0	
Loyer rack EBRC	12/03/2020	11/09/2023	70 890	70 890	50 213	0	
Proximus -Leasing Storage OF77511246 - OF77511247 - OF77511248 - OF77511255	01/12/2022	30/11/2027	1 462 508	292 502	292 502	877 505	
Total			15 756 517	2 322 097	2 003 657	8 676 369	2 866 897

c) Other off-balance sheet commitments

As at 31 December 2022, the Centre had no other off-balance sheet commitments.

d) Post balance sheet events

No significant events occurred subsequent to the balance sheet date that would have a material impact on the financial statements.

REPORT ON THE IMPLEMENTATION OF THE BUDGET OF THE TRANSLATION CENTRE

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B.1. Budgetary principles

In implementing its budget, the Centre applies the following budgetary principles in accordance with its Financial Regulation:

- (a) Principle of unity and of budget accuracy
- (b) Principle of annuality
- (c) Principle of equilibrium
- (d) Principle of unit of account
- (e) Principle of universality
- (f) Principle of specification
- (g) Principle of sound financial management.

B.2. Type of appropriations

The Centre makes use of non-differentiated appropriations for its budget.

The Centre makes use of the automatic carryover of appropriations.

The Centre does not account for assigned revenue.

B.3. Budget expenditure implementation 2022 and use of appropriations C1

in EUR

Chapter	Heading	Budget appropriation (1)	Executed commitments (2)	% committed (2/1)	Appropriations cancelled (1-2)	Executed payments (3)	% paid (3/1)	RAL – appropriations carried forward (2-3)
11	Staff in active employment	27 512 900.00	26 821 937.54	97.49%	690 962.46	26 740 202.34	97.19%	81 735.20
13	Missions and duty travel	51 200.00	38 451.00	75.10%	12 749.00	25 898.57	50.58%	12 552.43
14	Socio-medical infrastructure	730 300.00	693 628.01	94.98%	36 671.99	644 418.03	88.24%	49 209.98
16	Social services	64 100.00	62 600.00	97.66%	1 500.00	52 991.93	82.67%	9 608.07
17	Entertainment and representation	2 500.00	0.00	0.00%	2 500.00	0.00	0.00%	0.00
TITLE 1	STAFF	28 361 000.00	27 616 616.55	97.38%	744 383.45	27 463 510.87	96.84%	153 105.68
20	Rental of buildings and associated costs	2 667 700.00	2 512 058.59	94.17%	155 641.41	2 266 292.95	84.95%	245 765.64
21	Data processing	4 895 200.00	4 125 476.35	84.28%	769 723.65	3 341 207.46	68.25%	784 268.89
22	Movable property and associated costs	62 200.00	35 731.60	57.45%	26 468.40	27 800.04	44.69%	7 931.56
23	Current administrative expenditure	257 300.00	181 398.73	70.50%	75 901.27	144 256.98	56.07%	37 141.75
24	Postage and telecommunications	216 000.00	119 938.18	55.53%	96 061.82	91 369.92	42.30%	28 568.26
25	Expenditure on meetings	11 500.00	0.00	0.00%	11 500.00	0.00	0.00%	0.00
26	Expenditure on Management Board meetings	57 500.00	27 575.00	47.96%	29 925.00	25 574.70	44.48%	2 000.30
27	Consultations and studies	100 000.00	0.00	0.00%	100 000.00	0.00	0.00%	0.00
TITLE 2	BUILDINGS, EQUIPMENT AND SUNDRY OPERATING EXPENDITURE	8 267 400.00	7 002 178.45	84.70%	1 265 221.55	5 896 502.05	71.32%	1 105 676.40
30	External translation and related services	10 180 000.00	9 059 515.30	88.99%	1 120 484.70	7 658 516.95	75.23%	1 400 998.35
31	Interinstitutional cooperation	721 100.00	719 827.82	99.82%	1 272.18	596 498.78	82.72%	123 329.04
32	Expenditure relating to the e-CDT program	0.00	0.00	N/A	0.00	0.00	N/A	0.00
TITLE 3	OPERATIONAL EXPENDITURE	10 901 100.00	9 779 343.12	89.71%	1 121 756.88	8 255 015.73	75.73%	1 524 327.39
TITLE 10	RESERVES	2 310 455.43	0.00	0.00%	2 310 455.43	0.00	0.00%	0.00
	TOTAL BUDGET	49 839 955.43	44 398 138.12	89.08%	5 441 817.31	41 615 028.65	83.50%	2 783 109.47

B.4. Budget expenditure implementation 2022 and use of appropriations C8

in EUR

Chapter	Heading	Budget appropriation (1)	Executed commitments (2)	% committed (2/1)	Executed payments (3)	% paid (3/1)	Payment appropriations cancelled (1-3)
11	Staff in active employment	59 235.27	59 235.27	100.00%	28 913.94	48.81%	30 321.33
13	Missions and duty travel	500.00	500.00	100.00%	0.00	0.00%	500.00
14	Socio-medical infrastructure	25 505.11	25 505.11	100.00%	14 088.07	55.24%	11 417.04
16	Social services	10 400.99	10 400.99	100.00%	2 160.25	20.77%	8 240.74
TITLE 1	STAFF	95 641.37	95 641.37	100.00%	45 162.26	47.22%	50 479.11
20	Rental of buildings and associated costs	253 007.74	253 007.74	100.00%	139 399.43	55.10%	113 608.31
21	Data processing	1 187 195.26	1 183 829.26	99.72%	1 092 003.89	91.98%	95 191.37
22	Movable property and associated costs	9 424.12	9 424.12	100.00%	1 837.17	19.49%	7 586.95
23	Current administrative expenditure	55 107.46	55 107.46	100.00%	16 354.78	29.68%	38 752.68
24	Postage and telecommunications	42 923.51	42 923.51	100.00%	18 042.71	42.03%	24 880.80
25	Expenditure on meetings	0.00	0.00	N/A	0.00	N/A	0.00
26	Expenditure on Management Board meetings	270.00	270.00	100.00%	0.00	0.00%	270.00
27	Consultations and studies	0.00	0.00	N/A	0.00	N/A	0.00
TITLE 2	BUILDINGS, EQUIPMENT AND SUNDRY OPERATING EXPENDITURE	1 547 928.09	1 544 562.09	99.78%	1 267 637.98	81.89%	280 290.11
30	External translation and related services	1 868 124.93	1 868 124.93	100.00%	1 815 081.55	97.16%	53 043.38
31	Interinstitutional cooperation	214 377.01	214 377.01	100.00%	213 745.15	99.71%	631.86
32	Expenditure relating to the e-CDT program	0.00	0.00	N/A	0.00	N/A	0.00
TITLE 3	OPERATIONAL EXPENDITURE	2 082 501.94	2 082 501.94	100.00%	2 028 826.70	97.42%	53 675.24
TOTAL BUDGET		3 726 071.40	3 722 705.40	99.91%	3 341 626.94	89.68%	384 444.46

B.5. Budget outturn

in EUR

	2022	2021	% change
Budget revenue	43 962 513.38	46 560 691.82	-5.58%
Translation	41 903 479.84	44 481 369.23	-5.80%
Terminology	330 570.01	28 350.01	1066.03%
Term lists	406 249.00	216 969.00	87.24%
Interinstitutional cooperation – IATE database	660 092.24	632 642.36	4.34%
Subtitling	136 333.21	150 675.00	-9.52%
Other operating revenues	215 304.82	192 004.00	12.14%
Revenue from operations	43 652 029.12	45 702 009.60	-4.49%
Financial income	37 163.76	0.00	N/A
Grant for rent from Luxembourgish Government	170 000.00	170 000.00	0.00%
Miscellaneous	103 320.50	688 682.22	-85.00%
Budget expenditure	44 398 138.12	44 300 208.37	0.22%
<i>Title 1 – Staff</i>			
Payments	27 463 510.87	25 598 282.23	7.29%
Appropriations carried over	153 105.68	95 641.37	60.08%
<i>Title 2 – Buildings, equipment and miscellaneous operating expenditure</i>			
Payments	5 896 502.05	6 042 116.63	-2.41%
Appropriations carried over	1 105 676.40	1 547 928.09	-28.57%
<i>Title 3 – Operational expenditure</i>			
Payments	8 255 015.73	8 933 738.11	-7.60%
Appropriations carried over	1 524 327.39	2 082 501.94	-26.80%
Budget outturn for the financial year	-435 624.74	2 260 483.45	-119.27%
Other	384 237.32	315 603.5	21.75%
Appropriations carried forward and subsequently cancelled	384 444.46	315 583.28	21.82%
Exchange-rate differences	-207.14	20.22	-1405.23%
Balance of the outturn account for the financial year	-51 387.42	2 576 086.95	-101.99%
Outturn for the previous year	1 118 155.43	4 052 542.68	-72.41%
Allocation to reserves (1)	-2 310 455.43	-5 510 474.20	-58.07%
Reserve for pricing stability	-2 310 455.43	-5 567 143.00	-58.50%
Usage and cancelation of reserve for pricing stability	0.00	0.00	N/A
Reimbursement from the reserve for pricing stability	0.00	0.00	N/A
Reserve for exceptional investment (e-CdT)	0.00	0.00	N/A
Usage of reserve for exceptional investments (e-CdT)		56 668.80	-100.00%
Reserve for disputed salary increase	0.00	0.00	N/A
Usage and cancelation of reserve for disputed salary increase	0.00	0.00	N/A
Budget outturn to carry forward	-1 243 686.92	1 118 155.43	-211.23%

- (1) The movements in the reserves in 2022 include the re-allocation to the budget reserve for stability pricing (EUR 2 310 455.43) in order to ensure the financial sustainability of the Centre in the future and to allocate the budget outturn carried over from 2021 (EUR 1 118 151.08) to the 2022 budget outturn.

Further explanations on the movements of reserves and the permanent prefinancing fund are set out in the tables below.

The budget outturn to be carried forward in 2023 is EUR 1 243 691.77 million negative and consequently this will be included in the amending budget 1/2023.

B.6. Reserves and prefinancing fund

in EUR

Name of the reserve	Balance 2022	Description of the reserve
Reserve for pricing stability	10 318 451	Reserve created initially in 2011 – the reasons for creating this reserve were, first, to offset the fluctuation of client forecasts, which prevent the Centre from achieving a balanced budget and, second, to maintain reasonable and relatively stable prices for the Centre's clients.
Reserve for exceptional investments	90 509	Reserve established in 2011 for development of the new core business software, 'e-CdT', for increasing the Centre's efficiency.
Total temporary reserves created from the budget	10 408 961	
Permanent prefinancing fund	16 529 466	Article 67(a) of the Centre's Financial Regulation provides for a permanent pre-financing fund that guarantees financing for the proper functioning of the Centre; Article 57a of the Regulation laying down detailed rules for the implementation of the Financial Regulation stipulates that the amount of this fund may not be less than four twelfths of the appropriations for the financial year.
Total reserves including prefinancing fund	26 938 426.63	

In EUR

	Reserve for stability pricing	Reserve for exceptional investments	Reserve for disputed salary increase	Reserve for relocation expenses	Permanent prefinancing fund	Total reserves and permanent prefinancing fund
Balance as at 31 December 2009	0	0	0	0	14 363 166	14 363 166
Allocation to reserves	0	774 864	0	0	2 166 300	2 941 164
Use of the reserve	0	0	0	0	0	0
Balance as at 31 December 2010	0	774 864	0	0	16 529 466	17 304 330
Allocation to reserves	4 906 000	4 325 700	0	0	0	9 231 700
Use of the reserve	-1 772 000	0	0	0	0	-1 772 000
Balance as at 31 December 2011	3 134 000	5 100 564	0	0	16 529 466	24 764 030
Allocation to reserves	1 847 574	0	0	1 250 000	0	3 097 574
Use of the reserve	0	-831 200	0	0	0	-831 200
Balance as at 31 December 2012	4 981 574	4 269 364	0	1 250 000	16 529 466	27 030 404
Allocation to reserves	3 723 567	0	1 480 500	0	0	5 204 067
Use of the reserve	0	-339 106	0	-1 250 000	0	-1 589 106
Balance as at 31 December 2013	8 705 141	3 930 258	1 480 500	0	16 529 466	30 645 365
Allocation to reserves	11 031 061	0	777 000	0	0	11 808 061
Use of the reserve	-4 106 650	-686 002	-2 257 500	0	0	-7 050 152
Balance as at 31 December 2014	15 629 552	3 244 256	0	0	16 529 466	35 403 274
Allocation to reserves	0	0	0	0	0	0
Use of the reserve	-5 046 468	-961 757	0	0	0	-6 008 225
Balance as at 31 December 2015	10 583 084	2 282 499	0	0	16 529 466	29 395 049
Allocation to reserves	2 535 083	0	0	0	0	2 535 083
Use of the reserve	0	-726 363	0	0	0	-726 363
Balance as at 31 December 2016	13 118 167	1 556 136	0	0	16 529 466	31 203 769
Allocation to reserves	0	0	0	0	0	0
Use of the reserve	-3 475 550	-549 758	0	0	0	-4 025 308
Balance as at 31 December 2017	9 642 617	1 006 378	0	0	16 529 466	27 178 461
Allocation to reserves	0	0	0	0	0	0
Use of the reserve	-254 626	-300 000	0	0	0	-554 626
Balance as at 31 December 2018	9 387 991	706 378	0	0	16 529 466	26 623 835
Allocation to reserves	0	0	0	0	0	0
Use of the reserve	-3 241 354	-370 900	0	0	0	-3 612 254
Balance as at 31 December 2019	6 146 637	335 478	0	0	16 529 466	23 011 581
Allocation to reserves	0	0	0	0	0	0
Use of the reserve	-3 705 784	-188 300	0	0	0	-3 894 084
Balance as at 31 December 2020	2 440 853	147 178	0	0	16 529 466	19 117 497
Allocation to reserves	5 567 143	0	0	0	0	5 567 143
Use of the reserve	0	-56 669	0	0	0	-56 669
Balance as at 31 December 2021	8 007 996	90 509	0	0	16 529 466	24 627 971
Allocation to reserves	2 310 455	0	0	0	0	2 310 455
Use of the reserve	0	0	0	0	0	0
Balance as at 31 December 2022	10 318 451	90 509	0	0	16 529 466	26 938 427

B.7. Reconciliation of the budget outturn and the economic outturn

The Centre's financial statements are prepared on an accrual basis, with transactions recorded during the period to which they relate. On this basis, the result for the year is indicated in the statement of financial performance. However, the Centre uses a modified cash accounting system for preparing the budget outturn account and for budget reporting. In this system, only the payments made and the revenue received in the period are recorded, together with the payment appropriations that are carried forward. The reconciliation between the budget outturn and the economic outturn is presented in the table below.

in EUR

	2022	2021
Economic result of the year	1 688 015.26	3 307 315.7
A. Adjustments for items not included in the budget outturn, but included in the economic outturn		
1. Adjustment for accrual cut-off (liabilities)	2 178 378.5	2 612 941.6
2. Reversal of accrual cut-off from previous year	- 2 612 941.6	- 2 560 851.9
3. Depreciation of intangible and tangible fixed assets	285 735.5	156 508.4
4. Prefinancing given in previous year and cleared in the year	-	-
5. Prefinancing received in previous year and cleared in the year	- 2 496 844.4	- 1 222 230.1
6. Recovery orders issued and not yet cashed	- 3 210 037.1	- 3 890 092.5
7. Payments made from carryover of payment appropriations	3 341 626.9	2 783 285.0
8. Change in work in progress	108 000.0	- 39 000.0
9. Accrued interests	- 49 896.7	-
10. Accrued income	-	-
11. Prepaid expenses	- 363 257.6	63 200.9
12. Other (VAT/Sundry re/etc)	- 20 483.1	
Subtotal	- 2 839 719.5	- 2 096 238.7
B. Adjustments for items included in the budget outturn, but not included in the economic outturn		
1. Asset acquisitions	- 1 835 832.5	- 1 431 853.2
2. Budgetary recovery orders issued before and cashed in the year	3 903 489.1	3 905 686.5
3. Payment appropriations carried over to the following year	- 2 783 109.5	- 3 726 071.4
4. Appropriations carried forward and subsequently cancelled	384 444.5	315 286.0
5. New pre-financing received in the year and remaining open as at year-end	1 433 058.8	2 299 204.4
6. Other temporary differences	- 1 733.0	2 753.3
Subtotal	1 100 317.4	1 365 005.6
Balance of the budget outturn account for the financial year	- 51 386.9	2 576 082.6

B.8. Budget revenue from operational activities 2022

In EUR

REVENUE SOURCE BY AGENCY-	REVENUE IN THE INITIAL BUDGET	REVENUE IN THE AMENDING BUDGETS	TOTAL BUDGETED REVENUES	RECOVER Y ORDERS ESTABLISHED IN THE FINANCIAL YEAR	ENTITLEMENTS CARRIED OVER FROM 2021	AMOUNTS RECEIVED ON ENTITLEMENTS CARRIED OVER	AMOUNTS RECEIVED ON 2022 ENTITLEMENTS	AMOUNTS RECEIVED 2022	SUMS STILL TO BE COLLECTED	Average collection date*
CORRESPONDS TO A BUDGET LINE	(A)	(B)	(C=A+B)	(D)	(E)	(F)	(G)	(H=F+G)	(I=D+E-H)	(in days)
European Environment Agency (EEA)	195 000.00	98 200.00	293 200.00	317 959.50	0.00	0.00	317 959.50	317 959.50	0.00	-1.39
European Training Foundation (ETF)	62 400.00	118 700.00	181 100.00	345 019.50	0.00	0.00	345 019.50	345 019.50	0.00	-24.65
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	384 100.00	0.00	384 100.00	192 065.97	0.00	0.00	192 065.97	192 065.97	0.00	+2.55
European Medicines Agency (EMA)	3 296 300.00	500.00	3 296 800.00	2 570 419.80	0.00	0.00	2 570 419.80	2 570 419.80	0.00	-29.22
European Agency for Safety and Health at Work (EU-OSHA)	639 000.00	0.00	639 000.00	916 745.00	0.00	0.00	916 745.00	916 745.00	0.00	-20.79
European Union Intellectual Property Office (EUIPO)	5 470 500.00	-296 100.00	5 174 400.00	4 036 091.00	0.00	0.00	4 036 091.00	4 036 091.00	0.00	-31.11
EUIPO trade marks	8 268 600.00	0.00	8 268 600.00	9 420 125.12	0.00	0.00	9 420 125.12	9 420 125.12	0.00	-29.19
Community Plant Variety Office (CPVO)	38 700.00	31 700.00	70 400.00	12 168.50	0.00	0.00	12 168.50	12 168.50	0.00	-15.00
European Union Agency for Law Enforcement Cooperation (Europol)	50 700.00	0.00	50 700.00	72 894.00	0.00	0.00	72 894.00	72 894.00	0.00	-16.25
European Foundation for the Improvement of Living and Working Conditions (Eurofound)	480 000.00	0.00	480 000.00	308 161.50	0.00	0.00	308 161.50	308 161.50	0.00	-13.40
European Centre for the Development of Vocational Training (Cedefop)	116 200.00	-6 500.00	109 700.00	187 503.50	0.00	0.00	171 234.50	171 234.50	16 269.00	-11.93
European Union Agency for Fundamental Rights (FRA)	1 262 000.00	0.00	1 262 000.00	1 397 066.80	0.00	0.00	1 397 066.80	1 397 066.80	0.00	-26.23
European Investment Bank (EIB)	0.00	5 700.00	5 700.00	22 409.50	0.00	0.00	22 409.50	22 409.50	0.00	-34.80
European Food Safety Authority (EFSA)	225 700.00	0.00	225 700.00	312 087.00	0.00	0.00	312 087.00	312 087.00	0.00	-37.31
The European Union's Judicial Cooperation Unit (Eurojust)	1 269 000.00	835 400.00	2 104 400.00	842 892.00	0.00	0.00	842 892.00	842 892.00	0.00	-10.89
European Maritime Safety Agency (EMSA)	71 400.00	0.00	71 400.00	141 873.50	0.00	0.00	141 873.50	141 873.50	0.00	-24.29
European Aviation Safety Agency (EASA)	32 300.00	5 600.00	37 900.00	101 005.50	162.00	162.00	101 005.50	101 167.50	0.00	+0.00

REVENUE SOURCE BY AGENCY-	REVENUE IN THE INITIAL BUDGET	REVENUE IN THE AMENDING BUDGETS	TOTAL BUDGETED REVENUES	RECOVER Y ORDERS ESTABLISHED IN THE FINANCIAL YEAR	ENTITLEMENTS CARRIED OVER FROM 2021	AMOUNTS RECEIVED ON ENTITLEMENTS CARRIED OVER	AMOUNTS RECEIVED ON 2022 ENTITLEMENTS	AMOUNTS RECEIVED 2022	SUMS STILL TO BE COLLECTED	Average collection date*
European Union Agency for Railways (ERA)	275 700.00	0.00	275 700.00	370 527.50	0.00	0.00	370 527.50	370 527.50	0.00	-24.55
European Network and Information Security Agency (ENISA)	148 200.00	0.00	148 200.00	116 186.00	0.00	0.00	116 186.00	116 186.00	0.00	-29.70
European Centre for Disease Prevention and Control (ECDC)	550 000.00	-16 400.00	533 600.00	514 779.00	11 705.00	11 705.00	472 890.00	484 595.00	41 889.00	-9.86
European Border and Coast Guard Agency (Frontex)	2 919 300.00	0.00	2 919 300.00	2 956 974.50	0.00	0.00	2 956 974.50	2 956 974.50	0.00	-26.08
Education, Audiovisual and Culture Executive Agency (EACEA)	598 400.00	-12 500.00	585 900.00	187 128.00	0.00	0.00	187 128.00	187 128.00	0.00	-24.92

*Payments before the due date give a negative figure (in blue); payments after the due date give a positive figure (in red).

In EUR

REVENUE SOURCE BY AGENCY-	REVENUE IN THE INITIAL BUDGET	REVENUE IN THE AMENDING BUDGETS	TOTAL BUDGETED REVENUES	RECOVERY ORDERS ESTABLISHED IN THE FINANCIAL YEAR	ENTITLEMENTS CARRIED OVER FROM 2021	AMOUNTS RECEIVED ON ENTITLEMENTS CARRIED OVER	AMOUNTS RECEIVED ON 2021 ENTITLEMENTS	AMOUNTS RECEIVED 2022	SUMS STILL TO BE COLLECTED	Average collection date*
CORRESPONDS TO A BUDGET LINE	(A)	(B)	(C=A+B)	(D)	(E)	(F)	(G)	(H=F+G)	(I=D+E-H)	(in days)
Executive Agency for Small and Medium-sized Enterprises (EASME)	15 900.00	43 100.00	59 000.00	63 779.00	0.00	0.00	63 779.00	63 779.00	0.00	-22.17
European Union Agency for Law Enforcement Training (CEPOL)	162 500.00	-4 800.00	157 700.00	25 836.00	0.00	0.00	25 836.00	25 836.00	0.00	-26.71
Consumers, Health, Agriculture and Food Executive Agency (Chafea)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-22.75
European GNSS Agency (GSA)	27 400.00	200 400.00	227 800.00	54 891.00	0.00	0.00	54 891.00	54 891.00	0.00	-19.50
European Defence Agency (EDA)	4 700.00	0.00	4 700.00	10 438.50	0.00	0.00	9 463.50	9 463.50	975.00	-35.33
European Chemicals Agency (ECHA)	1 682 100.00	0.00	1 682 100.00	1 806 623.41	0.00	0.00	1 806 623.41	1 806 623.41	0.00	-27.24
European Fisheries Control Agency (EFCA)	358 500.00	29 900.00	388 400.00	218 621.00	0.00	0.00	218 621.00	218 621.00	0.00	-28.60
Fusion for Energy Joint Undertaking (F4E JU)	51 800.00	0.00	51 800.00	6 516.00	0.00	0.00	6 516.00	6 516.00	0.00	-25.40
Innovation and Networks Executive Agency (INEA)	22 400.00	-7 000.00	15 400.00	4 617.00	0.00	0.00	4 617.00	4 617.00	0.00	-33.33
European Institute of Innovation and Technology (EIT)	6 000.00	0.00	6 000.00	3 868.50	0.00	0.00	3 868.50	3 868.50	0.00	-32.00
European Research Council Executive Agency (ERCEA)	67 700.00	-33 900.00	33 800.00	1 743.00	0.00	0.00	1 743.00	1 743.00	0.00	-23.60
Research Executive Agency (REA)	1 955 700.00	-1 741 200.00	214 500.00	246 028.00	0.00	0.00	246 028.00	246 028.00	0.00	-29.13
Clean Sky 2 Joint Undertaking (CS 2 JU)	3 900.00	100.00	4 000.00	3 001.50	0.00	0.00	3 001.50	3 001.50	0.00	-35.50
European Institute for Gender Equality (EIGE)	48 000.00	-3 500.00	44 500.00	82 641.10	1 886.00	1 886.00	82 641.10	84 527.10	0.00	-17.00
SESAR Joint Undertaking (SESAR JU)	13 800.00	32 200.00	46 000.00	26 230.50	3 001.50	3 001.50	26 230.50	29 232.00	0.00	-28.00
Innovative Medicines Initiative 2 Joint Undertaking (IMI 2 JU)	5 000.00	0.00	5 000.00	1 765.00	0.00	0.00	1 765.00	1 765.00	0.00	-31.67
Fuel Cells and Hydrogen 2 Joint Undertaking (FCH 2 JU)	2 400.00	0.00	2 400.00	2 001.00	0.00	0.00	2 001.00	2 001.00	0.00	-17.00
European Asylum Support Office (EASO)	2 898 600.00	687 600.00	3 586 200.00	3 555 352.35	0.00	0.00	3 555 352.35	3 555 352.35	0.00	+1.39
Agency for the Cooperation of Energy Regulators (ACER)	320 000.00	0.00	320 000.00	366 245.00	0.00	0.00	366 245.00	366 245.00	0.00	-29.43
European Securities and Markets Authority (ESMA)	596 800.00	-5 800.00	591 000.00	317 258.30	0.00	0.00	317 258.30	317 258.30	0.00	-11.70
European Banking Authority (EBA)	858 700.00	0.00	858 700.00	1 480 903.30	0.00	0.00	1 480 903.30	1 480 903.30	0.00	-23.43

REVENUE SOURCE BY AGENCY-	REVENUE IN THE INITIAL BUDGET	REVENUE IN THE AMENDING BUDGETS	TOTAL BUDGETED REVENUES	RECOVERY ORDERS ESTABLISHED IN THE FINANCIAL YEAR	ENTITLEMENTS CARRIED OVER FROM 2021	AMOUNTS RECEIVED ON ENTITLEMENTS CARRIED OVER	AMOUNTS RECEIVED ON 2021 ENTITLEMENTS	AMOUNTS RECEIVED 2022	SUMS STILL TO BE COLLECTED	Average collection date*
European Insurance and Occupational Pensions Authority (EIOPA)	283 800.00	101 500.00	385 300.00	326 575.10	0.00	0.00	326 575.10	326 575.10	0.00	-37.67
Office of the Body of European Regulators for Electronic Communications (BEREC)	152 300.00	-108 300.00	44 000.00	12 615.50	0.00	0.00	12 615.50	12 615.50	0.00	-24.89

*Payments before the due date give a negative figure (in blue); payments after the due date give a positive figure (in red).

In EUR

REVENUE SOURCE BY AGENCY-	REVENUE IN THE INITIAL BUDGET	REVENUE IN THE AMENDING BUDGETS	TOTAL BUDGETED REVENUES	RECOVERY ORDERS ESTABLISHED IN THE FINANCIAL YEAR	ENTITLEMENTS CARRIED OVER FROM 2020	AMOUNTS RECEIVED ON ENTITLEMENTS CARRIED OVER	AMOUNTS RECEIVED ON 2021 ENTITLEMENTS	AMOUNTS RECEIVED 2022	SUMS STILL TO BE COLLECTED	Average collection date*
CORRESPONDS TO A BUDGET LINE	(A)	(B)	(C=A+B)	(D)	(E)	(F)	(G)	(H=F+G)	(I=D+E-H)	(in days)
European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA)	1 224 200.00	119 700.00	1 343 900.00	957 362.50	0.00	0.00	957 362.50	957 362.50	0.00	-12.65
Electronic Components and Systems for European Leadership Joint Undertaking (ECSEL JU)	4 200.00	0.00	4 200.00	2 001.00	0.00	0.00	2 001.00	2 001.00	0.00	-27.00
Single Resolution Board (SRB)	1 475 100.00	-275 100.00	1 200 000.00	1 497 630.50	127 532.00	127 532.00	1 497 630.50	1 625 162.50	0.00	-23.50
European Schools (EURSC)	63 600.00	0.00	63 600.00	1 804.00	1 066.00	1 066.00	533.00	1 599.00	1 271.00	+23.00
Bio-Based Industries Joint Undertaking (BBI JU)	9 500.00	0.00	9 500.00	4 002.00	615.00	615.00	4 002.00	4 617.00	0.00	+19.00
Shift2Rail Joint Undertaking (S2R JU)	0.00	400.00	400.00	4 575.00	92.00	92.00	4 575.00	4 667.00	0.00	-23.60
European High Performance Computing Joint Undertaken	1 600.00	4 100.00	5 700.00	0.00	0.00	0.00	0.00	0.00	0.00	+0.00
European Labour Authority (ELA)	1 992 200.00	82 200.00	2 074 400.00	1 757 299.00	0.00	0.00	1 757 299.00	1 757 299.00	0.00	+7.64
European Public Prosecutor's Office (EPPO)	4 080 400.00	-529 400.00	3 551 000.00	2 515 829.33	0.00	0.00	2 515 829.33	2 515 829.33	0.00	
Revenue from new clients	0.00	53 300.00	53 300.00	84 318.00	0.00	0.00	84 318.00	84 318.00	0.00	-17.15
European Commission – (DG EMPL and DG JUST)	1 150 500.00	-2 900.00	1 147 600.00	316 202.50	0.00	0.00	316 202.50	316 202.50	0.00	-19.72
European Parliament (EP)	0.00	1 400.00	1 400.00	10 869.50	6 155.00	6 155.00	10 869.50	17 024.50	0.00	+3.44
Council of the European Union (Council)	320 000.00	0.00	320 000.00	21 236.00	0.00	0.00	21 236.00	21 236.00	0.00	-32.36
European Court of Auditors (ECA)	12 700.00	68 700.00	81 400.00	126 114.00	67 789.00	67 789.00	126 114.00	193 903.00	0.00	-11.08
Committee of the Regions of the European Union	0.00	0.00	0.00	194.00	0.00	0.00	194.00	194.00	0.00	-24.33

REVENUE SOURCE BY AGENCY-	REVENUE IN THE INITIAL BUDGET	REVENUE IN THE AMENDING BUDGETS	TOTAL BUDGETED REVENUES	RECOVERY ORDERS ESTABLISHED IN THE FINANCIAL YEAR	ENTITLEMENTS CARRIED OVER FROM 2020	AMOUNTS RECEIVED ON ENTITLEMENTS CARRIED OVER	AMOUNTS RECEIVED ON 2021 ENTITLEMENTS	AMOUNTS RECEIVED 2022	SUMS STILL TO BE COLLECTED	Average collection date*
European Economic and Social Committee	0.00	3 300.00	3 300.00	9 363.50	4 062.00	4 062.00	9 363.50	13 425.50	0.00	+54.00
Court of Justice of the European Union (CJEU)	0.00	30 600.00	30 600.00	65 650.80	0.00	0.00	65 650.80	65 650.80	0.00	-31.20
European Central Bank (ECB)	58 800.00	5 900.00	64 700.00	57 592.50	1 566.00	1 566.00	42 610.50	44 176.50	14 982.00	-2.57
European Ombudsman (Ombudsman)	102 400.00	129 100.00	231 500.00	333 392.00	0.00	0.00	333 392.00	333 392.00	0.00	-28.25
European Data Protection Supervisor (EDPS)	1 714 900.00	0.00	1 714 900.00	1 116 622.50	0.00	0.00	1 116 622.50	1 116 622.50	0.00	-16.69
Interinstitutional projects with the institutions (IATE)	663 100.00	-3 600.00	659 500.00	658 376.98	1 715.26	1 715.26	658 376.98	660 092.24	0.00	-24.71
TOTAL REVENUE FROM OPERATIONS	48 764 700.00	-357 700.00	48 407 000.00	43 500 068.36	227 346.76	227 346.76	42 766 305.38	43 652 029.12	75 386.00	-12.23

*Payments before the due date give a negative figure (in blue); payments after the due date give a positive figure (in red).

B.9. List of transfers 2022

in EUR

No	Date	From item	Heading	To item	Heading	Amount
1	26/01/2022	2100	Purchase, work on, servicing and maintenance of hardware and software	2000	Rental of buildings and associated costs'	41 500.00 €
2	20/07/2022	2020	Water gas electricity and heating'	2000	Rental of buildings and associated costs'	20 000.00 €
3	12/09/2022	3000	External translation services	3001	Technical services related to language services	10 000.00 €
4	04/10/2022	1100	Basic salaries	1184	Temporary daily subsistence allowances	30 000.00 €

REPORT ON BUDGETARY AND FINANCIAL MANAGEMENT 2022

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C.1 Financial resources and budgetary management

1. Initial and amending budget

The Centre's initial budget for 2022 (EUR 49.0 million) was subject to one amending budget. The amending budget 1/2022 was adopted by the Management Board by written procedure on 22 September 2022 in order to include the updated forecasts received from clients and the result of the review by the Centre of all expenditure items.

Movements in the budget in 2022

in EUR

Title	Heading	Final budget 2022	Amendments 2022	Initial budget 2022
Revenue				
1	Payments from agencies, bodies, offices and institutions	47 747 500	-354 100	48 101 600
2	Subsidy from the Commission	0	0	p.m.
3	Interinstitutional cooperation*	659 500	-3 600	663 100
4	Other revenue	314 800	42 400	272 400
5	Surplus carried over from the previous financial year	1 118 155	1 118 155	0
6	Refunds	0	0	p.m.
	Grand total	49 839 955	802 855	49 037 100
Expenditure				
1	Staff	28 361 000	-407 200	28 768 200
2	Buildings, equipment and miscellaneous operating expenditure	8 267 400	-6 200	8 273 600
3	Operational expenditure	10 901 100	-168 200	11 069 300
10	Reserves	2 310 455	1 384 455	926 000
	Grand total	49 839 955	802 855	49 037 100

2. Revenue cashed

Comparative analysis of budget revenue for 2022 and 2021

in EUR

Budget revenue	2022	2021	% change
Total revenue relating to the core operational activity	43 652 029	45 702 010	-4.49%
Financial income	37 164	0	N/A
Grants received	170 000	170 000	0.00%
Other operating income	103 321	688 682	-85.00%
Total budget revenue	43 962 513	46 560 692	-5.58%

The Centre's budget revenue is primarily composed of the revenue received from invoicing clients for services provided. It is subject to strict financial control and monitoring in accordance with the applicable regulatory framework. The Centre regularly contacts each client to request forecasts for their planned translation volumes and expenditure, and closely monitors clients' budget forecasts and expenditure.

The overall cashed revenue decreased by 5.58%, or EUR 2.6 million, mainly due to:

Operational revenues which decreased by 4.49%, or EUR 2.1 million, from EUR 47.5 million in 2021 to EUR 43.6 million in 2022 due to the overall decrease in the amounts invoiced (EUR 2.6 million or -5.58%) and consequently collected.

This includes the positive impact of advance payments amounting to EUR 1.4 million in 2022 versus EUR 2.3 million in 2021 (-EUR 0.9 million or -37.7%).

The decrease of EUR 0.6 million or 85% in other revenue collected, due to the fact that the sublease of a portion of the building to CHAFAEA ended at the end of 2021.

It should also be noted that, due to the increase in interest rates, we have received EUR 0.04 million in bank interest in 2022.

The number of pages delivered to clients is lower than the forecast in the initial budget (-3.9%). The overall number of pages invoiced to clients was significantly lower than in the previous year. In 2022, there was an 5% decrease in the total pages invoiced to clients. A detailed analysis of the main revenue components reveals that the number of translated pages of documents other than EU trade marks increased by 1.3% (+4 345 pages), and the translation of pages of EU trade marks decreased by 12.65% (-34 742 pages).

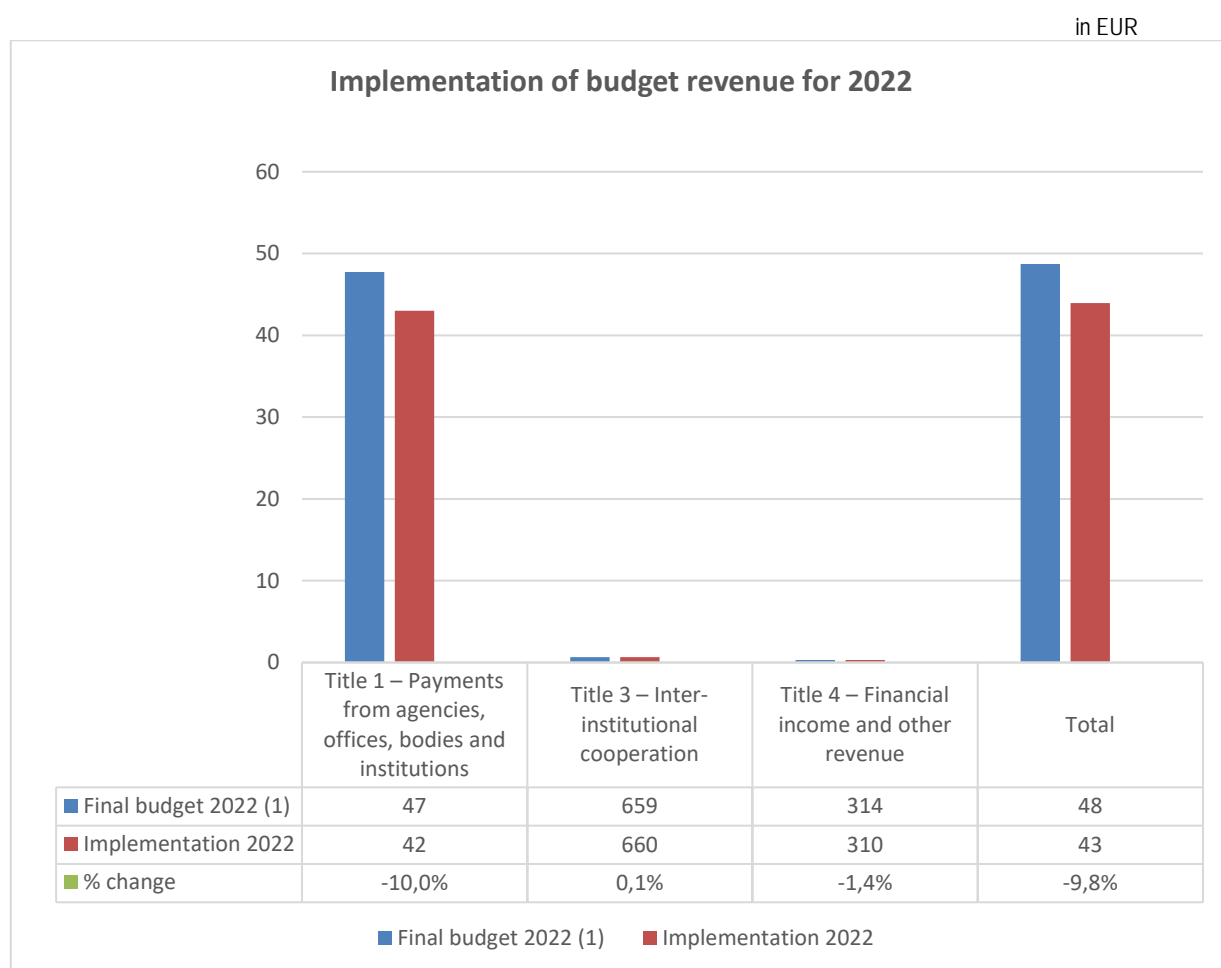
Taking into consideration the above aspects, the revenues for 2022 were inferior to 2021 (-5.58%); this can also be seen from the statistics on page volumes in Chapter C.2 and from the economic result for the year in Chapter A.2.

In the last quarter of 2022, banks started to offer positive interest returns on the funds deposited and consequently the financial income related to bank interest amounted EUR 0.04 million.

Since 2013, the Centre has received an annual financial contribution from the Luxembourg government of EUR 243 250 in order to compensate for the increased rental costs of the Drosbach building compared with the rental costs paid previously to the Luxembourg government for the Nouvel Hémicycle building.

A new building contract was signed in 2021. This has made it possible to reduce the space occupied in order to reduce costs and give the possibility of teleworking to all staff. As a consequence of this new building contract, the financial contribution from the Luxembourg Government has been adjusted and the amount is now EUR 170.000 per year.

3. Implementation of budget revenue



(1) Not including the outturn for the previous year.

In 2022, the collection of revenue was 9.8% below the forecast in the amending budget 1/2022 (EUR 4.8 million), and the overall number of invoiced pages was 3% less than the final budget. For products other than EU trade marks, the revenues were 19.65% below the forecast in the amending budget 1/2022, while for EU trade marks they were 13% above the forecast.

These negative figures are due to an overestimated rectifying budget. Compared to 2021, the number of non-trademark documents increased by more than 1.3%. This compensates for the decrease in trademark activity (-12.6%).

The number of pages invoiced is significantly lower in comparison to the forecast in the final budget (-28 356 pages).

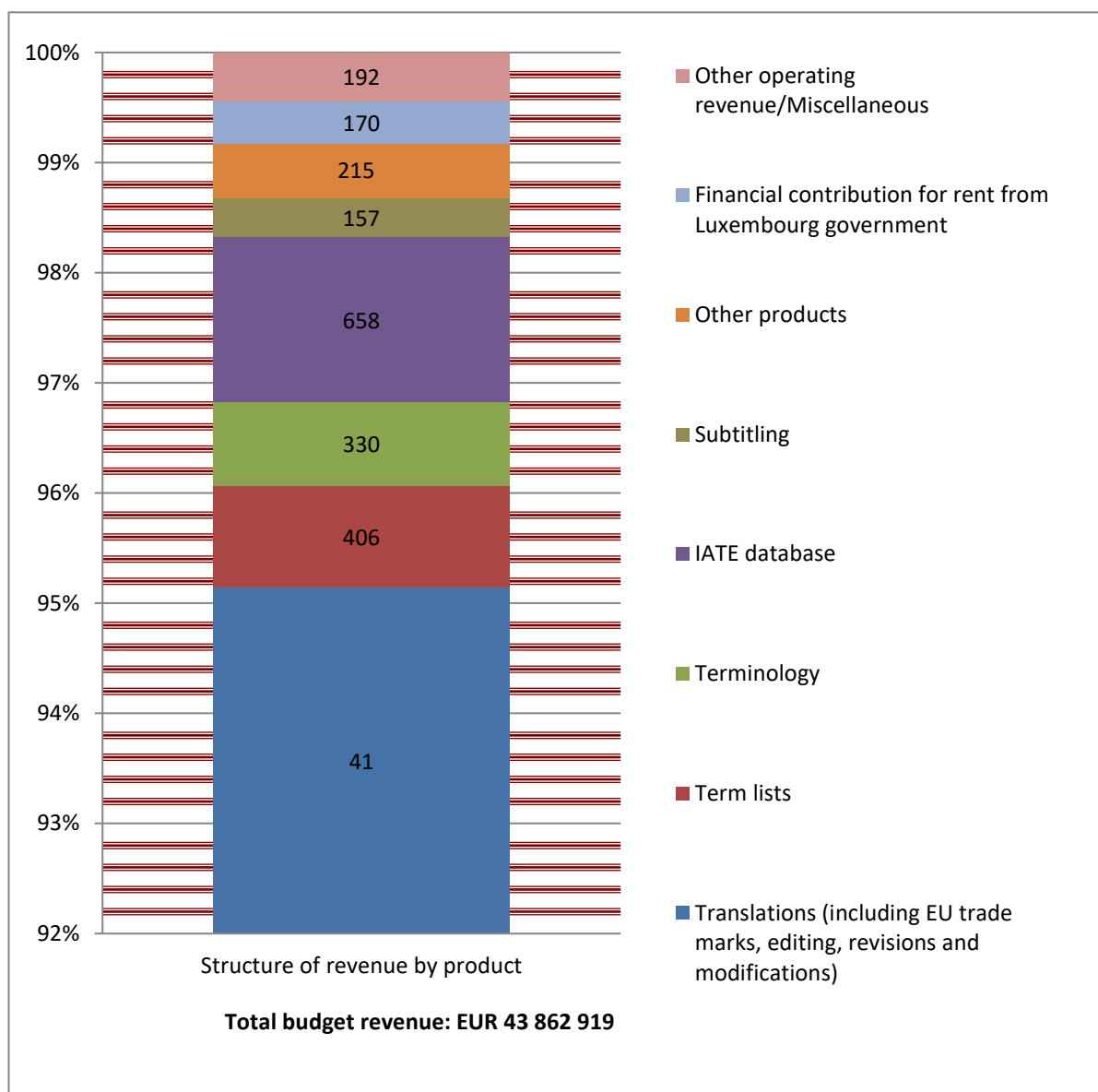
The number of EU trade mark pages delivered and invoiced to the EUIPO (239 964 pages) was 22% above the forecast (197 221 pages) and 14% higher than the forecast in financial terms. The decrease in revenues from EU trade marks was lower than the decrease in the number of EU trade mark pages invoiced because the fixed price component is not dependent on the number of pages delivered.

For more details on the evolution of the number of pages handled by the Centre, see fluctuations in forecasts versus actual volumes in 2021 in Chapter C.2. 'Achievement of targets for the year'.

4. Revenue broken down by activity

For 2022, the Centre's main source of revenue was translation work (translation of documents and EU trade marks, revision, editing and modification), representing some 95.9% of total revenue. The remaining 4.1% was the result of interinstitutional cooperation, terminology work, term lists, subtitling, the financial contribution from the Luxembourg government and miscellaneous revenue, as shown in the graph below.

21.7% of revenues from translation work were generated by EU trade marks translated for the EUIPO (23.9% in 2021). Overall revenues from the Centre's largest client, the EUIPO, amounted to EUR 13 456 216 in 2022, which represents 31% of the EUR 43 862 919 collected by the Centre in 2022 (33.9% in 2021).



5. Budget expenditure

A. Execution of commitment appropriations

in EUR

Chapter	Heading	Expenditure 2022 (commitment execution)	Expenditure 2021 (commitment execution)	Change in EUR	% Change
11	Staff in active employment	26 821 938	25 072 115	1 749 823	6.98%
13	Missions and duty travel	38 451	500	37 951	7590.20%
14	Socio-medical infrastructure	693 628	578 533	115 095	19.89%
16	Welfare service	62 600	42 550	20 050	47.12%
17	Entertainment and representation	0	226	-226	-100.00%
TITLE 1	STAFF	27 616 617	25 693 924	1 922 693	7.48%
20	Rental of buildings and associated costs	2 512 059	3 015 365	-503 307	-16.69%
21	Information technology	4 125 476	4 123 719	1 757	0.04%
22	Movable property and associated costs	35 732	33 277	2 455	7.38%
23	Operating expenditure	181 399	209 618	-28 220	-13.46%
24	Postage and telecommunications	119 938	182 933	-62 995	-34.44%
25	Expenditure on formal and other meetings	0	0	0	N/A
26	Expenditure on Management Board meetings	27 575	25 132	2 443	9.72%
27	Information: acquisition, archiving, production and dissemination	0	0	0	N/A
TITLE 2	BUILDINGS, EQUIPMENT AND SUNDRY OPERATING EXPENDITURE	7 002 178	7 590 045	-587 866	-7.75%
30	External translation services	9 059 515	10 241 218	-1 181 703	-11.54%
31	Interinstitutional cooperation	719 828	718 353	1 475	0.21%
32	Expenditure relating to the e-CDT program	0	56 669	-56 669	-100.00%
TITLE 3	OPERATIONAL EXPENDITURE	9 779 343	11 016 240	-1 236 897	-11.23%
TITLE 10	RESERVES	0	0	0	N/A
	TOTAL BUDGET	44 398 138	44 300 208	97 930	0.22%

Due to rounding, some figures may not add up exactly to the totals stated.

The execution of commitments in Title 1 increased by 7.48%, or EUR 1 922 693, in 2022 compared with 2021.

The main reason for the increase in personnel costs is the increase in the amounts spent on active staff and the financial contribution to the European Schools. Compared to 2021, salary costs have increased by 7%, with salary indexations of 2.4% and 4.5%, promotions, recruitments and step advancements.

The budget execution in Title 2 decreased by 7.75%, or EUR 587 866, in 2022 compared with 2021 due to the full year impact of the savings related to the new lease for the Centre's premises (12 months in 2022 versus 3 months in 2021).

The expenditure for Title 3 shows a decrease of 11.23%, or EUR 1 236 897, as a result of the implementation of a cost savings initiative designed to increase the rate of internalisation and consequently spend less on external services.

Change in outsourcing of documents

in pages

Description	2022	2021	Absolute change	Change in %
Freelance (in pages)	430 639	480 035	-49 396	-10.3%
In-house translators and translation memories	157 394	161 934	-4 541	-2.8%
Total pages	588 033	641 970	-53 936	-8.4%
% of externalisation	73.2%	74.8%	-1.5%	-2.1%

Outsourcing decreased by 2.1% in 2022. The number of pages translated by the Centre's in-house translators decreased by 4 541 pages in 2022 compared with 2021 and by nearly 50 000 pages for freelances.

B. Change in budget implementation (Titles 1-3)

in EUR

Description	2022	Implementation 2022	2021	Implementation 2021	% Change
Budget (excluding Title 10)	47 529 500	N/A	47 464 600	N/A	N/A
Commitments entered into	44 398 138	93.41%	44 300 208	93.33%	0.08%
Appropriations cancelled	3 131 362	6.59%	3 164 392	6.67%	-0.08%
Payments made	41 615 029	87.56%	40 574 137	85.48%	2.07%
Appropriations carried over	2 783 109	5.86%	3 726 071	7.85%	-1.99%

The execution of the budget expenditure was equal to the previous year, with 93.4% of budget appropriations committed (93.3% in 2021) and the remaining 6.6% cancelled. The execution of payments is slightly higher than that of the previous year (87.6% in 2022 compared with 85.5% in 2021), and 5.9% of the budget appropriations were carried over to the following year compared to 7.9% the previous year.

A total of EUR 3 131 362 of the budget in Titles 1-3 (6.6%) was not used, which is almost equal to the amount in the previous year, demonstrating that the Centre is controlling its expenses.

A very good execution of commitments can be observed across all budget titles, reaching an overall total of 93.4% in 2022, as can be seen in the table below.

C. Budget implementation Titles 1-3 (including credit transfers)

in EUR

Description	Title 1		Title 2		Title 3		Total
	Amount	%	Amount	%	Amount	%	Amount
Budget (excluding Title 10)	28 361 000	N/A	8 267 400	N/A	10 901 100	N/A	47 529 500
Commitments entered into	27 616 617	97.4%	7 002 178	84.7%	9 779 343	89.71%	44 398 138
Appropriations cancelled	744 383	2.6%	1 265 222	15.3%	1 121 757	10.29%	3 131 362
Payments made	27 463 511	96.8%	5 896 502	71.3%	8 255 016	75.73%	41 615 029
Appropriations carried forward	153 106	0.5%	1 105 676	13.4%	1 524 327	13.98%	2 783 109

Title 1 – Staff

The initial budget in Title 1 was EUR 28 768 200. This decreased to EUR 28 361 000 in the amending budget 1/2022. The main decrease concerns the budget for Chapter 11 ('Staff in active employment') which has been decreased by EUR 215 500. The changes are mostly due to the reduced number of staff in active employment and the increase in indexation from 1% to 2.4% for the first part of the year and 4% for the second part. In total, the budget for staff in active employment (Article 110) has decreased by -0.5%.

During 2022, 97.4% of the final budget (94.9% in 2021) was executed in terms of commitments, namely EUR 27 616 617 (EUR 25 693 924 in 2021), and 96.8% of the budget (94.5% in 2021) was consumed by payments. EUR 744 383 was left unused, representing 2.6% of the budget (EUR 1 384 976 or 5.1% in 2021). The main factor for the under-execution of commitments was staff turnover in 2022, and therefore a lower fulfilment of the establishment plan. On the other hand, since commitments covering salaries and other staff-related expenditure cannot be carried over, the level of carryovers was higher (EUR 153 106 compared with EUR 95 641 in 2021). The relatively high budget implementation and the low amount of carryovers for Title 1 is due to the reasonable predictability of staff expenditure and good monitoring of payment execution in Title 1.

Title 2 – Buildings, equipment and miscellaneous operating expenditure

The initial budget in Title 2 was EUR 8 273 600, which was decreased to EUR 8 267 400 in the amending budget 1/2022. This was lower than the budget for 2021, which was EUR 8 350 700. The execution of commitments reached 84.7% in 2022, leaving EUR 944 055 unused. The implementation is lower compared to the previous year, during which 88.9% of Title 2 was committed. Payment execution was higher than in the previous year, with an execution rate of 71.8%, compared to 70.8% in 2021.

The execution rate in the most important budget heading, Chapter 20 covering rent and building-related charges, has remained relatively high for many years, at 96.1% and shows an improvement over the previous year (95.0% in 2021). However, a decrease can be observed in the execution rate for IT expenses, the second most important budget Chapter, which decreased by 8.43% compared to that of 2021 (90.0%). The execution of other chapters of Title 2 reflects the final nature of the commitments underlying the expenses, which cannot always be estimated reliably.

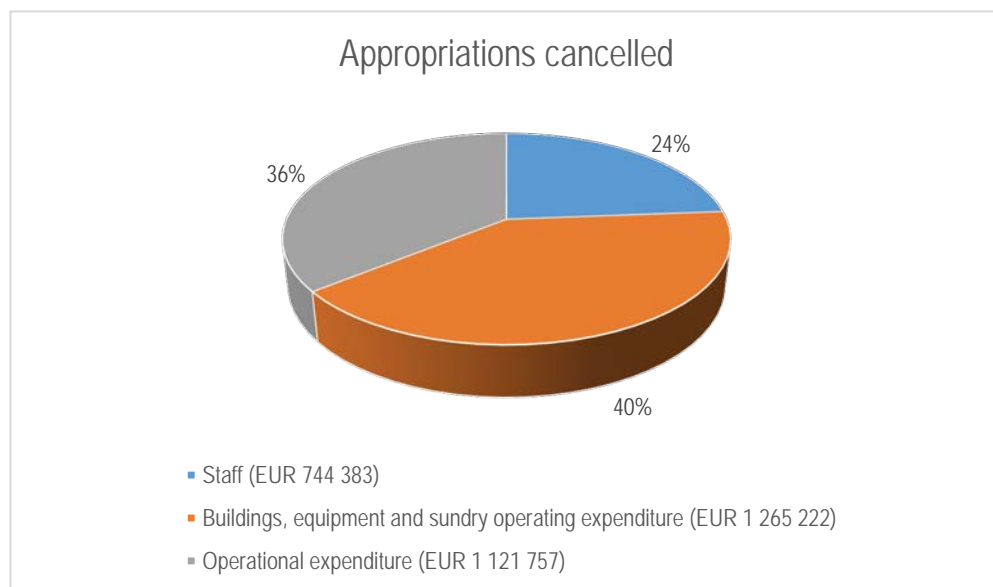
The commitments carried over from 2022 to 2023 amounted to EUR 1 105 676, which is lower than the carryovers from 2021 to 2022 (EUR 1 547 928).

Title 3 – Operational expenditure

The initial budget in Title 3 was EUR 11 069 300, which was decreased to EUR 10 901 100 in the amending budget 1/2022. In Title 3, 89.7% of the budget (EUR 9 779 343) was used during 2022, which is much lower than in 2021 (93.0% or EUR 11 016 240). The unused budget appropriations in this title stood at EUR 1 121 757 (EUR 835 360 in 2021), with EUR 1 111 988 of this relating to item 3000 'External translation services' (EUR 797 595 in 2021).

The execution rate in Title 3 is lower than the budget appropriations available in the budget. The Centre will never be able to achieve full execution of Title 3 because translation requests received from clients are always subject to a degree of unpredictability, and the Centre must retain a certain margin for unforeseen translation requests. The Centre carried out a thorough monitoring of the execution of Title 3 and, as a result, re-evaluated client forecasts and budget needs in the amending budget. Therefore, the execution of Title 3 and other titles is very close to the available budget.

D. Appropriations cancelled



C.2 Achievement of targets for the year

In 2022, the Centre's translation volume reached a total of 588 033 pages, which represented an 8.4% decrease (before memory translations) compared to 2021 (641 970 pages). This figure includes documents, EU trade marks and pages translated for the Centre's own needs.

In 2022, the number of pages of documents (including translations, modifications, editing, revisions, light post-editing, full post-editing, automatic translation and 'paste 'n' go') stood at 348 070 pages, representing a decrease of 5.2% compared to 2021 (367 264 pages). This figure includes pages translated for the Centre's own needs. This volume was 16% lower than the forecast (414 394 pages) in the initial budget and 14.9% lower than the forecast (409 035 pages) in the amending budget. With regard to documents, Figure 1 below shows the number of translated pages actually invoiced.

In addition to the above-mentioned services, the Centre also provided other language services. Some 993.1 person-days were spent on terminology work and 380.6 person-days on language consultancy.

A total of 21 clients requested the translation or revision of term list entries. The Centre's clients received 4 066 minutes of subtitling and 2 661 minutes of transcription.

As part of the Centre's quality assurance assessment of its external language service providers, translations produced by its external providers are revised and evaluated by in-house translators prior to delivery to clients. In 2022, in 98.8% of cases, the translations were assessed as being of reasonable or excellent quality.

Although the percentage of external translations of poor quality was low in 2022, the Centre took some stringent measures against several contractors whose documents were judged to be repeatedly unsatisfactory. In 2022, a total of 281 outsourced translation and post-editing jobs were submitted to the Centre's internal assessment committee following an assessment of poor quality by internal revisers. The results were judged to be conclusive (with poor quality being confirmed for 240 of them, representing 85.4% of cases) and contractual measures were applied to the contractors concerned. In some cases, these contractual measures included termination of the framework contract – for instance, in cases where the contractor had provided raw or unrevised machine translation output to the Centre.

The Centre also measured the percentage of outsourced translations for which in-house revisers indicated areas of weakness when filling in the assessment sheets. This percentage indicates where the Centre's in-house revisers spotted problems and were able to improve the translations provided by external language service providers, even if the translation was found to be, on the whole, of reasonable quality. In 2022, 7.60% of outsourced translations (1679 documents) (compared to 9.1% in 2021 and 10% in 2020) were found to contain at least one area of weakness, which was addressed by the revisers before sending the translation to clients.

Outsourced documents belonged to the general domain (46.8%), followed by the legal (31.7%), finance (10.2%), scientific (4.5%) and medical (6.9%) domains.

Figure 1 Fluctuations in forecasts vs actual volumes in 2022 (in pages)

