



Annual accounts of the
Innovative Health Initiative
Joint Undertaking
Financial year 2022



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CERTIFICATION OF THE ACCOUNTS

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the IHI Joint Undertaking, in accordance with Article 52 of the Model Financial Regulation ('MFR')¹ and I hereby certify that the annual accounts of IHI JU for the year 2022 have been prepared in accordance with Chapter 8 and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and Union bodies.

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


Katty HANCO

**Accounting Officer of the
IHI Joint Undertaking**

05/06/2023

¹ Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 25(4) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

BACKGROUND INFORMATION NOTE

1. General background on the entity

Establishment

Horizon Europe – the new EU Framework Programme for Research and Innovation (2021-2027) – aims to increase the EU's research and innovation impact by combining European partnership co-investment with additional private and public sector funds in areas where the scope and scale of the research and innovation resources can help achieve the EU's Horizon Europe priorities notably, its Pillar II – Global challenges and European industrial competitiveness.

The Innovative Health Initiative Joint Undertaking (IHI JU) is a public-private partnership, based in Brussels, that is focused on funding health research and innovation.

Its establishment is regulated by Council Regulation (EU) 2021/2085 of 19 November 2021 and published in the Official Journal on 30 November 2021 (date of entry into force of the Single Basic Act (SBA)).

Under the Single Basic Act (Article 174.7), the Innovative Health Initiative Joint Undertaking shall be the legal and universal successor in respect of all contracts, including employment contracts and grant agreements, liabilities and acquired property of the Innovative Medicines Initiative 2 Joint Undertaking established by Council Regulation (EU) No 557/2014 of 6 May 2014, which it shall replace and succeed.

Mission

IHI JU's core goals are to translate health research and innovation into tangible benefits for patients and society, and ensure that Europe remains at the cutting edge of interdisciplinary, sustainable, patient-centric health research. IHI JU facilitates collaboration between the key players involved in health research, including universities, research centres, life sciences industries, small and medium-sized enterprises (SMEs), patient organisations, regulators, etc.

The Strategic Research and Innovation Agenda (SRIA) details the areas IHI JU should work on and helps to guide IHI's decisions on which ideas should be turned into call topics. The SRIA also flags up potential synergies with other initiatives.

Main operational activities

The general IHI JU's objectives set by the Single Basic Act are:

- Turn health research and innovation into real benefits for patients and society;
- Deliver safe, effective health innovations that cover the entire spectrum of care – from prevention to diagnosis and treatment – particularly in areas where there is an unmet public health need;
- Make Europe's health industries globally competitive.

The legislation also includes the following specific objectives, which are described in more detail in the Strategic Research and Innovation Agenda (SRIA).

- Improve our understanding of the factors that affect our health and the development and treatment of certain diseases;
- Integrate fragmented health research and innovation efforts by bringing together health industry sectors and other stakeholders. This will enable the development of tools, data, platforms, technologies and processes that will in turn facilitate the prevention, diagnosis, treatment and management of diseases, especially in areas where there is an unmet public health need;
- Demonstrate the feasibility of integrated healthcare solutions that draw on various technologies from different sectors and address the needs of the people who will use them, such as patients and healthcare professionals;
- Make better use of opportunities to gather health data and use it in research and care, all while respecting relevant privacy legislation; and
- Develop ways of assessing the value of innovative, integrated health care solutions to patients, carers, healthcare professionals and organisations, and other stakeholders.

Governance

The founding members of IHI JU are the European Union, represented by the European Commission, and the European life science industry, represented by the industry associations COCIR, EFPIA (including Vaccines Europe), EuropaBio and MedTech Europe.

The Governing Board is the main decision-making body of IHI JU. It has overall responsibility for the strategic orientation and the operations of the IHI JU and supervises the implementation of its activities. It is composed of four representatives from the European Commission and four representatives of the industry partners.

The Joint Undertaking is headed by an Executive Director, appointed by the Governing Board and who is the legal representative of IHI JU and the chief executive responsible for the implementation of the Joint Undertaking's operations, in accordance with the decisions of the Governing Board. The Programme Office supports the Executive Director in the day-to-day management of the Joint Undertaking.

The Science and Innovation Panel (SIP) and the States' Representatives Group are the advisory bodies of IHI JU. The Science and Innovation Panel (SIP) provides the Governing Board with science-based advice on a range of matters. Panellists include representatives of the European Commission, IHI industry partners and the States' Representatives Group as well as the scientific community; and the wider healthcare community. The States' Representatives Group is consulted on a range of issues, including draft call topics. It also acts as a vital link between IHI and relevant national and regional research and innovation programmes. It consists of representatives of the EU Member States and countries associated to Horizon Europe.

Sources of financing

IHI JU is jointly funded by the contributions of its members.

The total budget for IHI for the period 2021-2027 is EUR 2.4 billion:

- EUR 1.2 billion comes from Horizon Europe, the EU's framework programme for research and innovation;
- EUR 1 billion will come from the IHI industry partners;
- EUR 200 million will come from other life science industries or associations that decide to contribute to IHI as contributing partners.

The administrative costs are covered by financial contributions divided equally between the EU and the industry partners (EFPIA, COCIR, MedTech and EuropaBio). The operational costs are covered by the financial contributions of the EU and the financial contributions and in-kind contributions of the industry partners. The in-kind contributions to operational activities (IKOP) are the eligible costs incurred by the industry partners in implementing IHI JU indirect actions that are not reimbursed by the Joint Undertaking. The in-kind contributions to additional activities (IKAA) are costs incurred by industry partners in implementing additional activities that contribute to the IHI JU objectives and that are not reimbursed by the Union.

IHI JU also receives contributions to its operational costs from its contributing partners. Any country, international organisation or legal entity that wants to contribute to the IHI objectives can apply to become an IHI contributing partner, as long as it is not a member or affiliate of one of the IHI industry partners. Contributing partners invest their own resources (IKOP which can be researchers' time, laboratories, data, etc.) or cash in a specific IHI project or projects.

2. Annual accounts

Basis for preparation

The legal framework and the deadlines for the preparation of the annual accounts follow the Model Financial Regulation (MFR)². As per this regulation, the annual accounts are prepared in accordance with the rules adopted by the Accounting Officer of the Commission (EU Accounting Rules, EAR), which are based on internationally accepted accounting standards for the public sector (IPSAS).

Accounting Officer

In accordance with the MFR, the Governing Board of the entity appoints the Accounting Officer who is, amongst other tasks, responsible for preparation of the annual accounts.

The Single Basic Act³ establishing the new generations of JUs required, within one year following the date of entry into force of the Regulation, to establish back office arrangements to provide horizontal support functions to the joint undertakings, by concluding service level agreements. The Back Office Arrangement for Accounting Services (BOA Acc) was established and took over the accounting services from Accounting Officer the European Commission from 1 December 2022. Following the decision of the IHI JU's Governing Board of 30 November 2022 (IHI-GB-DEC-2022-17), on behalf of the BOA Acc, Ms Katty Hancq, as of 1 December 2022, acts as the Accounting Officer of IHI JU.

Composition of the annual accounts

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

Process from provisional accounts to discharge

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

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

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

² Commission Delegated Regulation (EU) 2019/887 of 13 March 2019 on the model financial regulation for public-private partnership bodies referred to in Article 25 (4) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

³ COUNCIL REGULATION (EU) 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014

3. Operational highlights

Achievements of the year

In 2022, IHI JU put in place governance structures, procedures and templates to ensure the new JU could be fully operational. On the governance front, the JU approved the Strategic Research and Innovation Agenda and established its States Representatives Group and Science and Innovation Panel. IHI JU also put in place procedures and templates to contributing partners to join the JU, as well as a platform and procedures to gather ideas for call topics from external parties. Most importantly, the office prepared a suite of processes and templates to allow the launch of the first IHI JU' calls for proposals. In total, IHI JU launched 3 calls for proposals in 2022, covering all focus areas of the SRIA and a range of diseases and health sectors. At the same time, the office continued to manage the legacy projects launched under IMI1 and IMI2, and these continued to deliver exciting results.

BUDGET AND BUDGET IMPLEMENTATION

IHI JU's total budget for 2022 was EUR **272 383 841** in commitment appropriations (CA) and EUR **174 845 991** in payment appropriations (PA). The budget execution of the commitment appropriations and the payment appropriations reached **96.60%** and **86.25%** respectively.

The IHI JU's budget is divided into three titles:

- Title 1 covers staff expenditure such as salaries, training, and costs associated with recruitment procedures, missions and staff well-being.
- Title 2 covers the costs associated with functioning of IHI such as renting of premises, IT needs, meetings, expenses related to external communication and costs of ex-post audits.

Titles 1 and 2 together form the administrative expenditure.

- Title 3 covers IHI's operational activities.

The IHI JU Governing Board approved the 2022 budget on 16 December 2021. The total budget approved was EUR 9.3 million in commitment appropriations and EUR 176.3 million in payment appropriations. The budget was subsequently amended during 2022.

The first budget amendment was approved by the Governing Board on 17 June 2022. The total budget approved was EUR 264.8 million in commitment appropriations and EUR 167.7 million in payment appropriations. The first budget amendment was driven by revenue and expenditure updates as follows:

- To update the commitment appropriations related to the first three calls launched in 2022 under Horizon Europe programme, of the total amount EUR 253.7 million.
- To update the contributions of the EU and the new industry members to IHI JU budget, for both administrative and operational budget. In addition, the EU contribution reflected the carry-over of revenue from previous year of EUR 0.5 million.
- To enter in the budget the carry-over of the operational funds from the previous year, of EUR 1.8 million on commitment appropriations and EUR 7.9 million on payment appropriations.
- To update the operational payments appropriations by reducing them by EUR 17 million to reflect the operational needs of the IMI2 related projects.

The Governing Board approved the second budget amendment on 8 December 2022, to reflect the carry-over of administrative funds from the previous year, of EUR 0.5 million on commitment appropriations and of EUR 0.1 million on payment appropriations.

The total appropriations approved with the second budget amendment for 2022 were EUR 265.3 million in commitment appropriations and EUR 167.8 million in payment appropriations. In addition, the amount of assigned revenue (amounts recovered during the year from suppliers and projects) was EUR 7.1 million in commitment appropriations and EUR 7.1 million in payment appropriations.

Operational expenditure

IHI JU's operational budget (Title 3) reflects expenses linked to the implementation of the IHI JU's research agenda. In 2022, the operational commitment and payment appropriations implementation reached a level of 97.05% and 86.49% respectively.

It should be noted that since November 2021, IHI JU has managed three programmes in parallel.

- IMI1 (under the Seventh Framework Programme, FP7)

FP7 was the EU's research and innovation funding programme for 2007-2013. Through FP7, the EU contributed EUR 966 million to the IMI1 research programme.

In 2022, payments related to FP7 projects amounted to EUR 13.7 million. The payment appropriations related to FP7 were mainly used by payments for periodic or final reports for projects of IMI1 calls 6, 8, 9, 10 and 11.

- IMI2 (under Horizon 2020, H2020)

As initially foreseen in the 2014 Council Regulation, the European Union has committed to contribute EUR 1.595 billion from H2020 to the IMI2 programme, for operational activities. At the end of 2022, the total EU operational commitment appropriations at programme level over the lifetime of the IMI2 JU (2014-2021) amount to EUR 1.456,6 billion:

EUR 1.595 billion	(as initially foreseen in Council Regulation 557/2014)
- EUR 139 million	(reduction in 2019)
- EUR 6.7 million	(redeployment to climate related activities under Horizon 2020)
+ EUR 7.3 million	(50% of unused commitments since 2014, transferred from the administrative budget to the operational budget)
= EUR 1.456,6 billion	total EU commitments available at programme level over the lifetime of the IMI2 JU (2014-2021) for operational activities at the end of 2021

In 2022, payments related to H2020 projects amounted to EUR 128.7 million. The payment appropriations related to H2020 were mainly used by interim and final payments for projects of IMI2 calls 3-22.

- IHI JU (under Horizon Europe, HE)

Starting from 30 November 2021, IHI JU managed a third programme, Horizon Europe.

As foreseen in the 2021 Council Regulation, the EU has committed to contribute EUR 1.170 billion from Horizon Europe to the IHI programme, for operational activities. The IHI JU industry partners have committed up to EUR 1 billion to IHI JU, and furthermore up to EUR 200 million can be committed by other organisations that decide to support the objectives of IHI in specific areas of research, by becoming contributing partners.

Regarding the commitment appropriations, in 2022, IHI JU launched the first three calls for proposals under the Horizon Europe programme. The committed amounts were EUR 95 million for IHI call 1, EUR 22 million for IHI call 2 and EUR 138 million for IHI call 3.

Administrative expenditure

The administrative budget implementation, of the commitment and payment appropriations, reached a level of 83.9% and 82.2% respectively.

At the end of 2022, the administrative budget was EUR 9.4 million in commitment appropriations and EUR 9.9 million in payment appropriations. The implementation rates show a significant achievement for administrative expenditure (Titles 1 and 2) in 2022 compared with the previous year, as a result of continuous actions in planning and monitoring the administrative budget.

Regarding Title 1, the budget implementation of the commitment and payment appropriations reached a level of 87.4% and 86.6% respectively. Within Title 1, the payments execution rate for missions expenditure was 16%, as a result of the COVID-19 crisis' effects and attending many meetings and events in a remote mode.

Regarding Title 2, the budget implementation of the commitment and payment appropriations reached a level of 76.4% and 74.2% respectively.

A significant part of Title 2 budget was used for expenditure linked to rent, IT, communication, ex-post audit and studies, as support provided in managing the three programmes running.

On the other hand, due to effects of the COVID-19 crisis, formal meetings and expenditure in connection with operational activities costs were affected by meetings taking place mainly virtually.

IHI JU continued to execute its budget applying principles of sound financial management, which resulted in several budget transfers between budget chapters, in line with the operational needs. In 2022, there were no budget transfers between titles.

Impact of the activities in the financial statements

In the financial statements, the impact of the above mentioned activities can be noted in the:

Pre-financing: In 2022 the first three calls for proposals under the Horizon Europe programme were launched and the pre-financing will only occur in 2023. Nevertheless, for ongoing IMI2 JU projects and the finalisation of several projects the clearing of the pre-financing with incurred expenses, resulted in an overall decrease of pre-financing from kEUR 338 210 in 2021 to kEUR 255 058 in 2022 (see note **2.3**).

Members' contributions: The contributions from members increased by kEUR 450 605 and amounted to kEUR 3 653 607 in 2022. The increase of kEUR 160 671 in the cash contributions comprises cash funding from the EU and the private members to cover the administrative and operating activities of the JU in 2022. The increase of kEUR 289 934 in the in-kind contributions comprises the in-kind contributions from the members other than EU that have been validated by the IHI JU Authorising Officer or a delegate in 2022 (see note **2.7**).

Operational costs: The decrease of the total operating cost from kEUR 493 911 in 2021 to kEUR 467 522 in 2022 is an effect of an increase of the total validated costs combined with an important decrease of the estimated costs. This evolution is in line with the phasing out of the IMI JU (legacy IMI1 and IMI2 projects) where larger costs are incurred on the basis of the validated mid-term and final cost claims and lower amounts thus need to be estimated (see note **3.4**).

FINANCIAL STATEMENTS AND EXPLANATORY NOTES

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

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BALANCE SHEET

	Note	31.12.2022	EUR '000 31.12.2021
NON-CURRENT ASSETS			
<i>Intangible assets</i>	2.1	3	17
<i>Property, plant and equipment</i>	2.2	164	171
<i>Pre-financing</i>	2.3	144 588	209 410
		144 755	209 597
CURRENT ASSETS			
<i>Pre-financing</i>	2.3	110 470	128 800
<i>Exchange receivables and non-exchange recoverables</i>	2.4	47 836	30 603
		158 306	159 403
TOTAL ASSETS		303 061	369 001
CURRENT LIABILITIES			
<i>Payables and other liabilities</i>	2.5	277 762	309 296
<i>Accrued charges and deferred income</i>	2.6	136 489	150 928
		414 251	460 224
TOTAL LIABILITIES		414 251	460 224
NET ASSETS			
<i>Contribution from Members</i>	2.7	3 653 607	3 203 002
<i>Accumulated deficit</i>		(3 294 225)	(2 795 006)
<i>Economic result of the year</i>		(470 571)	(499 219)
NET ASSETS		(111 190)	(91 223)
TOTAL NET ASSETS AND LIABILITIES		303 061	369 001

STATEMENT OF FINANCIAL PERFORMANCE

		EUR '000	
	Note	2022	2021
REVENUE			
Revenue from non-exchange transactions			
<i>Recovery of operating expenses</i>	3.1	4 748	2 721
<i>Other</i>	3.2	2	1
		4 750	2 722
Revenue from exchange transactions			
<i>Financial revenue</i>	3.3	130	32
		130	32
Total revenue		4 880	2 754
EXPENSES			
<i>Operational costs</i>	3.4	(467 522)	(493 911)
<i>Staff costs</i>	3.5	(5 178)	(5 140)
<i>Finance costs</i>	3.6	-	(73)
<i>Other expenses</i>	3.7	(2 751)	(2 848)
Total expenses		(475 451)	(501 973)
ECONOMIC RESULT OF THE YEAR		(470 571)	(499 219)

CASHFLOW STATEMENT⁴

	<i>EUR '000</i>	
	2022	2021
<i>Economic result of the year</i>	(470 571)	(499 219)
Operating activities		
<i>Depreciation and amortization</i>	83	81
<i>(Increase)/decrease in pre-financing</i>	83 152	27 998
<i>(Increase)/decrease in exchange receivables and non-exchange recoverables</i>	(17 233)	(5 907)
<i>Increase/(decrease) in payables</i>	(31 534)	(17 095)
<i>Increase/(decrease) in accrued charges & deferred income</i>	(14 439)	4 816
<i>Increase/(decrease) in cash contributions</i>	160 671	206 167
<i>Increase/(decrease) in in-kind contributions</i>	289 934	283 171
Investing activities		
<i>(Increase)/decrease in intangible assets and property, plant and equipment</i>	(63)	(13)
NET CASHFLOW	(0)	(1)
<i>Net increase/(decrease) in cash and cash equivalents</i>	-	-
<i>Cash and cash equivalents at the beginning of the year</i>	-	-
<i>Cash and cash equivalents at year-end</i>	-	-

⁴ The treasury of IMI2 JU was integrated into the Commission's treasury system. Because of this, IHI JU does not have any bank accounts of its own. All payments and receipts are processed via the Commission's treasury system and registered on intercompany accounts, which are presented under the heading exchange receivables.

STATEMENT OF CHANGES IN NET ASSETS

	EUR '000			
	Contribution from Members	Accumulated Surplus/ (Deficit)	Economic result of the year	Net Assets
BALANCE AS AT 31.12.2020	2 713 664	(2 304 783)	(490 223)	(81 342)
<i>Allocation 2020 economic result</i>	-	(490 223)	490 223	-
<i>Cash contribution</i>	206 167	-	-	206 167
<i>Contribution in-kind</i>	283 171	-	-	283 171
<i>Economic result of the year</i>	-	-	(499 219)	(499 219)
<i>Unpaid cash contributions</i>	-	-	-	-
BALANCE AS AT 31.12.2021	3 203 002	(2 795 006)	(499 219)	(91 223)
<i>Allocation 2021 economic result</i>	-	(499 219)	499 219	-
<i>Cash contribution</i>	160 671	-	-	160 671
<i>Contribution in-kind</i>	289 934	-	-	289 934
<i>Economic result of the year</i>	-	-	(470 571)	(470 571)
BALANCE AS AT 31.12.2022	3 653 607	(3 294 225)	(470 571)	(111 190)

NOTES TO THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

1.1. ACCOUNTING PRINCIPLES

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

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

1.2. BASIS OF PREPARATION

1.2.1. Reporting period

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

1.2.2. Currency and basis for conversion

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

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

Euro exchange rates

Currency	31.12.2022	31.12.2021	Currency	31.12.2022	31.12.2021
BGN	1.9558	1.9558	PLN	4.6808	4.5969
CZK	24.116	26.8580	RON	4.9495	4.9490
DKK	7.4365	7.4364	SEK	11.1218	10.2503
GBP	0.88693	0.84028	CHF	0.9847	1.0331
HRK	7.5365	7.5156	JPY	140.66	130.3800
HUF	400.87	369.1900	USD	1.0666	1.1326

1.2.3. Use of estimates

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

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

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

Revised IPSAS standards which have been issued, and are effective for annual periods beginning on or after 1 January 2025

The following IPSAS standards are effective as of January 1, 2025 (earlier application is permitted):

- **IPSAS 43 Leases:** IPSAS 43 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets.
- **IPSAS 44 Non-current Assets Held for Sale and Discontinued Operations:** IPSAS 44 specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. IPSAS 44 includes additional public sector requirements, in particular, the disclosure of the fair value of assets held for sale that are measured at their carrying amounts, when the carrying amount is materially lower than their fair value.

The Accounting Officer is assessing the impact of the above standards on the Annual Accounts and considering a possible revision of relevant EAR accordingly.

1.3. BALANCE SHEET

1.3.1. Intangible assets

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

1.3.2. Property, plant and equipment

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

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

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

Leases

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

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

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

1.3.3. Impairment of non-financial assets

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

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

1.3.4. Financial assets

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

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

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

Initial recognition and measurement

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

Subsequent measurement

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

Derecognition

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

1.3.5. Pre-financing amounts

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

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

1.3.6. Receivables and recoverables

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

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

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

1.3.7. Cash and cash equivalents

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

1.3.8. Payables

Included under accounts payable are both amounts related to exchange transactions such as the purchase of goods and services, and to non-exchange transactions e.g. to cost claims from beneficiaries, grants or other EU funding, or pre-financing received (see note **1.3.5**), or non-validated in-kind contributions to operational activities (see note **1.6.2**).

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

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

1.3.9. Accrued and deferred revenue and charges

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

the services have not yet been rendered or the goods supplied have not yet been delivered, the revenue will be deferred and recognised in the subsequent accounting period.

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

1.3.10. Provisions

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

When the obligation whose existence will be confirmed by uncertain future events that are not wholly within the control of the entity, is possible, no provision is recognised, but a contingent liability is disclosed. Refer to note **1.5.2.** for details.

1.3.11. Net assets

Net assets are the residual of assets and liabilities and comprise of accumulated contributions received from the members of the JU (EU and industry) less the accumulated contributions used. The contributions include financial contributions received by the JU and contributions provided by the members to the funded projects in-kind. The net assets also contain reserves, if applicable. Refer to note **1.6** for details.

1.4. STATEMENT OF FINANCIAL PERFORMANCE

1.4.1. Revenue

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

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

(i) Revenue from non-exchange transactions

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

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

(ii) Revenue from exchange transactions

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

1.4.2. Expenses

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

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

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

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

1.5. CONTINGENT ASSETS AND LIABILITIES

1.5.1. Contingent assets

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

1.5.2. Contingent liabilities

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

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

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

1.6. CONTRIBUTIONS FROM MEMBERS

The contributions from the Members of the Joint Undertakings (JU) form the funding of the JU and are treated as contributions from owners. An owner in this context does not mean an owner in the sense of owning shares of the JU (no shares are issued) but rather in the sense of political interest and governance of the JU by exercising the voting rights linked to these contributions.

The Members of the JU are the European Union on one hand, represented by the European Commission, and the Private Members on the other hand, represented by industry trade associations, i.e., EFPIA (under FP7 and Horizon 2020 programmes) and COCIR, EFPIA (including Vaccines Europe), EuropaBio and MedTech Europe (under Horizon Europe programme).

1.6.1. Financial contributions

- **FP7 and Horizon 2020 Programmes:** financial contributions are contributions of Members made in cash in order to provide funding of the operational or administrative needs of the JU. These financial contributions are recognised in net assets in the period in which the enforceable right to receive the payment was established.
- **Horizon Europe Programme:**
 - ✓ **EU Contributions:** In accordance with Article 19 of the Financial Framework Partnership Agreement (FFPA) 2020-2027, the JU received from the European Union a pre-financing payment for the implementation of the Horizon Europe Framework Programme. According to the Specific Guidance for the accounting of the EU cash contributions received by the Joint Undertakings under FFPA related to MFF 2021-2027, the contributions payments done by the EU for the Horizon Europe Programme are accounted as 'Contributions in cash to be validated'. During the provisional accounting closure, the JU should, on the basis of the payments implementation report, determine the amount of operating and administrative expenditure that have been covered from the EU financial contributions to the Horizon Europe Programme. In the accounting of the JU the underlying amount should be, for the purpose of the preparation of the provisional financial statements, transferred from the provisional payments to the net assets of the JU (cut-off procedure). It will be qualified as final payments and formally transferred to the net assets once the Commission has accepted the Consolidated Annual Activity Report – AAR (Art. 19.2 FFPA).
 - ✓ **Private (Industry Members) contributions:** financial contributions are contributions made in cash in order to provide funding of the operational or administrative needs of the JU. These financial contributions are recognised in net assets in the period in which the enforceable right to receive the payment was established.

1.6.2. In-kind contributions

Members other than the EU (i.e. 'Private Members') can also contribute resources other than cash, e.g. laboratory equipment, specialised staff, etc. These in-kind contributions consist of the costs incurred by Private Members in implementing indirect actions.

The Regulation distinguishes between two types of in-kind contributions: (1) In-kind contributions to operational activities (IKOP) and (2) in-kind contributions to additional activities (IKAA).

The IKOP represents in-kind contributions made to the JU linked to its work plan and co-financed by the EU. The IKOP are recognised in net assets of the JU in the period when the conditions for Members' contributions stipulated by the Regulation are met.

The expenses related to the IKOP incurred in the financial year are recognised in the statement of financial performance. At year-end, incurred IKOP not yet reported are estimated and recorded as other liabilities ('Contributions of Members to be validated').

The IKAA (under Horizon 2020 programme) relate to contributions linked to implementing additional activities outside the work plan of the JU that contribute to the objectives of the JU.

For the IKAA (under Horizon Europe programme), additional activities shall be carried out in the Union or countries associated with Horizon Europe and may include:

- (a) Activities contributing towards the achievement of objectives of indirect actions funded by the Innovative Health Initiative Joint Undertaking;
- (b) Activities contributing towards the dissemination, sustainability or exploitation of results of indirect actions funded by the Innovative Health Initiative Joint Undertaking.

Because the outflow of resources related to those activities is outside of the control of the JU, these contributions are not recognised in the financial statements of the JU. However, to provide a complete picture of the operational activities related to the JU they are still disclosed as additional information in the notes.

2. NOTES TO THE BALANCE SHEET

ASSETS

2.1. INTANGIBLE ASSETS

2022	<i>EUR '000</i>
<i>Gross carrying amount at 31.12.2021</i>	444
<i>Disposals⁵</i>	(52)
Gross carrying amount at 31.12.2022	392
<i>Accumulated amortisation at 31.12.2021</i>	(427)
<i>Amortisation charge for the year</i>	(14)
<i>Disposals</i>	52
Accumulated amortisation at 31.12.2022	(389)
NET CARRYING AMOUNT AT 31.12.2022	3
<i>NET CARRYING AMOUNT AT 31.12.2021</i>	17

2021	<i>EUR '000</i>
<i>Gross carrying amount at 31.12.2020</i>	444
Gross carrying amount at 31.12.2021	444
<i>Accumulated amortisation at 31.12.2020</i>	(407)
<i>Amortisation charge for the year</i>	(20)
Accumulated amortisation at 31.12.2021	(427)
NET CARRYING AMOUNT AT 31.12.2021	17
<i>NET CARRYING AMOUNT AT 31.12.2020</i>	37

The amounts above relate primarily to computer software with amortisation rate 25%.

2.2. PROPERTY, PLANT AND EQUIPMENT

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

2022	<i>EUR '000</i>		
	Furniture and vehicles	Computer hardware	TOTAL
<i>Gross carrying amount at 31.12.2021</i>	195	367	562
<i>Additions</i>	50	43	93
<i>Disposals⁶</i>	(85)	(95)	(180)
Gross carrying amount at 31.12.2022	160	315	475
<i>Accumulated depreciation at 31.12.2021</i>	(123)	(269)	(392)
<i>Depreciation charge for the year</i>	(12)	(50)	(62)
<i>Disposal</i>	50	93	143
Accumulated depreciation at 31.12.2022	(85)	(226)	(311)
NET CARRYING AMOUNT AT 31.12.2022	75	89	164
<i>NET CARRYING AMOUNT AT 31.12.2021</i>	72	98	171

⁵ Programme QlikView is fully amortised and not in use anymore

⁶ Charity and transfer of ownership to another JU (EDCTP3 JU) due to providing them with the floor previously occupied by IHI

2021	EUR '000		
	Furniture and vehicles	Computer hardware	TOTAL
Gross carrying amount at 31.12.2020	195	354	549
Additions	-	13	13
Gross carrying amount at 31.12.2021	195	367	561
Accumulated depreciation at 31.12.2020	(108)	(221)	(330)
Depreciation charge for the year	(15)	(47)	(62)
Accumulated depreciation at 31.12.2021	(123)	(269)	(392)
NET CARRYING AMOUNT AT 31.12.2021	72	98	171
NET CARRYING AMOUNT AT 31.12.2020	87	133	219

2.3. PRE-FINANCING

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

	EUR '000	
	31.12.2022	31.12.2021
Non-current pre-financing	144 588	209 410
Current pre-financing	110 470	128 800
Total	255 058	338 210

The pre-financing included under this heading comprises only pre-financing for operational activities.

For all pre-financing amounts open at 31 December 2022 a case-by-case assessment has been performed and all the pre-financing that was considered unlikely to be cleared in the course of 2023 was classified as non-current.

The overall high amount of the open pre-financing can be explained by the fact that for both FP7 and the Horizon 2020 rules, the incurred costs (both actual and estimated) are cleared against pre-financing when the total amounts paid to the beneficiary reach 90% of the grant agreement amount. In addition, only the amount exceeding this threshold is cleared. Consequently, in the first years of the project's life there is significant open pre-financing that will only be cleared in later years

The outstanding pre-financing, presented under this heading is net of estimated (cut-off) expenses for ongoing projects without validated cost claims on 31 December 2022. The clearing of pre-financing with year-end (cut-off) adjustments amounted to kEUR 111 017 (2021: kEUR 116 200). The remaining portion of the cut off expenses is recorded in accrued charges (see note 2.6).

In 2022 the first three calls for proposals under the Horizon Europe programme were launched and the pre-financing will only be paid in 2023. Nevertheless, for ongoing IMI2 JU projects and the finalisation of several projects the clearing of the pre-financing with incurred expenses, resulted in an overall decrease of pre-financing from kEUR 338 210 in 2021 to kEUR 255 058 in 2022.

2.4. EXCHANGE RECEIVABLES & NON-EXCHANGE RECOVERABLES

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

At 31 December 2022 IHI JU does not have any long term receivables, all amounts included under this heading are current and are as follows:

The largest amount under this heading relate to the Central treasury liaison (intercompany) accounts with the European Commission that represent a virtual bank account of IHI JU. The treasury of IHI JU has been integrated into the European Commission's treasury system. The payments and receipts are processed via the European Commission's treasury system and registered on these intercompany accounts. The ending balance of this heading is thus the result of the incoming and outgoing payments and represents the funds available for the Joint Undertaking.

	<i>EUR '000</i>	
	31.12.2022	31.12.2021
Recoverables from non-exchange transactions		
<i>Receivable from Members</i>	520	551
<i>Other</i>		-
	520	551
Receivables from exchange transactions		
<i>Central treasury liaison accounts</i>	47 230	29 994
<i>Deferred charges</i>	87	53
<i>Other</i>	-	5
	47 316	30 052
Total	47 836	30 603

LIABILITIES

2.5. PAYABLES AND OTHER LIABILITIES

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

	EUR '000	
	31.12.2022	31.12.2021
<i>Contribution in-kind to be validated</i>	247 467	289 380
<i>Contributions in cash to be validated⁷</i>	276	-
<i>Suppliers</i>	17 874	7 383
<i>Public bodies</i>	12 145	12 533
Total	277 762	309 296

Included under the sub-heading the 'Contribution in-kind to be validated' are the in-kind contributions from Members related to on-going or ended projects without a validated cost statement at 31 December 2022. The amount of in-kind contributions was estimated on a case-by-case basis using the best available information on the projects. According to applicable rules of H2020, in-kind contributions can only be validated and transferred to net assets when the total cost of the project have been audited and accepted by the JU.

The decrease of in-kind contributions to be validated is in line with the phasing out of the legacy projects where the estimated in-kind contributions are being replaced by the validated the in-kind contribution actually incurred on the basis of validated cost claims.

The increase of the current payables to Suppliers and Public bodies from globally kEUR 19 916 in 2021 to kEUR 30 019 in 2022 relates mainly to cost claims received and not validated at year-end and invoices outstanding at the year-end.

2.6. ACCRUED CHARGES

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

	EUR '000	
	31.12.2022	31.12.2021
<i>Accrued charges</i>	136 489	150 928

The heading is mainly composed of operational accrued charges (kEUR 136 032) for on-going or ended projects without a validated cost statement where the 2022 operational costs were estimated on a case by-case basis using the best available information about the projects at 31 December 2022. The portion of the estimated accrued charges which relates to pre-financing paid has been recorded as a reduction of the pre-financing amounts (see note 2.3). The decrease of the title is driven by the maturity phase of the H2020 projects and increased number of projects with validated cost claims at the end of 2022.

This heading also included of administrative accrued charges of kEUR 313 and staff related accrued charges of kEUR 144 for untaken holidays.

⁷ See accounting flows related to the new FPPA of the Joint Undertakings as explained in 1.6.1 'Financial contributions' and 2.7 'Contributions from Members and 2.7.3 'Research and Innovation funding programme for 2021-2027 (Horizon Europe)'

NET ASSETS

2.7. CONTRIBUTIONS FROM MEMBERS

The JU is funded by contributions from its members. Given their funding nature these contributions, which comprise both cash contributions and contributions in-kind, are recognised in the JU's net assets as 'Contributions from owners'. The term 'owner' does not imply ownership of any shares of the JU (in fact no shares are issued), but reflects the specific governance of the JU where voting rights are allocated in accordance with the contributions made.

Programming period	2022					2021		
	Cash	Cash to be validated	In-kind	In-kind to be validated	Total validated contribution	Cash	In-kind	Total validated contribution
FP7	960 252	-	808 851	23 199	1 769 103	960 252	766 667	1 726 919
H2020	1 028 009	-	854 005	224 268	1 882 013	869 827	606 255	1 476 083
HE	2 766	276	-	-	2 766	-	-	-
Total	1 991 027	276	1 662 856	247 467	3 653 883	1 830 079	1 372 922	3 203 002

EUR '000

2.7.1. Research and Innovation funding programme for 2007-2013 (FP7)

Similar to Horizon 2020 (see below 2.7.2), under the FP7 programme only certified in-kind contributions from the EFPIA, validated by the Authorising Officer by Delegation of IHI JU, are considered as net assets.

Member	Commission	Industry partners				Total validated	
		Cash	Cash	In-kind	EFPIA In-kind to be validated	Total validated contribution	Cash
<i>Running costs contributions at 31.12.2021</i>	34 366	21 898			21 898	56 265	-
<i>Current year contributions</i>					-	-	-
Running costs contributions at 31.12.2022	34 366	21 898	-	-	21 898	56 265	-
<i>Operating costs contributions at 31.12.2021</i>	903 988		766 667	38 286	766 667	903 988	766 667
<i>Adjustments of prior years contributions</i>			(4 379)	(38 286)	(4 379)	-	(4 379)
<i>Current year contributions</i>			46 563	23 199	46 563	-	46 563
Operating costs contributions at 31.12.2022	903 988	-	808 851	23 199	808 851	903 988	808 851
<i>TOTAL contributions at 31.12.2021</i>	938 354	21 898	766 667	38 286	788 565	960 252	766 667
TOTAL contributions at 31.12.2022	938 354	21 898	808 851	23 199	830 749	960 252	808 851
<i>% of total contributions (by type)</i>	97,72%	2,28%	100,00%			100,00%	100,00%
<i>Total contribution in %</i>	53,04%				46,96%	100,00%	
<i>Voting rights %</i>	50,00%	50,00%				100,00%	

2.7.2. 2007-2013 (FP7) MFF: Total Members `Contributions (in € million)

Members' contributions (as per Founding Regulation)					Members' contributions (as at 31.12.2022)					
Members	Operational activities	Administrative costs	Additional activities	Total	Cash	In-kind validated	In-kind reported not validated	In-kind to additional activities (IKAA)	Total	Achievement rate without IKAA
<i>EU (DG RTD)</i>	966	34	<i>N/A</i>	1 000	938	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	938	94%
<i>Private members</i>	966	34	<i>N/A</i>	1 000	22	809	23	<i>N/A</i>	854	85%
Total	1 932	68	<i>N/A</i>	2 000	960	809	23	<i>N/A</i>	1 792	90%

2.7.3. Research and Innovation funding programme for 2014-2020 (Horizon 2020)

In line with the Horizon 2020 rules, only contributions from the members certified by an external auditor and validated by the Authorising Officer by Delegation of the JU are considered in-kind contributions to the net assets. Estimated in-kind contributions, i.e. contributions for which no certifications has been received and/or this certification has not been validated by the Authorising Officer by Delegation, are reported under other liabilities.

With regard to the Horizon 2020, Council Regulation (EC) No 557/2014 (IMI2 JU) distinguishes members of the JU: the EU, represented by the Commission, the European pharmaceutical industry, represented by the EFPIA and Associated Partners.

Member	Commission	Industry partners							Total validated	
		EFPIA			Associated Partners				Total validated contribution	Cash
Cash	Cash	In-kind	In-kind to be validated	Cash	In-kind	In-kind to be validated				
<i>Running costs contributions at 31.12.2021</i>	24 033	20 589						20 589	44 621	-
<i>Current year contributions</i>	3 712	4 469						4 469	8 181	-
Running costs contributions at 31.12.2022	27 745	25 058	-		-	-	-	25 058	52 803	-
<i>Operating costs contributions at 31.12.2021</i>	813 942	4 200	518 852	225 601	7 064	87 403	25 493	617 519	825 206	606 255
<i>Adjustments of prior years' contributions</i>				(225 601)			(25 493)	-	-	-
<i>Current year contributions</i>	150 000		223 211	200 587		24 538	23 681	247 750	150 000	247 750
Operating costs contributions at 31.12.2022	963 942	4 200	742 063	200 587	7 064	111 942	23 681	865 268	975 206	854 005
<i>TOTAL contributions at 31.12.2021</i>	837 975	24 789	518 852	225 601	7 064	87 403	25 493	638 107	869 827	606 255
TOTAL contributions at 31.12.2022	991 687	29 258	742 063	200 587	7 064	111 942	23 681	890 326	1 028 009	854 005
<i>% of total contributions (by type)</i>	96,47%	2,85%	86,89%		0,69%	13,11%			100,00%	100,00%
<i>Total contribution in %</i>	52,69%							47,31%	100,00%	
<i>Voting rights %</i>	50,00%							50,00%	100,00%	

2.7.4. 2014-2020 (Horizon 2020) MFF: Total Members' Contributions (in € million)

Members' contributions (as per Founding Regulation)					Members' contributions (as at 31.12.2022)					
Members	Operational activities	Administrative costs	Additional activities	Total	Cash	In-kind validated	In-kind reported not validated	In-kind to additional activities (IKAA)	Total	Achievement rate without IKAA
<i>EU (DG RTD)</i>	1 595	43	N/A	1 638	992	N/A	N/A	N/A	992	61%
<i>EFPIA and Associated Partners</i>	1 595	43	N/A	1 638	36	854	224	N/A	1 114	68%
Total	3 191	85	N/A	3 276	1 028	854	224	N/A	2 106	64%

The last IMI2 projects were signed in 2021, some with an expected end date in 2028. At the end of 2022 there were still 78 IMI2 projects running with 66% of the commitment appropriations paid out. As the programme is still being implemented there is a natural difference between the Members' contributions and their contribution targets as per Founding Regulation. It should also be noted that the initial commitment in the 2014 Council Regulation has been reduced. At the end of 2022, the total EU operational commitment appropriations at programme level over the lifetime of the IMI2 JU (2014-2021) amount to EUR 1 456,6 million instead of initial commitment of EUR 1 595 million⁸.

The difference between EU cash contributions and private members' validated in-kind contributions is due to the fact that EU cash contributions are recognised when paid to IHI JU before the project implementation while the in-kind contributions from the private members are only recognised after the validation of the costs incurred and declared for the project implementation.

⁸ Please see section Operational highlights/Operational expenditure for further details.

2.7.5. Research and Innovation funding programme for 2021-2027 (Horizon Europe)

Under the new SBA (Horizon Europe Programme) the in-kind contributions to operational activities should be accounted for solely on the basis of eligible costs and should be reported and audited in accordance with the mechanism applicable to the specific grant agreement. These legal requirements do not change the substance of the operation: also under Horizon Europe only validated and accepted contributions by the Executive Director can be recognised under net assets. Therefore, the same accounting treatment as used under the previous regulations should be applied to IKOP under Horizon Europe.

With regard to the Horizon Europe, Council Regulation (EU) 2021/2085 (IHI JU) distinguishes members of the JU: the EU, represented by the Commission, the life science industries, represented by COCIR, EFPIA (also representing Vaccines Europe), EuropaBio and MedTech Europe (i.e., the Private Members) and Contributing Partners.

Member	Commission			Private Founding members			Total validated	
	Cash	To be validated	Total	Cash	In-kind	Total	Cash	In-kind
<i>Running costs contributions at 31.12.2021</i>								
<i>Current year contributions</i>	1 107	276	1 383	1 383	-	1 383	2 490	-
Running costs contributions at 31.12.2022	1 107	276	1 383	1 383	-	1 383	2 490	-
<i>Operating costs contributions at 31.12.2021</i>								
<i>Adjustments of prior years' contributions</i>	-	-	-	-	-	-	-	-
<i>Current year contributions</i>	-	-	-	-	-	-	-	-
Operating costs contributions at 31.12.2022	-	-	-	-	-	-	-	-
<i>TOTAL contributions at 31.12.2021</i>								
TOTAL contributions at 31.12.2022	1 107	276	1 383	1 383	-	1 383	2 490	-
<i>% of total contributions (by type)</i>	44,46%			55,54%			0,00%	
<i>Total contribution in %</i>	44,46%			55,54%		55,54%	100,00%	
<i>Voting rights %</i>	50,00%			50,00%			100,00%	

2.7.6. 2021-2027 (Horizon Europe) MFF: Total Members `Contributions (in € million)

Members' contributions (as per Founding Regulation)					Members' contributions (as at 31.12.2022)					
Members	Operational activities	Administrative costs	Additional activities	Total	Cash	In-kind validated	In-kind reported not validated	In-kind to additional activities (IKAA)	Total	Achievement rate
<i>EU (DG RTD)</i>	<i>1 170</i>	<i>30</i>	<i>N/A</i>	<i>1 200</i>	<i>1</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>1</i>	<i>-</i>
<i>Private Founding members</i>	<i>970</i>	<i>30</i>	<i>40</i>	<i>1 040</i>	<i>1</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1</i>	<i>-</i>
<i>Contributing Partners</i>	<i>200</i>	<i>-</i>	<i>N/A</i>	<i>200</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>N/A</i>	<i>-</i>	<i>-</i>
Total	2 340	60	40	2 440	2	-	-	-	2	-

3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

NON-EXCHANGE REVENUE

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

3.1. RECOVERY OF EXPENSES

The revenue resulting from recovery of expenses refers to operational expenses recovered from beneficiaries during the year and adjustments coming from audits that will be collected in the following year.

EUR '000

	2022	2021
<i>Recovery of expenses</i>	4 748	2 721

3.2. OTHER NON-EXCHANGE REVENUE

EUR '000

	2022	2021
<i>Other</i>	2	1

This heading includes mainly the damages arising from audits that IHI JU intends to claim from beneficiaries in accordance with the provisions of Article 11.23 of Annex II to the IHI JU grant agreement(s). In particular, this kind of damages occur when the unjustified contribution coming from the audit findings exceeds 2% of the total accepted contribution for the audited reporting period(s).

EXCHANGE REVENUE

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

3.3. OTHER EXCHANGE REVENUE

EUR '000

	2022	2021
<i>Recovery of administrative expenses</i>	50	27
<i>Write back of previously written-off amount⁹</i>	73	
<i>Other</i>	6	6
Total	129	32

⁹ A recovery order was issued in 2020 for kEUR 73 and in the end of 2021 was written-off as the possibility of the recovery was very low. On 8 April 2022, IHI JU received a note from DG budget recommending to waive the recovery order issued because of the conclusion of the case and the answer of the liquidator. See 3.7. 'Losses on trade debtors' for kEUR 73.

EXPENSES

3.4. OPERATIONAL COSTS

	Note	2022	2021
<i>EUR '000</i>			
<i>Operational costs: validated in-kind contributions</i>		294 313	285 299
<i>Operational costs: estimated in-kind contributions</i>	2.6	(41 913)	(15 825)
Total operational costs from in-kind contributions		252 400	269 474
<i>Operational costs: incurred and validated</i>		224 358	185 288
<i>Operational costs: estimated</i>	2.7	(9 236)	39 149
Total operational costs from EU contributions		215 122	224 437
Total		467 522	493 911

The decrease of the total operational cost is an effect of an increase of the total validated costs combined with an important decrease of the estimated costs. This evolution is in line with the phasing out of the IMI Programme (legacy projects) where larger costs are incurred on the basis of the validated mid-term and final cost claims and lower amounts thus need to be estimated. The lower 2022 estimated costs from in-kind contributions and other operational costs could not compensate the negative reversal of last year's estimates which resulted in a negative amount of costs on these lines.

3.5. STAFF COSTS

This heading includes the expenses for salaries, allowances and other employment-related benefits. Based on the service level agreement between the JU and the Commission, the calculations of staff-related costs is carried out by the Commission's Office for Administration and Payment of Individual Entitlements (also known as the Paymaster's Office - PMO). The pensions of the JU staff members are covered by the Pension Scheme of European Officials. This pension scheme is a defined benefit plan, i.e. the amount of benefit an employee will receive on retirement depends on several factors, the most important of which is years of service. Both the JU staff and the EU budget contribute to the pension scheme, with the contribution percentage being revised annually in line with the changes in the Staff Regulation governing the scheme.

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

At 31 December 2022, the contribution of Innovative Health Initiative Joint Undertaking was fixed in the amount of kEUR 20, that constitutes 2.5 % of the total pension scheme contributions, calculated in accordance with the requirements of Article 83a(2)¹⁰ of the Staff Regulations. This contribution is accounted within staff costs.

As per Article 83a(2) of the Staff Regulations, the exact part paid by the JU shall correspond to the percentage share between a) the JU's revenues without the subsidy from the general budget, and b) its total revenues.

	2022	2021
<i>EUR '000</i>		
<i>Staff costs</i>	5 178	5 140

¹⁰ From 1 January 2016 agencies which are partly financed from that budget shall pay the part of the employers' contributions which corresponds to the proportion between the agency's revenues without the subsidy from the general budget of the European Union and its total revenues."

3.6. FINANCE COST

	EUR '000	
	2022	2021
<i>Write down accounts receivable</i>	-	73

The amounts under this heading comprise costs of writing down receivables due to bankruptcy of the beneficiaries. See 3.3 'Write back of previously written-off amount' and 3.7 'Losses on trade debtors'.

3.7. OTHER EXPENSES

	EUR '000	
	2022	2021
<i>External IT services</i>	834	886
<i>Operating leasing expenses</i>	474	586
<i>External non-IT services</i>	870	530
<i>Experts' expenses</i>	146	506
<i>Communications & publications</i>	127	97
<i>Property, plant and equipment related expenses</i>	83	81
<i>Training costs</i>	35	77
<i>Maintenance, security and insurance of buildings</i>	29	43
<i>Office Supplies & maintenance</i>	48	23
<i>Losses on trade debtors¹¹</i>	73	-
<i>Missions</i>	14	-
<i>Other</i>	18	19
Total	2 751	2 848

The slight decrease of the administrative costs is a combined effect of (1) an increase of external non-IT services. This increase is explained by coming back to the regular mode of working in the office after the Covid-pandemic with more face-to-face activities (e.g. meetings). (2) A decrease of expert expenses as there were substantially fewer project review meetings and they were all online (10 in 2022 compared to 38 in 2021). (3) The reduction of the training costs is related to the increased workload during the first year of IHI JU implementation, leaving very limited time to attend any trainings. Also there was no need to organise targeted trainings programmes anymore in 2022 as they were concluded in 2021.

The operating lease expenses relate to the IHI JU building 'White Atrium'. An overview of the amounts to be paid during the remaining term of this lease contract (the existing rent contract is only till mid-November 2025), including rent and related charges, is as follows:

	Future amounts to be paid as at 31 December 2022			
	< 1 year	1- 5 years	> 5 years	Total
<i>Buildings</i>	510	1 146	-	1 657

	EUR '000			
	Future amounts to be paid as at 31 December 2021			
	< 1 year	1- 5 years	> 5 years	Total
<i>Buildings</i>	661	2 778	1 474	4 913

¹¹ See 3.3. 'Write back of previously written-off amount' for kEUR 73.

4. OTHER SIGNIFICANT DISCLOSURES

4.1. OUTSTANDING COMMITMENTS NOT YET EXPENSED

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

	<i>EUR '000</i>	
	31.12.2022	31.12.2021
<i>Outstanding commitments not yet expensed</i>	621 458	534 376

The outstanding commitments not yet expensed represent the correction of the budgetary RAL with the estimated costs which are determined by using accrual based principle not reflected in the budgetary result, where the cash based principle is used. The increase between the years is driven by the high increase in the budgetary RAL by kEUR 82 799, which is seen the budget implementation reports (chapter 6).

4.2. RELATED PARTIES

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

4.3. KEY MANAGEMENT ENTITLEMENTS

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

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

In September 2022, the former Executive Director's mandate ended and as of 16 September 2022 the Governing Board appointed the Executive Director ad interim. He will lead the organisation until the new Executive Director takes up their duties. The recruitment of a new Executive Director for IHI JU (grade AD 14) is currently ongoing and is being handled by the European Commission.

4.4. OTHER EVENTS

The Russian war of aggression against Ukraine

The war does not affect materially the recognition and measurement of any assets and liabilities on the balance sheet and also of any revenue and expenses recognised in the statement of financial performance.

Based on the facts and circumstances at the time of preparation of these financial statements, in particular, the evolving situation, the financial effect of the war on subsequent reporting periods of IHI JU cannot be reliably estimated.

5. FINANCIAL RISK MANAGEMENT

5.1. TYPES OF RISK

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

(1) Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. This risk arises from the change in the price of a foreign currency against the functional currency of an entity.

(2) Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As an example, higher interest rates will lead to lower prices of fixed rate bonds (other things equal), and vice versa. The entity does not have any securities thus it is not exposed to the interest rate risk.

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

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

5.2. CURRENCY RISKS

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

5.3. CREDIT RISK

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

5.4. LIQUIDITY RISK

The financial liabilities are mainly composed of accounts payable. All the accounts payable have remaining contractual maturity of less than 1 year.

THE BUDGET IMPLEMENTATION REPORTS AND EXPLANATORY NOTES

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

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1. BUDGETARY PRINCIPLES AND STRUCTURE

1.1. BUDGETARY PRINCIPLES

The establishment and implementation of the budget of IHI JU and IMI2 JU is governed by the following basic principles set out by the Financial Rules of the joint undertaking:

Principles of unity and budget accuracy

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

Principle of annuality

The appropriations entered in the budget shall be authorised for a financial year which shall run from 1 January to 31 December. As specified in its Financial Rules, the joint undertaking is subject to an exception to the annuality principle, specific only to the joint undertakings (the "N+3" rule), whereby any unused appropriations may be entered in the estimate of revenue and expenditure of up to the following three financial years. These appropriations must be used first.

Principle of equilibrium

Revenue and payment appropriations shall be in balance.

Principle of unit of account

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

Principle of universality

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

Principle of specification

Appropriations shall be earmarked for specific purposes at least by title and chapter.

Principle of sound financial management

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

Principle of economy

The principle of economy requires that the resources used by the JU in the pursuit of its activities shall be made available in due time, in appropriate quantity and quality and at the best price.

Principle of efficiency

The principle of efficiency concerns the best relationship between resources employed and results achieved.

Principle of effectiveness

The principle of effectiveness concerns the attainment of the specific objectives set and the achievement of the intended results.

Principle of internal control

The principle of internal control of budget implementation means that the JU budget shall be implemented in compliance with effective and efficient internal control in order to provide reasonable assurance of achieving effectiveness, efficiency and economy of operations; reliability of reporting; safeguarding of assets and information; prevention, detection, correction and follow-up of fraud and irregularities; and adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multi-annual character of the programmes as well as the nature of the payments concerned.

Principle of transparency

The budget shall be established and implemented and the accounts presented in accordance with the principle of transparency. The budget and any amending budgets shall be published on the internet site of the joint undertaking within four weeks of adoption and shall be transmitted to the Commission and the Court of Auditors.

1.2. STRUCTURE AND PRESENTATION OF THE BUDGET

The joint undertaking makes use of differentiated appropriations for its administrative expenditure and operational expenditure.

Following the provisions of the Financial rules of the joint undertaking, the budget accounts shall consist of a statement of revenue and a statement of expenditure. The budget is distributed in the following titles:

Title 1

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

Title 2

Budget lines relating to all infrastructure, equipment, meetings, experts, studies, ex-post audits and miscellaneous administrative expenditure.

Title 3

Budget lines provide for the implementation of the activities and tasks assigned to the joint undertaking in accordance with its establishing Council Regulation (including experts for evaluations).

2. RESULT OF THE IMPLEMENTATION OF THE BUDGET

		EUR '000	
	Title	2022	2021
Revenue		168 016	206 447
of which:			
Revenue of IHI	1	155 095	202 095
Revenue of IHI from industry members	2	5 852	4 072
Operational recovery	4	97	251
Other revenue	5	6 972	28
Expenditure		(150 800)	(200 661)
of which:			
Staff expenditure	1	(5 598)	(5 478)
Administrative expenditure	2	(2 601)	(2 352)
Operational expenditure	3	(142 600)	(192 831)
Exchange rate differences		(2)	(0)
Budget result		17 214	5 785

3. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

	EUR '000	
	2022	2021
ECONOMIC RESULT OF THE YEAR	(470 571)	(499 219)
Adjustment for accrual items (items not in the budgetary result but included in the economic result)	320 035	355 272
<i>In-kind contributions validated in the year</i>	289 934	283 171
<i>Adjustments for accrual cut-off (net)</i>	(51 249)	23 465
<i>Unpaid invoices at year end but booked in expenses</i>	28	5
<i>Depreciation of intangible and tangible assets</i>	83	82
<i>Recovery orders issued in the year and not yet cashed</i>	(7)	(4)
<i>Pre-financing paid in previous year and cleared in the year</i>	81 240	48 533
<i>Correction of recovery orders issued last year</i>	6	5
<i>Other individually immaterial</i>	-	14
Adjustment for budgetary items (item included in the budgetary result but not in the economic result)	167 750	149 732
<i>Members' cash contributions collected in the year</i>	160 947	206 167
<i>Asset acquisitions (less unpaid amounts)</i>	(94)	(14)
<i>New pre-financing paid in the year and remaining open as at 31 December</i>	-	(56 421)
<i>Recovery of the pre-financing paid in previous years</i>	6 832	
<i>Entitlements established in previous year and cashed in the year</i>	84	-
<i>Entitlements established on balance sheet accounts and cashed in the year</i>		-
<i>Other individually immaterial</i>	(19)	-
BUDGET RESULT OF THE YEAR	17 214	5 785

4. IMPLEMENTATION OF BUDGET REVENUE

4.1. Implementation of budget revenue

EUR '000

	Item	Income appropriations		Entitlements established			Revenue				Out-standing
		Initial budget	Final budget	Current year	Carried over	Total	On entitlements of current year	On entitlements carried over	Total	%	
		1	2	3	4	5=3+4	6	7	8=6+7	9=8/2	
1000	European Commission contribution	171 640	153 712	153 712	0	153 712	153 712	0	153 712	100 %	0
1001	European Commission contribution - appropriations carried over from previous years	0	8 001							-	
1002	European Commission contribution out of IHI budget	0	1 383	1 383	0	1 383	1 383	0	1 383	100 %	0
Total Chapter 10		171 640	163 096	155 095	0	155 095	155 095	0	155 095	95 %	0
Total Title 1		171 640	163 096	155 095	0	155 095	155 095	0	155 095	95 %	0
2000	European Federation of Pharmaceutical Industries and Associations (EFPIA) contribution	4 640	3 257	4 469 ¹¹	0	4 469	4 469	0	4 469	137 %	0
2001	European Federation of Pharmaceutical industries -appropriations carried over from previous years	0	42							-	
2002	European Federation of Pharmaceutical Industries and Associations (EFPI) contribution out of IHI budget	0	662	662	0	662	662	0	662	100 %	0
2010	EuropaBio contribution for IHI current year	0	30	30	0	30	30	0	30	100 %	0
2011	EuropaBio - appropriations carried over from previous years	0	0							-	
2020	COCIR contribution for IHI current year	0	346	346	0	346	346	0	346	100 %	0
2021	COCIR - appropriations carried over from previous years	0	4							-	

¹¹ For EFPIA, the entitlement established in 2022 includes the amount of EUR 1,212,178, representing the 2021 balance, settled in 2022.

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2030	MedTech Europe contribution for IHI current year	0	346	346	0	346	346	0	346	100 %	0
2031	MedTech Europe - appropriations carried over from previous years	0	4							-	
Total Chapter 20		4 640	4 690	5 852	0	5 852	5 852	0	5 852	125 %	0
Total Title 2		4 640	4 690	5 852	0	5 852	5 852	0	5 852	125 %	0
4000	Recovery ex-post audit	0	0	(60)	310	250	(60)	156	96	-	154
4001	Joint Technology Initiatives (JTI) revenue	0	0	2	0	2	2	0	2	-	0
Total Chapter 40		0	0	(58)	310	252	(58)	156	97	-	154
Total Title 4		0	0	(58)	310	252	(58)	156	97	-	154
5000	Miscellaneous revenue	0	0	7 798	21	7 819	6 970	2	6 972	-	847
Total Chapter 50		0	0	7 798	21	7 819	6 970	2	6 972	-	847
Total Title 5		0	0	7 798	21	7 819	6 970	2	6 972	-	847
GRAND TOTAL		176 280	167 786	168 687	331	169 017	167 859	157	168 016	100 %	1 001

5. IMPLEMENTATION OF BUDGET EXPENDITURE

5.1. Breakdown & changes in commitment appropriations

5.1.1. Breakdown & changes in commitment appropriations – Title 1

EUR '000

	Item	Budget appropriations				Additional appropriations			Total appropr. available
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Reactivated appropriations	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	
1100	Staff in active employment and costs linked to employees	3 662	0	(101)	3 561	0	0	0	3 561
1101	Family allowances	370	0	0	370	0	0	0	370
1102	Transfer and expatriation allowance	510	0	0	510	0	0	0	510
1110	Contract agents	953	0	0	953	0	0	0	953
1111	Seconded national experts	65	0	0	65	0	0	0	65
1130	Insurance against sickness	120	0	0	120	0	0	0	120
1131	Insurance against accidents and occupational disease	15	0	0	15	0	0	0	15
1132	Unemployment insurance for temporary staff	48	0	0	48	0	0	0	48
1133	Pension	0	0	25	25	0	0	0	25
1140	Birth and death allowance	1	0	0	1	0	0	0	1
1141	Annual travel costs from the place of employment to the place of origins	60	0	0	60	0	0	0	60
1172	Cost of organizing traineeships within IMI	10	0	0	10	0	0	0	10
1177	Other services rendered	90	0	0	90	0	0	0	90
1178	Paymaster Office (PMO) fees	65	0	0	65	0	0	0	65
1180	Sundry recruitment expenses	5	0	0	5	0	0	0	5

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1181	Travelling expenses (including taking up duty)	1	0	0	1	0	0	0	1
1182	Installation allowance	30	0	0	30	0	0	0	30
1183	Moving expenses	7	0	0	7	0	0	0	7
1184	Temporary daily allowance	15	0	0	15	0	0	0	15
1190	Weightings (correction coefficients)	5	0	0	5	0	0	0	5
Total Chapter 11		6 032	0	(76)	5 956	0	0	0	5 956
1200	Miscellaneous expenditure on staff recruitment	5	0	7	12	0	0	0	13
Total Chapter 12		5	0	7	12	0	0	0	13
1300	Mission expenses	80	0	(4)	77	0	2	2	78
Total Chapter 13		80	0	(4)	77	0	2	2	78
1401	EU school costs	100	0	32	132	0	0	0	132
1410	Other trainings	50	0	0	50	0	1	1	51
1430	Medical service	20	0	0	20	0	0	0	20
1440	Trainings covered by the EC service level agreement	30	0	0	30	0	0	0	30
1490	Other interventions	12	0	0	12	0	0	0	12
Total Chapter 14		212	0	32	244	0	1	1	245
1500	External staff expenditure	125	0	36	161	0	0	0	161
Total Chapter 15		125	0	36	161	0	0	0	161
1700	Representation expenses	10	0	4	14	0	0	0	14
Total Chapter 17		10	0	4	14	0	0	0	14
Total Title 1		6 464	0	0	6 464	0	3	3	6 467

5.1.2. Breakdown & changes in commitment appropriations – Title 2

EUR '000

	Item	Budget appropriations				Additional appropriations			Total approp. available
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Reactivated appropriations	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	
2000	Rentals office building	450	0	14	464	0	132	132	596
2020	Charges (water, gas, electricity, works)	200	0	(29)	171	0	0	0	171
2040	Furnishing of premises	10	0	61	71	0	0	0	71
2050	Security and surveillance	0	0	29	29	0	0	0	29
Total Chapter 20		660	0	75	735	0	132	132	867
2101	Hardware, infrastructure and related services	325	0	(75)	250	0	0	0	250
2102	Software development, licenses and related services	684	0	(50)	634	0	0	0	634
Total Chapter 21		1 009	0	(125)	884	0	0	0	884
2202	Maintenance utilisation and repair	5	0	0	5	0	0	0	5
Total Chapter 22		5	0	0	5	0	0	0	5
2300	Stationery and office supply	50	0	0	50	0	0	0	50
2330	Legal expenses	15	0	0	15	0	0	0	15
2350	Other operating expenditure	3	0	2	5	0	0	0	5
2360	Library stocks purchase of books and subscriptions	51	0	(2)	49	0	0	0	49
2370	Translation, interpretation	5	0	0	5	0	0	0	5
Total Chapter 23		124	0	0	124	0	0	0	124
2400	Correspondence and communication expenses	38	0	0	38	0	0	0	38
Total Chapter 24		38	0	0	38	0	0	0	38
2500	Formal meetings	70	0	3	73	0	0	0	73
Total Chapter 25		70	0	3	73	0	0	0	73

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2600	Administrative costs in connection with operational activities	30	0	(3)	27	0	0	0	27
2602	Workshops	170	0	0	170	0	0	0	170
Total Chapter 26		200	0	(3)	197	0	0	0	197
2700	External communication	60	0	0	60	0	4	4	64
2701	Events external communication	200	0	0	200	0	0	0	200
2702	Material	40	0	0	40	0	0	0	40
Total Chapter 27		300	0	0	300	0	4	4	304
2800	Ex-post audits	200	0	(79)	121	0	0	0	121
2801	Studies, consultancy	90	0	(15)	75	0	0	0	75
2802	Audits	50	0	(7)	43	0	0	0	43
2803	Accounting services	70	0	150	220	0	0	0	220
Total Chapter 28		410	0	50	460	0	0	0	460
Total Title 2		2 816	0	0	2 816	0	137	137	2 953

5.1.3. Breakdown & changes in commitment appropriations – Title 3

		Budget appropriations				Additional appropriations			EUR '000
	Item	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Reactivated appropriations	Assigned revenue	Total	Total approp. available
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
3000	Implementing the research agenda of IMI Joint Undertaking	0	0	0	0	207	0	207	207
3006	Call 6	0	0	0	0	0	9	9	9
3008	Call 8	0	0	0	0	0	75	75	75
3011	Call 11	0	0	0	0	0	3 439	3 439	3 439
3022	IMI2 Call 2	0	0	0	0	0	1 961	1 961	1 961
3028	IMI2 Call 8	0	0	0	0	0	817	817	817
3029	IMI2 Call 9	0	0	0	0	0	530	530	530
3031	IMI2 Call 11	0	0	0	0	0	41	41	41
3033	IMI2 Call 13	0	0	0	0	0	50	50	50
Total Chapter 30		0	0	0	0	207	6 920	7 128	7 128
3100	Implementing the research agenda of IHI JU	0	0	0	0	1 901	0	1 901	1 901
3101	IHI JU Call 1	0	135 000	(40 000)	95 000	0	0	0	95 000
3102	IHI JU Call 2	0	21 929	0	21 929	0	0	0	21 929
3103	IHI JU Call 3	0	96 176	40 000	136 176	231	0	231	136 407
Total Chapter 31		0	253 105	0	253 105	2 131	0	2 131	255 236
3900	Evaluations experts	0	600	0	600	0	0	0	600
Total Chapter 39		0	600	0	600	0	0	0	600
Total Title 3		0	253 705	0	253 705	2 339	6 920	9 259	262 964
GRAND TOTAL		9 280	253 705	0	262 985	2 339	7 060	9 399	272 384

5.2. Breakdown & changes in payment appropriations

5.2.1. Breakdown & changes in payment appropriations – Title 1

EUR '000

	Item	Budget appropriations				Additional appropriations			Total appropri. available
		Initial budget adopted	Amending budgets	Transfers	Final adopted budget	Reactivated appropriations	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	
1100	Staff in active employment and costs linked to employees	3 662	0	(105)	3 557	0	0	0	3 557
1101	Family allowances	370	0	0	370	0	0	0	370
1102	Transfer and expatriation allowance	510	0	0	510	0	0	0	510
1110	Contract agents	953	0	0	953	0	0	0	953
1111	Seconded national experts	65	0	0	65	0	0	0	65
1130	Insurance against sickness	120	0	0	120	0	0	0	120
1131	Insurance against accidents and occupational disease	15	0	0	15	0	0	0	15
1132	Unemployment insurance for temporary staff	48	0	0	48	0	0	0	48
1133	Pension	0	0	25	25	0	0	0	25
1140	Birth and death allowance	1	0	0	1	0	0	0	1
1141	Annual travel costs from the place of employment to the place of origins	60	0	0	60	0	0	0	60
1172	Cost of organizing traineeships within IMI	10	0	0	10	0	0	0	10
1177	Other services rendered	90	0	0	90	0	0	0	90
1178	Paymaster Office (PMO) fees	65	0	0	65	0	0	0	65
1180	Sundry recruitment expenses	5	0	0	5	0	0	0	5
1181	Travelling expenses (including taking up duty)	1	0	0	1	0	0	0	1
1182	Installation allowance	30	0	0	30	0	0	0	30

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1183	Moving expenses	7	0	0	7	0	0	0	7
1184	Temporary daily allowance	15	0	0	15	0	0	0	15
1190	Weightings (correction coefficients)	5	0	0	5	0	0	0	5
Total Chapter 11		6 032	0	(80)	5 952	0	0	0	5 952
1200	Miscellaneous expenditure on staff recruitment	5	0	11	16	0	0	0	17
Total Chapter 12		5	0	11	16	0	0	0	17
1300	Mission expenses	80	0	(4)	77	0	2	2	78
Total Chapter 13		80	0	(4)	77	0	2	2	78
1401	EU school costs	100	0	32	132	0	0	0	132
1410	Other trainings	50	0	0	50	0	1	1	51
1430	Medical service	20	0	0	20	0	0	0	20
1440	Trainings covered by the EC service level agreement	30	0	0	30	0	0	0	30
1490	Other interventions	12	0	0	12	0	0	0	12
Total Chapter 14		212	0	32	244	0	1	1	245
1500	External staff expenditure	125	0	36	161	0	0	0	161
Total Chapter 15		125	0	36	161	0	0	0	161
1700	Representation expenses	10	0	4	14	0	0	0	14
Total Chapter 17		10	0	4	14	0	0	0	14
Total Title 1		6 464	0	0	6 464	0	3	3	6 467

5.2.2. Breakdown & changes in payment appropriations – Title 2

		Budget appropriations				Additional appropriations			EUR '000
	Item	Initial budget adopted	Amending budgets	Transfers	Final adopted budget	Reactivated appropriations	Assigned revenue	Total	Total approp. available
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
2000	Rentals office building	450	0	14	464	0	132	132	596
2020	Charges (water, gas, electricity, works)	200	42	(29)	213	0	0	0	213
2040	Furnishing of premises	10	0	61	71	0	0	0	71
2050	Security and surveillance	0	0	29	29	0	0	0	29
Total Chapter 20		660	42	75	777	0	132	132	909
2101	Hardware, infrastructure and related services	325	0	(127)	198	0	0	0	198
2102	Software development, licenses and related services	684	20	2	706	60	0	60	766
Total Chapter 21		1 009	20	(125)	904	60	0	60	964
2202	Maintenance utilisation and repair	5	0	0	5	0	0	0	5
Total Chapter 22		5	0	0	5	0	0	0	5
2300	Stationery and office supply	50	10	0	60	0	0	0	60
2330	Legal expenses	15	15	0	30	0	0	0	30
2350	Other operating expenditure	3	0	2	5	0	0	0	5
2360	Library stocks purchase of books and subscriptions	51	0	(2)	49	0	0	0	49
2370	Translation, interpretation	5	0	0	5	0	0	0	5
Total Chapter 23		124	25	0	149	0	0	0	149
2400	Correspondence and communication expenses	38	0	0	38	0	0	0	38
Total Chapter 24		38	0	0	38	0	0	0	38
2500	Formal meetings	70	17	3	90	0	0	0	90

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Total Chapter 25		70	17	3	90	0	0	0	90
2600	Administrative costs in connection with operational activities	30	0	(3)	27	0	0	0	27
2602	Workshops	170	0	0	170	25	0	25	195
Total Chapter 26		200	0	(3)	197	25	0	25	222
2700	External communication	60	0	51	111	0	4	4	116
2701	Events external communication	200	0	(40)	160	0	0	0	160
2702	Material	40	0	(11)	29	0	0	0	29
Total Chapter 27		300	0	(0)	300	0	4	4	304
2800	Ex-post audits	200	26	(79)	147	15	0	15	162
2801	Studies, consultancy	90	315	22	427	0	0	0	427
2802	Audits	50	10	(7)	53	0	0	0	53
2803	Accounting services	70	0	113	183	0	0	0	183
Total Chapter 28		410	351	50	811	15	0	15	826
Total Title 2		2 816	455	0	3 271	100	137	237	3 508

5.2.3. Breakdown & changes in payment appropriations – Title 3

EUR '000

	Item	Budget appropriations				Additional appropriations			Total appropri. available
		Initial budget adopted	Amending budgets	Transfers	Final adopted budget	Reactivated appropriations	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	
3000	Implementing the research agenda of IMI Joint Undertaking	22 000	(9 000)	(13 000)	0	0	0	0	0
3006	Call 6	0	(1 000)	6 600	5 600	0	0	0	5 600
3008	Call 8	0	0	1 600	1 600	0	784	784	2 384
3009	Call 9	0	0	630	630	0	0	0	630
3010	Call 10	0	0	610	610	0	0	0	610
3011	Call 11	0	0	3 560	3 560	0	2 739	2 739	6 299
3020	IMI2 Implementing the research agenda of IMI JU	145 000	0	(145 000)	0	0	0	0	0
3022	IMI2 Call 2	0	0	500	500	0	0	0	500
3023	IMI2 Call 3	0	0	1 713	1 713	0	0	0	1 713
3025	IMI2 Call 5	0	0	1 725	1 725	0	0	0	1 725
3026	IMI2 Call 6	0	0	1 158	1 158	0	0	0	1 158
3027	IMI2 Call 7	0	0	3 600	3 600	0	0	0	3 600
3028	IMI2 Call 8	0	0	6 111	6 111	0	817	817	6 928
3029	IMI2 Call 9	0	0	4 800	4 800	0	530	530	5 330
3030	IMI2 Call 10	0	(7 600)	19 000	11 400	7 951	0	7 951	19 351
3032	IMI2 Call 12	0	0	9 743	9 743	0	0	0	9 743
3033	IMI2 Call 13	0	0	16 200	16 200	0	50	50	16 250
3034	IMI2 Call 14	0	0	14 500	14 500	0	0	0	14 500
3035	IMI2 Call 15	0	0	21 200	21 200	0	0	0	21 200

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3036	IMI2 Call 16	0	0	6 300	6 300	0	0	0	6 300
3037	IMI2 Call 17	0	0	8 351	8 351	0	41	41	8 391
3038	IMI2 Call 18	0	0	9 968	9 968	0	0	0	9 968
3039	IMI2 Call 19	0	0	2 300	2 300	0	0	0	2 300
3040	IMI2 Call 20	0	0	4 989	4 989	0	0	0	4 989
3041	IMI2 Call 21	0	0	10 400	10 400	0	1 961	1 961	12 361
3042	IMI2 Call 22	0	0	1 642	1 642	0	0	0	1 642
3043	IMI2 Call 23	0	0	800	800	0	0	0	800
Total Chapter 30		167 000	(17 600)	0	149 400	7 951	6 920	14 871	164 271
3900	Evaluations experts	0	600	0	600	0	0	0	600
Total Chapter 39		0	600	0	600	0	0	0	600
Total Title 3		167 000	(17 000)	0	150 000	7 951	6 920	14 871	164 871
GRAND TOTAL		176 280	(16 545)	0	159 735	8 051	7 060	15 111	174 846

5.3. IMPLEMENTATION OF COMMITMENT APPROPRIATIONS

5.3.1. Implementation of commitment appropriations - Title 1

EUR '000

	Item	Total approp. available	Commitments made					Appropriations carried over to 2023			Appropriations lapsing			
			from final adopt. budget	from re-activations	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from re-activations	from assign. revenue	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
1100	Staff in active employment and costs linked to employees	3 561	3 346	0	0	3 346	94 %	0	0	0	215	0	0	215
1101	Family allowances	370	312	0	0	312	84 %	0	0	0	58	0	0	58
1102	Transfer and expatriation allowance	510	446	0	0	446	87 %	0	0	0	64	0	0	64
1110	Contract agents	953	799	0	0	799	84 %	0	0	0	154	0	0	154
1111	Seconded national experts	65	32	0	0	32	50 %	0	0	0	33	0	0	33
1130	Insurance against sickness	120	115	0	0	115	96 %	0	0	0	5	0	0	5
1131	Insurance against accidents and occupational disease	15	14	0	0	14	91 %	0	0	0	1	0	0	1
1132	Unemployment insurance for temporary staff	48	44	0	0	44	92 %	0	0	0	4	0	0	4
1133	Pension	25	25	0	0	25	100 %	0	0	0	0	0	0	0
1140	Birth and death allowance	1	1	0	0	1	59 %	0	0	0	0	0	0	0

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1141	Annual travel costs from the place of employment to the place of origins	60	49	0	0	49	81 %	0	0	0	11	0	0	11
1172	Cost of organizing traineeships within IMI	10	0	0	0	0	0 %	0	0	0	10	0	0	10
1177	Other services rendered	90	14	0	0	14	15 %	0	0	0	76	0	0	76
1178	Paymaster Office (PMO) fees	65	43	0	0	43	66 %	0	0	0	22	0	0	22
1180	Sundry recruitment expenses	5	4	0	0	4	83 %	0	0	0	1	0	0	1
1181	Travelling expenses (including taking up duty)	1	0	0	0	0	0 %	0	0	0	1	0	0	1
1182	Installation allowance	30	5	0	0	5	17 %	0	0	0	25	0	0	25
1183	Moving expenses	7	0	0	0	0	0 %	0	0	0	7	0	0	7
1184	Temporary daily allowance	15	2	0	0	2	14 %	0	0	0	13	0	0	13
1190	Weightings (correction coefficients)	5	0	0	0	0	1 %	0	0	0	5	0	0	5
Total Chapter 11		5 956	5 250	0	0	5 250	88 %	0	0	0	706	0	0	706
1200	Miscellaneous expenditure on staff recruitment	13	12	0	0	12	90 %	0	0	0	1	0	0	1
Total Chapter 12		13	12	0	0	12	90 %	0	0	0	1	0	0	1
1300	Mission expenses	78	16	0	0	16	20 %	0	0	0	61	0	2	63
Total Chapter 13		78	16	0	0	16	20 %	0	0	0	61	0	2	63
1401	EU school costs	132	132	0	0	132	100 %	0	0	0	0	0	0	0
1410	Other trainings	51	15	0	0	15	29 %	0	0	0	35	0	1	36

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1430	Medical service	20	20	0	0	20	100 %	0	0	0	0	0	0	0
1440	Trainings covered by the EC service level agreement	30	26	0	0	26	88 %	0	0	0	4	0	0	4
1490	Other interventions	12	12	0	0	12	100 %	0	0	0	0	0	0	0
Total Chapter 14		245	205	0	0	205	84 %	0	0	0	39	0	1	40
1500	External staff expenditure	161	160	0	0	160	99 %	0	0	0	1	0	0	1
Total Chapter 15		161	160	0	0	160	99 %	0	0	0	1	0	0	1
1700	Representation expenses	14	11	0	0	11	84 %	0	0	0	2	0	0	2
Total Chapter 17		14	11	0	0	11	84 %	0	0	0	2	0	0	2
Total Title 1		6 467	5 653	0	0	5 653	87 %	0	0	0	811	0	3	814

5.3.2. Implementation of commitment appropriations - Title 2

EUR '000

	Item	Total approp. available	Commitments made					Appropriations carried over to 2023			Appropriations lapsing			
			from final adopt. budget	from re-activations	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from re-activations	from assign. revenue	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
2000	Rentals office building	596	464	0	0	464	78 %	0	0	0	0	0	132	132
2020	Charges (water, gas, electricity, works)	171	143	0	0	143	84 %	0	0	0	28	0	0	28
2040	Furnishing of premises	71	70	0	0	70	98 %	0	0	0	1	0	0	1
2050	Security and surveillance	29	29	0	0	29	100 %	0	0	0	0	0	0	0

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Total Chapter 20		867	706	0	0	706	81 %	0	0	0	29	0	132	162
2101	Hardware, infrastructure and related services	250	213	0	0	213	85 %	0	0	0	37	0	0	37
2102	Software development, licenses and related services	634	535	0	0	535	84 %	0	0	0	99	0	0	99
Total Chapter 21		884	749	0	0	749	85 %	0	0	0	135	0	0	135
2202	Maintenance utilisation and repair	5	0	0	0	0	0 %	0	0	0	5	0	0	5
Total Chapter 22		5	0	0	0	0	0 %	0	0	0	5	0	0	5
2300	Stationery and office supply	50	29	0	0	29	57 %	0	0	0	21	0	0	21
2330	Legal expenses	15	0	0	0	0	0 %	0	0	0	15	0	0	15
2350	Other operating expenditure	5	4	0	0	4	76 %	0	0	0	1	0	0	1
2360	Library stocks purchase of books and subscriptions	49	38	0	0	38	78 %	0	0	0	11	0	0	11
2370	Translation, interpretation	5	2	0	0	2	35 %	0	0	0	3	0	0	3
Total Chapter 23		124	72	0	0	72	58 %	0	0	0	52	0	0	52
2400	Correspondence and communication expenses	38	23	0	0	23	61 %	0	0	0	15	0	0	15
Total Chapter 24		38	23	0	0	23	61 %	0	0	0	15	0	0	15
2500	Formal meetings	73	34	0	0	34	46 %	0	0	0	39	0	0	39
Total Chapter 25		73	34	0	0	34	46 %	0	0	0	39	0	0	39
2600	Administrative costs in connection with operational activities	27	0	0	0	0	0 %	0	0	0	27	0	0	27

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2602	Workshops	170	80	0	0	80	47 %	0	0	0	90	0	0	90
Total Chapter 26		197	80	0	0	80	41 %	0	0	0	117	0	0	117
2700	External communication	64	47	0	0	47	73 %	0	0	0	13	0	4	18
2701	Events external communication	200	116	0	0	116	58 %	0	0	0	84	0	0	84
2702	Material	40	16	0	0	16	39 %	0	0	0	24	0	0	24
Total Chapter 27		304	178	0	0	178	58 %	0	0	0	122	0	4	126
2800	Ex-post audits	121	90	0	0	90	74 %	0	0	0	31	0	0	31
2801	Studies, consultancy	75	59	0	0	59	79 %	0	0	0	16	0	0	16
2802	Audits	43	43	0	0	43	100 %	0	0	0	0	0	0	0
2803	Accounting services	220	220	0	0	220	100 %	0	0	0	0	0	0	0
Total Chapter 28		460	413	0	0	413	90 %	0	0	0	47	0	0	47
Total Title 2		2 953	2 255	0	0	2 255	76 %	0	0	0	561	0	137	698

5.3.3. Implementation of commitment appropriations - Title 3

EUR '000

	Item	Total approp. available	Commitments made					Appropriations carried over to 2023			Appropriations lapsing			
			from final adopt. budget	from re-activations	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from re-activations	from assign. revenue	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10	11	12	13=10+11+12
3000	Implementing the research agenda of IMI Joint Undertaking	207	0	0	0	0	0 %	0	0	0	0	207	0	207
3006	Call 6	9	0	0	0	0	0 %	0	0	0	0	0	9	9
3008	Call 8	75	0	0	9	9	12 %	0	0	0	0	0	66	66
3011	Call 11	3 439	0	0	0	0	0 %	0	0	0	0	0	3 439	3 439
3022	IMI2 Call 2	1 961	0	0	0	0	0 %	0	0	0	0	0	1 961	1 961
3028	IMI2 Call 8	817	0	0	0	0	0 %	0	0	0	0	0	817	817
3029	IMI2 Call 9	530	0	0	0	0	0 %	0	0	0	0	0	530	530
3031	IMI2 Call 11	41	0	0	0	0	0 %	0	0	0	0	0	41	41
3033	IMI2 Call 13	50	0	0	0	0	0 %	0	0	0	0	0	50	50
Total Chapter 30		7 128	0	0	9	9	0 %	0	0	0	0	207	6 911	7 119
3100	Implementing the research agenda of IHI JU	1 901	0	0	0	0	0 %	0	0	0	0	1 901	0	1 901
3101	IHI JU Call 1	95 000	95 000	0	0	95 000	100 %	0	0	0	0	0	0	0
3102	IHI JU Call 2	21 929	21 929	0	0	21 929	100 %	0	0	0	0	0	0	0
3103	IHI JU Call 3	136 407	136 176	1 824	0	138 000	101 %	0	0	0	0	(1 593)	0	(1 593)
Total Chapter 31		255 236	253 105	1 824	0	254 929	100 %	0	0	0	0	307	0	307
3900	Evaluations experts	600	280	0	0	280	47 %	0	0	0	320	0	0	320

Annual accounts of the Innovative Health Initiative Joint Undertaking 2022

Total Chapter 39	600	280	0	0	280	47 %	0	0	0	320	0	0	320
Total Title 3	262 964	253 385	1 824	9	255 218	97 %	0	0	0	320	515	6 911	7 746
GRAND TOTAL	272 384	261 293	1 824	9	263 126	97 %	0	0	0	1 692	515	7 051	9 258

5.4. IMPLEMENTATION OF PAYMENT APPROPRIATIONS

5.4.1. Implementation of payment appropriations - Title 1

EUR
'000

	Item	Total approp. availab.	Payments made					Appropriations carried over to 2023				Appropriations lapsing			
			from final adopt. budget	from re-activations	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from re-activations	from assign. rev.	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
1100	Staff in active employment and costs linked to employees	3 557	3 346	0	0	3 346	94 %	0	0	0	0	212	0	0	212
1101	Family allowances	370	312	0	0	312	84 %	0	0	0	0	58	0	0	58
1102	Transfer and expatriation allowance	510	446	0	0	446	87 %	0	0	0	0	64	0	0	64
1110	Contract agents	953	799	0	0	799	84 %	0	0	0	0	154	0	0	154
1111	Seconded national experts	65	32	0	0	32	50 %	0	0	0	0	33	0	0	33
1130	Insurance against sickness	120	115	0	0	115	96 %	0	0	0	0	5	0	0	5
1131	Insurance against accidents and occupational disease	15	14	0	0	14	91 %	0	0	0	0	1	0	0	1

Annual accounts of the Innovative Health Initiative Joint Undertaking 2022

1132	Unemployment insurance for temporary staff	48	44	0	0	44	92 %	0	0	0	0	4	0	0	4
1133	Pension	25	25	0	0	25	100 %	0	0	0	0	0	0	0	0
1140	Birth and death allowance	1	1	0	0	1	59 %	0	0	0	0	0	0	0	0
1141	Annual travel costs from the place of employment to the place of origins	60	49	0	0	49	81 %	0	0	0	0	11	0	0	11
1172	Cost of organizing traineeships within IMI	10	0	0	0	0	0 %	0	0	0	0	10	0	0	10
1177	Other services rendered	90	14	0	0	14	15 %	0	0	0	0	76	0	0	76
1178	Paymaster Office (PMO) fees	65	43	0	0	43	66 %	0	0	0	0	22	0	0	22
1180	Sundry recruitment expenses	5	4	0	0	4	83 %	0	0	0	0	1	0	0	1
1181	Travelling expenses (including taking up duty)	1	0	0	0	0	0 %	0	0	0	0	1	0	0	1
1182	Installation allowance	30	5	0	0	5	17 %	0	0	0	0	25	0	0	25
1183	Moving expenses	7	0	0	0	0	0 %	0	0	0	0	7	0	0	7
1184	Temporary daily allowance	15	2	0	0	2	14 %	0	0	0	0	13	0	0	13
1190	Weightings (correction coefficients)	5	0	0	0	0	1 %	0	0	0	0	5	0	0	5
Total Chapter 11		5 952	5 250	0	0	5 250	88 %	0	0	0	0	702	0	0	702
1200	Miscellaneous expenditure on staff recruitment	17	14	0	0	14	82 %	0	0	0	0	3	0	0	3
Total Chapter 12		17	14	0	0	14	82 %	0	0	0	0	3	0	0	3
1300	Mission expenses	78	12	0	0	12	16 %	0	0	0	0	64	0	2	66
Total Chapter 13		78	12	0	0	12	16 %	0	0	0	0	64	0	2	66
1401	EU school costs	132	132	0	0	132	100 %	0	0	0	0	0	0	0	0

Annual accounts of the Innovative Health Initiative Joint Undertaking 2022

1410	Other trainings	51	13	0	0	13	26 %	0	0	0	0	37	0	1	38
1430	Medical service	20	4	0	0	4	21 %	0	0	0	0	16	0	0	16
1440	Trainings covered by the EC service level agreement	30	23	0	0	23	76 %	0	0	0	0	7	0	0	7
1490	Other interventions	12	8	0	0	8	64 %	0	0	0	0	4	0	0	4
Total Chapter 14		245	180	0	0	180	73 %	0	0	0	0	64	0	1	65
1500	External staff expenditure	161	131	0	0	131	81 %	0	0	0	0	30	0	0	30
Total Chapter 15		161	131	0	0	131	81 %	0	0	0	0	30	0	0	30
1700	Representation expenses	14	11	0	0	11	84 %	0	0	0	0	2	0	0	2
Total Chapter 17		14	11	0	0	11	84 %	0	0	0	0	2	0	0	2
Total Title 1		6 467	5 598	0	0	5 598	87 %	0	0	0	0	866	0	3	869

5.4.2. Implementation of payment appropriations - Title 2

EUR
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	Item	Total approp. availab.	Payments made					Appropriations carried over to 2023				Appropriations lapsing			
			from final adopt. budget	from re-activations	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from re-activations	from assign. rev.	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
2000	Rentals office building	596	464	0	0	464	78 %	0	0	0	0	0	0	132	132
2020	Charges (water, gas, electricity, works)	213	145	0	0	145	68 %	0	0	0	0	68	0	0	68
2040	Furnishing of premises	71	68	0	0	68	96 %	0	0	0	0	3	0	0	3
2050	Security and surveillance	29	29	0	0	29	100 %	0	0	0	0	0	0	0	0

Annual accounts of the Innovative Health Initiative Joint Undertaking 2022

Total Chapter 20		909	706	0	0	706	78 %	0	0	0	0	71	0	132	203
2101	Hardware, infrastructure and related services	198	166	0	0	166	84 %	0	0	0	0	32	0	0	32
2102	Software development, licenses and related services	766	706	0	0	706	92 %	0	0	0	0	0	60	0	60
Total Chapter 21		964	872	0	0	872	90 %	0	0	0	0	32	60	0	92
2202	Maintenance utilisation and repair	5	0	0	0	0	0 %	0	0	0	0	5	0	0	5
Total Chapter 22		5	0	0	0	0	0 %	0	0	0	0	5	0	0	5
2300	Stationery and office supply	60	28	0	0	28	47 %	0	0	0	0	32	0	0	32
2330	Legal expenses	30	9	0	0	9	32 %	0	0	0	0	21	0	0	21
2350	Other operating expenditure	5	4	0	0	4	76 %	0	0	0	0	1	0	0	1
2360	Library stocks purchase of books and subscriptions	49	38	0	0	38	78 %	0	0	0	0	11	0	0	11
2370	Translation, interpretation	5	2	0	0	2	35 %	0	0	0	0	3	0	0	3
Total Chapter 23		149	81	0	0	81	55 %	0	0	0	0	68	0	0	68
2400	Correspondence and communication expenses	38	29	0	0	29	77 %	0	0	0	0	9	0	0	9
Total Chapter 24		38	29	0	0	29	77 %	0	0	0	0	9	0	0	9
2500	Formal meetings	90	34	0	0	34	37 %	0	0	0	0	56	0	0	56
Total Chapter 25		90	34	0	0	34	37 %	0	0	0	0	56	0	0	56
2600	Administrative costs in connection with operational activities	27	0	0	0	0	0 %	0	0	0	0	27	0	0	27
2602	Workshops	195	85	0	0	85	44 %	0	0	0	0	85	25	0	110
Total Chapter 26		222	85	0	0	85	38 %	0	0	0	0	112	25	0	137
2700	External communication	116	111	0	4	116	100 %	0	0	0	0	0	0	0	0

Annual accounts of the Innovative Health Initiative Joint Undertaking 2022

2701	Events external communication	160	110	0	0	110	69 %	0	0	0	0	49	0	0	49
2702	Material	29	26	0	0	26	90 %	0	0	0	0	3	0	0	3
Total Chapter 27		304	248	0	4	252	83 %	0	0	0	0	52	0	0	52
2800	Ex-post audits	162	126	0	0	126	78 %	0	0	0	0	21	15	0	36
2801	Studies, consultancy	427	326	0	0	326	76 %	0	0	0	0	102	0	0	102
2802	Audits	53	18	0	0	18	34 %	0	0	0	0	35	0	0	35
2803	Accounting services	183	72	0	0	72	39 %	0	0	0	0	111	0	0	111
Total Chapter 28		826	542	0	0	542	66 %	0	0	0	0	269	15	0	284
Total Title 2		3 508	2 597	0	4	2 601	74 %	0	0	0	0	674	100	132	906

5.4.3. Implementation of payment appropriations - Title 3

EUR '000															
	Item	Total approp. availab.	Payments made					Appropriations carried over to 2023				Appropriations lapsing			
			from final adopt. budget	from re-activations	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from re-activations	from assign. rev.	Total
		1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13	14=11+12+13
3006	Call 6	5 600	5 600	0	0	5 600	100 %	0	0	0	0	0	0	0	0
3008	Call 8	2 384	1 600	0	589	2 189	92 %	0	0	0	0	0	0	195	195
3009	Call 9	630	444	0	0	444	71 %	0	0	0	0	186	0	0	186
3010	Call 10	610	103	0	0	103	17 %	0	0	0	0	507	0	0	507
3011	Call 11	6 299	3 542	0	1 840	5 382	85 %	0	0	0	0	18	0	898	916
3022	IMI2 Call 2	500	197	0	0	197	39 %	0	0	0	0	303	0	0	303

Annual accounts of the Innovative Health Initiative Joint Undertaking 2022

3023	IMI2 Call 3	1 713	813	0	0	813	47 %	0	0	0	0	900	0	0	900
3025	IMI2 Call 5	1 725	582	0	0	582	34 %	0	0	0	0	1 143	0	0	1 143
3026	IMI2 Call 6	1 158	1 158	0	0	1 158	100 %	0	0	0	0	0	0	0	0
3027	IMI2 Call 7	3 600	2 522	0	0	2 522	70 %	0	0	0	0	1 078	0	0	1 078
3028	IMI2 Call 8	6 928	6 111	0	817	6 928	100 %	0	0	0	0	0	0	0	0
3029	IMI2 Call 9	5 330	4 136	0	530	4 666	88 %	0	0	0	0	664	0	0	664
3030	IMI2 Call 10	19 351	10 500	7 951	0	18 451	95 %	0	0	0	0	900	0	0	900
3032	IMI2 Call 12	9 743	9 743	0	0	9 743	100 %	0	0	0	0	0	0	0	0
3033	IMI2 Call 13	16 250	15 387	0	50	15 437	95 %	0	0	0	0	813	0	0	813
3034	IMI2 Call 14	14 500	4 169	0	0	4 169	29 %	0	0	0	0	10 331	0	0	10 331
3035	IMI2 Call 15	21 200	20 997	0	0	20 997	99 %	0	0	0	0	203	0	0	203
3036	IMI2 Call 16	6 300	5 911	0	0	5 911	94 %	0	0	0	0	389	0	0	389
3037	IMI2 Call 17	8 391	7 468	0	41	7 508	89 %	0	0	0	0	883	0	0	883
3038	IMI2 Call 18	9 968	9 774	0	0	9 774	98 %	0	0	0	0	194	0	0	194
3039	IMI2 Call 19	2 300	2 125	0	0	2 125	92 %	0	0	0	0	175	0	0	175
3040	IMI2 Call 20	4 989	4 815	0	0	4 815	97 %	0	0	0	0	174	0	0	174
3041	IMI2 Call 21	12 361	9 173	0	1 961	11 134	90 %	0	0	0	0	1 227	0	0	1 227
3042	IMI2 Call 22	1 642	1 172	0	0	1 172	71 %	0	0	0	0	471	0	0	471
3043	IMI2 Call 23	800	643	0	0	643	80 %	0	0	0	0	157	0	0	157
Total Chapter 30		164 271	128 685	7 951	5 827	142 463	87 %	0	0	0	0	20 715	0	1 094	21 809
3900	Evaluations experts	600	138	0	0	138	23 %	0	0	0	0	462	0	0	462
Total Chapter 39		600	138	0	0	138	23 %	0	0	0	0	462	0	0	462
Total Title 3		164 871	128 823	7 951	5 827	142 600	86 %	0	0	0	0	21 177	0	1 094	22 271
GRAND TOTAL		174 846	137 018	7 951	5 831	150 800	86 %	0	0	0	0	22 717	100	1 229	24 046

6. OUTSTANDING COMMITMENTS

6.1. Outstanding commitments – Title 1

EUR '000

	Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
		Commitm. carried forward from previous year	Decommit. Revaluation Cancellations	Pay-ments	Total	Commit-ments made during the year	Pay-ments	Cancel-lation of commit. which cannot be carried forward	Commit. outstand-ing at year-end	
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	
1100	Staff in active employment and costs linked to employees	0	0	0	0	3 346	3 346	0	0	0
1101	Family allowances	0	0	0	0	312	312	0	0	0
1102	Transfer and expatriation allowance	0	0	0	0	446	446	0	0	0
1110	Contract agents	0	0	0	0	799	799	0	0	0
1111	Seconded national experts	0	0	0	0	32	32	0	0	0
1130	Insurance against sickness	0	0	0	0	115	115	0	0	0
1131	Insurance against accidents and occupational disease	0	0	0	0	14	14	0	0	0
1132	Unemployment insurance for temporary staff	0	0	0	0	44	44	0	0	0
1133	Pension	0	0	0	0	25	25	0	0	0
1140	Birth and death allowance	0	0	0	0	1	1	0	0	0
1141	Annual travel costs from the place of employment to the place of origins	0	0	0	0	49	49	0	0	0
1177	Other services rendered	0	0	0	0	14	14	0	0	0
1178	Paymaster Office (PMO) fees	0	0	0	0	43	43	0	0	0
1180	Sundry recruitment expenses	0	0	0	0	4	4	0	0	0

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1182	Installation allowance	0	0	0	0	5	5	0	0	0
1184	Temporary daily allowance	0	0	0	0	2	2	0	0	0
1190	Weightings (correction coefficients)	0	0	0	0	0	0	0	0	0
Total Chapter 11		0	0	0	0	5 250	5 250	0	0	0
1200	Miscellaneous expenditure on staff recruitment	2	0	2	0	12	12	0	0	0
Total Chapter 12		2	0	2	0	12	12	0	0	0
1300	Mission expenses	0	0	0	0	16	12	0	3	3
Total Chapter 13		0	0	0	0	16	12	0	3	3
1401	EU school costs	0	0	0	0	132	132	0	0	0
1410	Other trainings	3	0	3	0	15	10	0	5	5
1430	Medical service	12	(8)	4	0	20	0	0	20	20
1440	Trainings covered by the EC service level agreement	5	(3)	2	0	26	21	0	5	5
1490	Other interventions	2	(2)	0	0	12	8	0	4	4
Total Chapter 14		23	(14)	9	0	205	171	0	34	34
1500	External staff expenditure	50	(0)	50	0	160	82	0	78	78
Total Chapter 15		50	(0)	50	0	160	82	0	78	78
1700	Representation expenses	0	0	0	0	11	11	0	0	0
Total Chapter 17		0	0	0	0	11	11	0	0	0
Total Title 1		75	(14)	61	0	5 653	5 537	0	116	116

6.2. Outstanding commitments – Title 2

EUR '000

		Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	Item	Commitm. carried for- ward from pre- vious year	Decommit. Revaluation Cancel- lations	Pay- ments	Total	Commit- ments made during the year	Pay- ments	Cancel- lation of commit. which cannot be carried forward	Commit. outstand- ing at year-end	
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	9=4+8
2000	Rentals office building	2	0	2	0	464	462	0	2	2
2020	Charges (water, gas, electricity, works)	43	(41)	2	0	143	143	0	0	0
2040	Furnishing of premises	0	0	0	0	70	68	0	2	2
2050	Security and surveillance	0	0	0	0	29	29	0	0	0
Total Chapter 20		45	(41)	4	0	706	702	0	4	4
2101	Hardware, infrastructure and related services	166	(9)	134	23	213	32	0	181	204
2102	Software development, licenses and related services	571	(12)	501	59	535	206	0	329	388
Total Chapter 21		737	(21)	634	82	749	238	0	511	592
2300	Stationery and office supply	12	(2)	10	0	29	18	0	10	10
2330	Legal expenses	15	0	9	6	0	0	0	0	6
2350	Other operating expenditure	0	0	0	0	4	4	0	0	0
2360	Library stocks purchase of books and subscriptions	0	0	0	0	38	38	0	0	0
2370	Translation, interpretation	0	0	0	0	2	2	0	0	0
Total Chapter 23		27	(2)	20	6	72	62	0	10	16
2400	Correspondence and communication expenses	25	(10)	14	1	23	15	0	8	9

Annual accounts of the Innovative Health Initiative Joint Undertaking 2022

Total Chapter 24		25	(10)	14	1	23	15	0	8	9
2500	Formal meetings	17	(17)	0	0	34	34	0	0	0
Total Chapter 25		17	(17)	0	0	34	34	0	0	0
2602	Workshops	36	0	36	0	80	49	0	31	31
Total Chapter 26		36	0	36	0	80	49	0	31	31
2700	External communication	89	(20)	69	0	47	47	0	0	0
2701	Events external communication	0	0	0	0	116	110	0	5	5
2702	Material	11	(0)	11	0	16	15	0	0	0
Total Chapter 27		100	(20)	80	0	178	172	0	6	6
2800	Ex-post audits	137	(13)	112	11	90	14	0	76	87
2801	Studies, consultancy	314	0	314	0	59	11	0	48	48
2802	Audits	18	0	18	0	43	0	0	43	43
2803	Accounting services	0	0	0	0	220	72	0	148	148
Total Chapter 28		469	(13)	445	11	413	97	0	316	327
Total Title 2		1 456	(125)	1 233	99	2 255	1 369	0	886	985

6.3. Outstanding commitments – Title 3

EUR '000

	Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
		Commitm. carried for- ward from pre- vious year	Decommit. Revaluation Cancel- lations	Pay- ments	Total	Commit- ments made during the year	Pay- ments	Cancel- lation of commit. which cannot be carried forward	Commit. outstand- ing at year-end	
		1	2	3	4=1+2-3	5	6	7	8=5-6-7	
3001	Call 1	1 475	(1 475)	0	0	0	0	0	0	0
3002	Call 2	549	(549)	0	0	0	0	0	0	0
3003	Call 3	306	(306)	0	0	0	0	0	0	0
3004	Call 4	776	(776)	0	0	0	0	0	0	0
3005	Call 5	644	(644)	0	0	0	0	0	0	0
3006	Call 6	18 978	0	5 600	13 378	0	0	0	0	13 378
3007	Call 7	936	(936)	0	0	0	0	0	0	0
3008	Call 8	15 889	0	2 180	13 710	9	9	0	0	13 710
3009	Call 9	6 314	0	444	5 870	0	0	0	0	5 870
3010	Call 10	604	0	103	501	0	0	0	0	501
3011	Call 11	37 861	(21 000)	5 382	11 478	0	0	0	0	11 478
3013	Exploring New Scientific Opportunities (ENSO) 2013	402	(402)	0	0	0	0	0	0	0
3020	IMI2 Implementing the research agenda of IMI JU	2 100	0	0	2 100	0	0	0	0	2 100
3021	IMI2 Call 1	1 763	0	0	1 763	0	0	0	0	1 763
3022	IMI2 Call 2	10 112	0	197	9 915	0	0	0	0	9 915

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3023	IMI2 Call 3	2 697	0	813	1 884	0	0	0	0	1 884
3025	IMI2 Call 5	4 307	0	582	3 725	0	0	0	0	3 725
3026	IMI2 Call 6	5 428	0	1 158	4 270	0	0	0	0	4 270
3027	IMI2 Call 7	6 228	0	2 522	3 706	0	0	0	0	3 706
3028	IMI2 Call 8	15 563	(3 045)	6 928	5 590	0	0	0	0	5 590
3029	IMI2 Call 9	10 115	0	4 666	5 449	0	0	0	0	5 449
3030	IMI2 Call 10	55 825	0	18 451	37 374	0	0	0	0	37 374
3031	IMI2 Call 11	175	0	0	175	0	0	0	0	175
3032	IMI2 Call 12	20 543	0	9 743	10 800	0	0	0	0	10 800
3033	IMI2 Call 13	48 123	(255)	15 437	32 430	0	0	0	0	32 430
3034	IMI2 Call 14	49 355	0	4 169	45 187	0	0	0	0	45 187
3035	IMI2 Call 15	107 226	0	20 997	86 228	0	0	0	0	86 228
3036	IMI2 Call 16	14 203	0	5 911	8 292	0	0	0	0	8 292
3037	IMI2 Call 17	25 828	0	7 508	18 319	0	0	0	0	18 319
3038	IMI2 Call 18	52 580	0	9 774	42 806	0	0	0	0	42 806
3039	IMI2 Call 19	5 905	0	2 125	3 781	0	0	0	0	3 781
3040	IMI2 Call 20	104 538	0	4 815	99 723	0	0	0	0	99 723
3041	IMI2 Call 21	37 221	0	11 134	26 087	0	0	0	0	26 087
3042	IMI2 Call 22	3 916	0	1 172	2 745	0	0	0	0	2 745
3043	IMI2 Call 23	35 151	0	643	34 508	0	0	0	0	34 508
Total Chapter 30		703 636	(29 389)	142 454	531 794	9	9	0	0	531 794
3101	IHI JU Call 1	0	0	0	0	95 000	0	0	95 000	95 000
3102	IHI JU Call 2	0	0	0	0	21 929	0	0	21 929	21 929
3103	IHI JU Call 3	0	0	0	0	138 000	0	0	138 000	138 000
Total Chapter 31		0	0	0	0	254 929	0	0	254 929	254 929
3900	Evaluations experts	0	0	0	0	280	138	0	142	142

Annual accounts of the Innovative Health Initiative Joint Undertaking 2022

Total Chapter 39	0	0	0	0	280	138	0	142	142
Total Title 3	703 636	(29 389)	142 454	531 794	255 218	147	0	255 071	786 865
GRAND TOTAL	705 167	(29 527)	143 747	531 893	263 126	7 053	0	256 073	787 966

7. GLOSSARY

Administrative appropriations

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

Adopted budget

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

Amending budget

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

Appropriations

Budget funding.

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

Assigned revenue

Revenue dedicated to finance specific items of expenditure.

Budget result

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

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

Budget implementation

Consumption of the budget through expenditure and revenue operations.

Budget item / Budget line / Budget position

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

Budgetary commitment

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

Cancellation of appropriations

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

Carryover of appropriations

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

Commitment appropriations

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

De-commitment

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

Differentiated appropriations

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

Economic result

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

Entitlements established

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

Exchange rate difference

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

Expenditure

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

Grants

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

Lapsing appropriations

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

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

Legal basis / basic act

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

Legal commitment

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

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

Non-differentiated appropriations

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

Operational appropriations

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

Outstanding commitments

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

Payment appropriations

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

RAL (Reste à liquider)

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

Surplus

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

Transfers between budget lines

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

