



ARTEMIS JU

Final Annual Accounts
for the Financial Year 2010,
Period January 1-December 31
Brussels June 2011

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1 Introduction

1.1 Creation, Location and Main Goals of ARTEMIS

The ARTEMIS JU was created by Council Regulation (EC) No 74/2008 of 20 December 2007 under Article 171 of the Treaty (Article 187 of The Treaty of Lisbon) as a legal entity responsible for the implementation of a *Joint Technology Initiative* on Embedded Computing Systems. Its date of establishment is 7 February 2008, following the publication of the Council Regulation and of the Statutes annexed to it in the Official Journal of the European Union on 4th February¹. The ARTEMIS Joint Undertaking was created for a period up to 31 December 2017 and its seat is in Brussels.

Joint Technology Initiatives (JTIs) are long term public-private partnerships which can be implemented through Joint Undertakings within the meaning of Article 171 of the Treaty (Article 187 of The Treaty of Lisbon). These partnerships combine private sector investment and national and European public funding, including grant funding from the Research Framework Programme, in order to speed up the development of major technologies. JTIs were foreseen in the Seventh Framework Programme² for research, technological development and demonstration activities, as well as in the Council Decision for the Cooperation Programme³. They contribute to the Lisbon Growth and Jobs Agenda⁴ by developing favourable conditions for investment in knowledge and innovation in the Union to boost competitiveness, growth and jobs.

The Union supports the ARTEMIS JU from the budget of the ICT priority of the Cooperation Programme.

According with the Council Regulation, two clear different aspects are to be considered:

- A) The operational expenditures or R&D activities. The Commission, in accord with the decision of the Governing Board transfers funds to finance in funding grant agreements in favour of the beneficiaries. These funds complement the National Grant Agreements. In total, these funds are dedicated to give grants (subsidies) to the R&D activities and compose the EC contribution to these projects.
- B) The running costs: incurred when preparing and launching the calls, undertaking evaluation of projects, signing the JU Grant Agreements, monitoring and evaluating the projects from the technical point of view. These activities can be considered as a kind of Technical Assistance or administrative support and are co-funded by the EC and ARTEMISIA.

¹ OJ L 30 of 04.02.2008.

² Decision No 1982/2006/EC of the European Parliament and of the Council of 18 December 2006 concerning the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013).

³ Council Decision 2006/971/EC of 19 December 2006 concerning the specific programme 'Cooperation' implementing the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013).

⁴ OJ L 400, 30.12.2006, p.86. Corrected by OJ L 54, 22.2.2007, p.30.

2 Financial Management

2.1 Financial Regulation

Article 185.1 of the General Financial Regulation adopted on 25/06/2002 (Council Regulation 1605/2002) lays down: *'The Commission shall adopt a framework financial regulation for bodies set up by the Communities and having legal personality which actually receive grants charged to the budget. The financial rules of these bodies may not depart from the framework regulation except where their specific operating needs so require and with the Commission's prior consent'*.

Moreover, point 2 of the preface of the framework Financial Regulation for Community bodies referred to in Article 185 of Council Regulation No 1605/2002, adopted the 23/12/2002 (Commission Regulation 2343/2002) states: *'In order to guarantee a certain degree of consistency in these rules compared with Regulation (EC, Euratom) No 1605/2002 (hereinafter 'the general Financial Regulation') and pursuant to Article 185(1) of that Regulation, this framework Financial Regulation must lay down the rules governing the establishment, implementation and scrutiny of the budget of the said Community bodies which actually receive grants charged to the Community budget (hereinafter 'Community bodies'). It is on the basis of this framework Financial Regulation that each of those Community bodies will adopt its own financial rules, which, as indicated in the abovementioned Article 185, may depart from the framework Financial Regulation in accordance with the specific management needs of those bodies, but only with the Commission's consent.'* The

The Financial Rules of ARTEMIS were adopted by its Governing Board on 30/05/2008 and amended on 18/12/2008. The JU has applied its Financial Regulation since its adoption, together with the Implementing Rules of the General Financial Regulation (Commission Regulation 2342/2002 of 23 December 2002).

2.2 Currency

ARTEMIS keeps its accounts in Euros.

2.3 Management Information Systems


For Management Information purposes, ARTEMIS JU uses ABAC Workflow for budgetary accounting and SAP for General Ledger accounting. Both systems are managed and maintained by the European Commission.

On November 24, 2010 the ARTEMIS JU Accounting Officer validates the accounting system. The underlying systems have been partially validated and only for the part that is under the direct Joint Undertaking control.

3 The Annual Accounts for the year 2010

3.1 The Accounting Officer's Certification

The annual accounts of ARTEMIS Joint Undertaking have been prepared in accordance with Title VII of the ARTEMIS Financial Rules as well as the accounting rules as described in articles 43 and 118 of the Financial Rules⁵. I hereby certify that based on the information provided by the Authorising Officer, I have reasonable assurance that the accounts present a true and fair view of the financial position of the ARTEMIS Joint Undertaking in all material aspects.



Juan Pablo Contreras
Accounting Officer

⁵ These accounts are drafted following the Accounting Rule 1 (establishing the equity method) that presents different interpretation in view of the legal basis of Artemis Joint Undertaking and in particular with the Council Regulation, the Financial Rules and the General Financial Agreement. In order to provide a full understanding of the Artemis JU transactions a detailed explanation is given in the notes.

3.2 General

The annual accounts of the ARTEMIS Joint Undertaking include the Financial Statements and the Budget Implementation Report. The Report on Budgetary and Financial Management is a separate set of information, which accompanies the annual accounts, but it does not form part of them. The Financial Statements comprise the Balance Sheet, the Economic Outturn Account, the Cash-Flow table and the Statement of Changes in Capital for the financial year 2010.

The objective of Financial Statements is to provide relevant information about the financial position, the performance and the cash flows of the entity to the users. For a public sector entity such as the ARTEMIS JU, there are also other, more specific objectives such as to provide information for decision making and to demonstrate the accountability of the Joint Undertaking for the resources entrusted to it.

In order to present a true and fair view, the Financial Statements must supply relevant information to describe the nature and range of the activities; they must explain how it is financed and supply definitive information on its operations. In addition, the Financial Statements must do so in a clear and comprehensible manner, which allows comparisons between financial years. It is with these goals in mind that the Annual Accounts have been drawn up.

The accounting system of the ARTEMIS Joint Undertaking comprises budget accounts and general accounts. The budget accounts give a detailed picture of the implementation of the budget. The general accounts allow for the preparation of the Financial Statements as they show all revenues and expenses for the financial year irrespective of the time they are cashed. They are designed to establish the financial position of ARTEMIS in the form of a balance sheet and an Economic Outturn Account on 31 December of each year. The Joint Undertaking applies the accrual-based accounting; therefore, the Financial Statements show all the charges and income for the financial year, regardless of the date of payment or collection.

3.3 Balance Sheet at 31.12.2010

	Notes	31.12.2010	31.12.2009 26/10-31/12
I. Non-Current Assets		71.405,50	4.008,09
Tangible fixed assets	1	71.405,50	4.008,09
II. Current Assets		25.417.708,53	6.644.043,82
Short-term pre-financing	2	8.611.922,65	212.779,21
Short-term receivables	3	117.260,24	11.293,60
Cash and cash equivalents	4	16.688.525,64	6.419.971,01
Total Assets		25.498.114,03	6.648.051,91
III. Non-Current Liabilities			
IV. Current Liabilities		11.535.975,29	112.645,11
Accounts payable	5	11.185.975,29	107.130,14
<i>Accrual expenses Administrative</i>		336.648,92	106.562,50
<i>Accrual expenses Operational</i>		10.773.003,22	
<i>Other debts</i>		76.323,15	567,64
Provisions for risks and charges		0,00	5.514,97
Deferred Revenues		350.000,00	
Total Liabilities		11.535.975,29	112.645,11
V. Net Assets (Total Asset less Total Liabilities)		13.953.138,74	6.535.406,80
Contribution from Members	6	30.139.533,34	9.949.543,84
<i>EU Contribution</i>		29.139.533,34	9.949.543,84
<i>Artemisia Contribution</i>		1.000.000,00	
Accumulated contribution from members used previous years	7	- 3.414.137,04	0,00
Contribution from members used during the year (EOA)	8	- 12.772.257,56	- 3.414.137,04
Total Net Assets + Liabilities		25.489.114,03	6.648.051,91

3.4 Economic Outturn Account (EOA) in EUR

	Notes	2010	2009 26/10-31/12
Administrative Expenses			
Staff Expenses	9	-1.054.032,58	-177.129,97
Fixed assets related expenses	10	- 211.116,73	- 83.485,28
Provision		0,00	- 5.514,97
Other Administrative expenses	11	- 631.431,27	- 36.484,29
		<i>Total Administrative:</i>	<i>- 302.614,51</i>
		- 1.896.580,58	
Operational expenses	12	- 10.962.172,27	-3.119.963,30
Total Operating Expenses		- 12.858.752,85	-3.422.577,81
Financial operations revenues	13	86.495,29	8.440,77
Contribution from members used during the year		- 12.772.257,56	-3.414.137,04

3.5 Cash Flow Statement in EUR

	2010	2009
Operating Activities		26/10-31/12
Surplus/(Deficit) from ordinary activities	(12.772.257,56)	(3.414.137,04)
Depreciation	4.275,13	85,28
Increase/(Decrease) in Payables	305.841,93	
Increase/(Decrease) in Provision for Liabilities	(5.514,97)	5.514,97
Increase/(Decrease) in Accrued charges operational	10.773.003,22	107.130,14
Increase/(Decrease) in deferred revenues	350.000,00	
(Increase)/Decrease in Short term Receivables and pre-financing	(8.505.110,08)	(224.072,81)
Joint Undertaking contribution from members	20.179.336,50	9.949.543,84
Net Cash Flow from operating activities	10.329.574,17	6.424.064,38
<i>Investment Activities</i>		
Purchase of tangible and intangible fixed assets	(61.019,54)	(4.093,37)
Net Cash Flow from Investment activities	(61.019,54)	(4.093,37)
Cash at the beginning of the period	6.419.971,01	-
Cash at the end of the period	16.688.525,64	6.419.971,01

3.6 Statement of changes in net assets/liabilities in EUR

	2010	2009 26/10-31/12
Balance at beginning of accounting period	6.535.406,80	-
Contribution from members	20.189.989,50	9.949.543,84
<i>European Commission</i>	<i>19.189.989,50</i>	<i>9.949.543,84</i>
<i>Artemisia</i>	<i>1.000.000,00</i>	
Contribution from members used during the year (EOA)	- 12.772.257,56	- 3.414.137,04
Balance at the end of accounting period	13.953.138,74	6.535.406,80

3.7 Notes to the Financial Statements

1. Fixed assets

Net fixed assets (71,405.50€) are composed by the IT equipment (laptops, desktops, printers, servers etc.), the necessary software and the furniture including the ones purchased before autonomy and transferred by the European Commission. A significant part of these assets are related to the moving of ARTEMIS together with the other 5 Joint Undertakings to a definitive location and for this reason many of these assets have been purchased at the end of 2010. The assets were registered at acquisition value (75,765.91€) and the accumulated depreciation reach 4,360.41€.

2. Short-Term pre-financing

It's the pre-financing open at the end of year.

3. Short-Term receivables

These 117,260.24€ include 1,268.05€ of receivables from the Commission, 42,655.72€ of interest from the bank account that were cashed on January 2011 and 73,336.47€ of accrued income that corresponds mainly to Recovery Orders to be issued and cashed in 2011.

4. Cash and cash equivalent

This figure shows the balance on the bank accounts at the end of the year. A big part of this have been used in the first months of 2011 but still delays in some Member States that seem to be solved in the next weeks.

5. Accounts payable and Accrual expenses.

On this account with 11,185,975.29€, the most important part are the accrual expenses for operational activities involving invoices that Artemis Joint Undertaking should receive in view of the progress of the different Calls. This includes also several invoices or recovery orders to be paid in 2011 but related to expenses incurred in 2010 are included.

The most important amounts for the accrual administrative expenditures are in accrual expenses (336,648.92€) related to the pending rent of Covent Garden 92k€, the fitting out works for the new building White Atrium 42k€, IT infrastructure in White Atrium 82k€ and some pending payments to honour the SLAs signed by ARTEMIS JU with different organisations. Within this amount is also included invoices accepted but not paid at the end of 2010 for 76,323.15€

6. Contribution from Members:

In 2010 ARTEMIS JU received 20.189.989,50 EUR from the members (See table 3.6) plus 350.000 EUR as anticipated budget 2011 that appear as Deferred Revenues.

7. Accumulated Contribution from Members used in previous years:

At the end 2009 Artemis JU has an EOA of 3,414,137.04€ (see annual accounts 2009)

8. Contribution from members used during the year (EOA)

See Economic Outturn Account table 3.4 for details.

9. Staff expenses

The breakdown of the Staff expenses is:

Staff Expenses	2010
Basic salaries	713.223,99
Family allowances	31.265,77
Pension fund	96.131,07
Sickness fund	42.905,91
Unemployment fund	17.092,98
Taxes	100.133,44
Other Staff Expenses	4.363,19
Insurances	6.814,62
Total	1.011.930,97

Staff Related Expenses:

Training	5.861,00
Missions	36.240,61
Total	42.101,61

Grand Total 1.054.032,58

10. Fixed asset related expenses

Fixed asset related expenses refer to the depreciation charges for the year and the rent of the office space, parking, etc. On November 2010 the White Atrium usufruct contract enters into force and was in parallel with the Covent Garden one until December.

11. Other administrative expenses:

The most important part of this group are composed by the EC SLA ABAC 25kEur including the hosting with DIGIT, experts evaluators and reviewers 296kEur and communication costs ARTEMIS-IA SLA for 194kEur.

12. Operational expenses

According with the appraisal of the Programme manager after several reviews this figure shows the used pre-financing that either Artemis received a Cost Certificate or will receive in the near future.

13. Financial revenues

It includes the 86,495.29Eur of bank interest.

3.8 Accounting principles, rules and methods

Based on Article 111 of the Financial Rules of ARTEMIS adopted by the Governing Board on 30/05/2008 and amended on 18/12/2008, the financial statements are drawn up in accordance with the generally accepted accounting principles specified in the detailed rules for implementing the general Financial Regulation, namely:

- a) going concern basis;
- b) prudence;
- c) consistent accounting methods;
- d) comparability of information;
- e) materiality;
- f) no netting;
- g) reality over appearance;
- h) accrual-based accounting

Fixed assets Fixed assets are stated at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. 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 associated with the item will flow to the JU and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the economic outturn account during the financial period in which they are incurred. Items recognised in the accounts with a value lower than EUR 420 are considered as expenses and they are included in the Economic Outturn Account.

Depreciation charge is calculated using the straight line method in order to allocate depreciation cost to the assets' residual values over their estimated useful lives, as follows:

Type of asset	Depreciation rate
Intangible assets	25%
Plant, machinery and equipment	25%
Furniture	10%
Fixtures and fittings	25%
Computer hardware	25%
Vehicles	25%

Cash & cash equivalents

Cash and cash equivalents include only cash in bank.

Use of estimates

In accordance with generally accepted accounting principles, the Financial Statements necessarily include amounts based on estimates and assumptions by management. Significant estimates include, but are not limited to, accrued income and charges, contingent assets and liabilities, provisions and

impairment of fixed assets. Actual results could differ from those estimates. Changes in estimates are reflected in the period in which they become known.

Net Assets

The way in which the Artemis JU operates, with the focus on budgetary rules and principles, has a major impact on the presentation of the financial statements and analysis of them.

Indeed as a result of the application of the European Commission Accounting Rule N°1 point 4.8, that is mandatory as stated in ARTEMIS JU Financial Rules Article 43.1.d, the called pseudo-equity approach has been implemented.

With particular regard to the Net Assets, there is no initial “capital”, primarily because the Artemis JU Regulation does not contain provisions obliging the Founding Members and the other Members to endow the Artemis JU with “capital”, as would be the case for a private enterprise. Similarly, the outturn cannot be measured by the same performance criteria as for a private enterprise. The Artemis JU’s objective is not to have profit. These examples show that interpreting the financial statements calls for a certain measure of prudence, especially with solvency analysis.

4 Report on implementation of the budget

4.1 Statement of revenue:

According to the Annual Implementation Plan and the implementation of the General Financial Agreement :

a) For the Running Costs: The amount received was 1,910,315.91Eur including 350,000Eur for the anticipated budget 2011 according with article 13 of ARTEMIS Financial Rules. 1,000,000Eur correspond to ARTEMIS-IA participation.

b) For the Operational Expenditures: ARTEMIS JU receives 18,619,020.59€ based on cash-flow forecast submitted.

For revenues, no outstanding amount exists at the end of 2010.

4.2 Statement of expenditure

4.2.1 Commitment appropriations

Budget Position	Budget Position Description	Credit Available	Total Implemented EUR	%
Running Costs				
A01100	Basic salaries	1.230.000,00	1.230.000,00	100%
A01200	Miscellaneous expenditure on staff recruitment	8.000,00	8.000,00	100%
A01401	European School	20.000,00	20.000,00	100%
A01420	Language courses training	10.000,00	10.000,00	100%
A01700	Missions and Representation	75.000,00	75.000,00	100%
A02000	Rent	234.800,00	234.800,00	100%
A02100	Computer equipment	147.700,00	147.700,00	100%
A02210	Furniture	55.000,00	55.000,00	100%
A02300	Stationery and office supplies	5.000,00	5.000,00	100%
A02356	Other Administrative Expenses	15.000,00	15.000,00	100%
A02410	Telecommunication charges	7.500,00	7.500,00	100%
B03200	Evaluation	343.250,00	343.250,00	100%
B03202	Review	98.750,00	98.750,00	100%
B03300	SME promotion	10.000,00	10.000,00	100%
B03400	Conferences workshops and info-days	30.000,00	0	0%
B03402	Publications and documentation	200.000,00	200.000,00	100%
B03501	Evaluation 1	10.000,00	0	0%
Total Running Costs		2.500.000,00	2.460.000,00	98%

Operational

Budget Position	Budget Position Description	Credit Available	Total Implemented EUR	%
B03101	Selected projects after annual calls	36.000.000,00	36.000.000,00	100%
Total Operational		36.000.000,00	36.000.000,00	100%

This table shows the budget adopted by the Governing Board on January 2010 and amended on September 2010 and the amounts committed (reserved) to be used.

4.2.2 Payment appropriations:

Budget Position	Budget Position Description	Credit Available	Total Implemented EUR	%
Running Costs				
A01100	Basic salaries	1.230.000,00	-1.013.763,24	82%
A01200	Miscellaneous expenditure on staff recruitment	8.000,00	0,00	0%
A01401	European School	20.000,00	-19.775,00	99%
A01420	Language courses training	10.000,00	-7.080,00	71%
A01700	Missions and Representation	75.000,00	-47.786,64	64%
A02000	Rent	234.800,00	-45.461,64	19%
A02100	Computer equipment	147.700,00	-45.744,82	31%
A02210	Furniture	55.000,00	-6.029,12	11%
A02300	Stationery and office supplies	5.000,00	0,00	0%
A02356	Other Administrative Expenses	15.000,00	-1.785,00	12%
A02410	Telecommunication charges	7.500,00	-2.483,39	33%
B03200	Evaluation	343.250,00	-235.610,08	69%
B03202	Review	98.750,00	-43.531,03	44%
B03300	SME promotion	10.000,00	0,00	0%
B03400	Conferences workshops and info-days	30.000,00	0,00	0%
B03402	Publications and documentation	200.000,00	-146.250,00	73%
B03501	Evaluation 1	10.000,00	0,00	0%
Total Running Costs		2.500.000,00	-1.615.299,96	65%

Operational

B03101	Selected projects after annual calls	24.540.353,74	-8.600.375,42	35%
Total Operational		24.540.353,74	-8.600.375,42	35%

This table shows the implementation on payments appropriations in 2010.

4.3 Commitments to be settled 2010 EUR

Budget Position	Budget Position Description	Implementation 2010 EUR	Payments 2010	Open Commitment EUR	% to be settled
		1	2	3=1-2	4=3/1
A01100	Basic salaries	1.230.000,00	1.013.763,24	216.236,76	17,6%
A01200	Miscellaneous expenditure on staff recruitment	8.000,00	0,00	8.000,00	100,0%
A01401	European School	20.000,00	19.775,00	225,00	1,1%
A01420	Language courses training	10.000,00	7.080,00	2.920,00	29,2%
A01700	Missions and Representation	75.000,00	47.786,64	27.213,36	36,3%
A02000	Rent	234.800,00	45.461,64	189.338,36	80,6%
A02100	Computer equipment	147.700,00	45.744,82	101.955,18	69,0%
A02210	Furnitures	55.000,00	6.029,12	48.970,88	89,0%
A02300	Stationery and office supplies	5.000,00	0,00	5.000,00	100,0%
A02356	Other Administrative Expenses	15.000,00	1.785,00	13.215,00	88,1%
A02410	Telecommunication charges	7.500,00	2.483,39	5.016,61	66,9%
B03200	Evaluation	343.250,00	235.610,08	107.639,92	31,4%
B03202	Review	98.750,00	43.531,03	55.218,97	55,9%
B03300	SME promotion	10.000,00	0,00	10.000,00	100,0%
B03402	Publications and documentation	200.000,00	146.250,00	53.750,00	26,9%
Total Running Costs		2.460.000,00	1.615.299,96	844.700,04	34,3%
B03101	Selected projects after annual calls	36.000.000,00	8.600.375,42	27.399.624,58	76,1%
Total Operational		36.000.000,00	8.600.375,42	27.399.624,58	76,1%

This table shows, by budget line, the open commitments at the end of 2010. From administrative expenditures, 502,598.36€ are reported to be used –carry forward- in 2011. The cancelled amounts (342,101.68€) are reported to be available for operational payment appropriations in 2011.

4.4 Budgetary principles

The establishment and implementation of the budget of the ARTEMIS Joint Undertaking are governed by the following basic principles according with the Financial Rules:

(a) Unity and Budget Accuracy:

- (b) **Annuality:**
- (c) **Equilibrium:**
- (d) **Unit of account:**
- (e) **Universality:**
- (f) **Specification;**
- (g) **Sound Financial Management:**
- (h) **Transparency:**

5 Report on budgetary and financial management

5.1 Accounting and Finance functions

The key objectives in 2010 relating to Accounting and Finance were the following:

- Ensure that the Budgetary and Financial Reporting Management systems perform properly;
- Implement the budget and monitor its financial performance;
- Provide horizontal support to the other Departments of the Joint Undertaking regarding financial issues;
- Provide relevant and reliable information to the users of the Financial Statements.

On October 26, 2009 ARTEMIS Joint Undertaking, obtained its autonomy from DG INFSO. Year 2010 is the first full year of autonomy and no relevant incidents have to be mentioned. The accounting quality data and other indicators like delay on payments, etc. are within the expected values.

5.2 Budget

The budget of the Joint Undertaking is distributed in three Titles. Title 1 covers staff expenditure such as salaries, training and costs associated to recruitment procedures and staff welfare. Title 2 covers the costs associated to the functioning of the Joint Undertaking such as infrastructure, equipment and IT needs. Title 3 corresponds to the JU's operational activities.

Following articles 29 to 31 of the Financial Rules and the recommendations of the Court of Auditors, now the 2011 budget is a separate document from the Annual Implementation Plan.

The budget was adopted as an annex of the Annual Implementation Plan by the Governing Board on January 28, 2010 and amended on September 22 the same year (see below).

Appropriations were committed at a rate of 99.9% to reflect obligations related to the operational costs of the Joint Undertaking and activities implemented according to the Work Programme 2010. Payments reached the level of 37.78% of the total appropriations managed. The overall performance is acceptable, bearing in mind the uncertainty of the payment schedule of the Member States and the difficulties that all transition implies. The execution of the budget was in line with the Joint Undertaking Financial Regulation. Sound financial management as well as verification and control systems properly applied. ARTEMIS has put into place appropriate financial management systems in order to manage all its revenue and expenditure.

5.2.1 Revenue of the Joint Undertaking - Commitment and payment appropriations

Following the FR, revenues are funds made available to the Joint Undertaking by different sources to cover administrative and operational expenditure for a year and compose the budget of payment appropriations. The budget revenue and payment appropriations of the JU should be in balance. Because the Joint Undertaking uses non-differentiated appropriations for both administrative and operational activities, the commitment and payment appropriations are also in balance. The table below outlines the breakdown of the revenue received in 2010:

Revenue Item	Cashed Euros
- 2010 EU R&D activities	18.619.020,59
-2010 EU Administrative operations (including 350,000Eur for Anticipated Budget 2011)	910.315,91
-ARTEMISIA Administrative operations	1.000.000,00
Total	20.529.336,50

5.2.2 Amending Budgets / Budgetary Transfers

ARTEMIS Joint Undertaking submits to the Governing Board an authorisation to amend the running costs budget that was approved in the Governing Board meeting held on September 22, 2010.

Budget Line	Description	Initial Budget	New Budget	Difference
A01100	Basic salaries	1.230.000,00	1.230.000,00	0,00
A01200	Miscellaneous expenditure on staff recruitment	8.000,00	8.000,00	0,00
A01401	Other Social Costs (European School etc.)	20.000,00	20.000,00	0,00
A01420	Training	5.000,00	10.000,00	5.000,00
A01700	Missions and representation expenses	80.000,00	75.000,00	-5.000,00
A02000	Rent (1)	120.000,00	190.000,00	70.000,00
A02100	Computer equipment (2)	132.500,00	192.500,00	60.000,00
A02210	New purchases (Furnitures) (3)	25.000,00	55.000,00	30.000,00
A02252	Subscriptions to newspapers and periodicals	-	-	0,00
A02300	Stationery and office supplies	5.000,00	5.000,00	0,00
A02356	Other Administrative Expenses	15.000,00	15.000,00	0,00
A02410	Telecommunication charges	7.500,00	7.500,00	0,00
B03200	Evaluation	343.250,00	343.250,00	0,00
B03202	Review (4)	218.750,00	98.750,00	-120.000,00
B03300	Innovation, Promotion and Supporting activities (5)	50.000,00	10.000,00	-40.000,00
B03400	Conferences workshops and infodays	30.000,00	30.000,00	0,00
B03402	Publications and documentation (Communication)	200.000,00	200.000,00	0,00
B03501	Evaluation 1	10.000,00	10.000,00	0,00
	Totals	2.500.000,00	2.500.000,00	0,00
	Increase of expenses: (1), (2) and (3) are related to the rent, IT equipment and furnitures for the New Building (White Atrium)			
	Decrease of expenses: (4) and (5) are due to savings in the review process and partial delays in the SME promotion activities.			

For the operational expenditures an amendment of the budget was decided on the Governing Board meeting held on November 25, 2010 where the EC contribution for projects was increased from 33,121,000.00€ to 36,000,000.00€.

5.2.3 Payments

The table below outlines the breakdown of the payments made in 2010

Payments from 2010 appropriations (C1)	10.215.675,38
Total Paid 2010	10.215.675,38

5.2.5 Analysis of Budgetary Management by Type of Expenditure

Title 1: Expenditure relating to ARTEMIS staff:

Chapter		Commitment appropriations authorised *	Commitments made	%
		1	2	3=2/1
Title A-1 STAFF				
A-11	STAFF IN ACTIVE EMPLOYMENT	1.230.000,00	1.230.000,00	100,00 %
A-12	Miscellaneous expenditure on staff recruitment and	8.000,00	8.000,00	100,00 %
A-14	SOCIOMEDICAL STRUCTURE	30.000,00	30.000,00	100,00 %
A-17	MISSIONS AND REPRESENTATION	75.000,00	75.000,00	100,00 %
Total Title A-1		1.343.000,00	1.343.000,00	100,00 %

ARTEMIS JU staff at the end of 2010 was composed of 7 Temporary Agents (TA) and 4 Contractual Agents (CA).

Title 2 and 3 except R&D Projects

Chapter		Commitment appropriations authorised *	Commitments made	%
		1	2	3=2/1
Title A-2 + B3-2-5 BUILDINGS EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURES in EUR				
A-20	RENTAL OF BUILDINGS AND ASSOCIATED COSTS	234.800,00	234.800,00	100,00 %
A-21	INFORMATION TECHNOLOGY PURCHASES	147.700,00	147.700,00	100,00 %
A-22	MOVABLE PROPERTY AND ASSOCIATED COSTS	55.000,00	55.000,00	100,00 %
A-23	CURRENT ADMINISTRATIVE EXPENDITURE	20.000,00	20.000,00	100,00 %
A-24	POSTAGE AND TELECOMMUNICATIONS	7.500,00	7.500,00	100,00 %
B3-2	R&D SUPPORT	442.000,00	442.000,00	100,00 %
B3-3	INNOVATION	10.000,00	10.000,00	100,00 %
B3-4	INFORMATION AND COMMUNICATION	230.000,00	200.000,00	86,96 %
B3-5	EVALUATION AND AUDIT	10.000,00		
Total Title A-2 + B3-2 to B3-5		1.157.000,00	1.117.000,00	96,54 %

The R&D support activities and the Information and Communication activities (Titles B3-2 and B3-4) are part of the administrative expenditures or "running costs" according with the Council Regulation. For budget 2011 these chapters have been transferred to Title 2.

Title 3 (only chapter 3-1) Operational expenditures

Chapter		Commitment appropriations authorised *	Commitments made	%
		1	2	3=2/1
Title B0-3 OPERATIONAL EXPENDITURE in EUR				
B3-1	R&D SELECTED PROJECTS-EC CONTRIBUTION	36.000.000,00	36.000.000,00	100,00 %
Total Title B0-3		36.000.000,00	36.000.000,00	99,89 %
TOTAL ARTEMIS		38.500.000,00	38.460.000,00	99,90 %

5.3 Budgetary Outturn Account:

Revenue Item	2010	2009
EU R&D activities	18.619.020,59	6.980.361,00
EU Administrative operations	560.315,91	984.540,00
ARTEMISIA Administrative operations	1.000.000,00	
Total Revenues:	20.179.336,50	7.964.901,00
PM. Furniture and Pre-Financings paid by EC before autonomy (*)	10.653,00	1.984.642,84

Expenditure Item	2010	2009
Running Costs		
<u>Staff</u>		
Payments	1.088.404,88	154.706,87
<u>Other Running costs</u>		
Payments	526.895,08	39.838,26
Appropriations carry over	336.648,92	110.087,63
Operating expenditure		
Payments	8.600.375,42	1.348.099,67
Appropriations carry over (Bank interest included)	10.018.645,17	5.640.702,10
Total Expenditure :	20.570.969,47	7.293.434,53
Budget Surplus	-391.632,97	671.466,47
Budget outturn previous year	671.466,47	0
Total Budget outturn	279.833,50	671.466,47

(*) Member's contributions without cash movement

5.4 Reconciliation between budgetary and accrual based accounts (EUR)

	sign +/-	amount
Economic result (- for loss)	+/-	-12.772.257,56
<i>Ajustment for accrual items (items not in the budgetary result but included in the economic result)</i>		
A Adjustments for Accrual Cut-off (reversal 31.12.N-1)	-	-3.119.963,30
B Adjustments for Accrual Cut-off (cut- off 31.12.N)	+	10.708.118,33
C Unpaid invoices at year end but booked in charges (class 6)	+	76.323,15
D Depreciation of intangible and tangible fixed assets	+	4.275,13
E Provisions Administrative (excluding Assets)	+	297.898,32
F Bank Charges	+	16,10
G RO not yet cashed (class 6)	-	-3.951,58
H Pre-financing given in previous year and cleared in the year	+	967.114,54
I Bank Interest received	+/-	-86.495,29
J Invoice error correction	+/-	-1.025,37
<i>Ajustment for budgetary items (item included in the budgetary result but not in the economic result)</i>		
K Asset acquisitions (less unpaid amounts)	-	-22.268,94
L New pre-financing paid in the year and remaining open	-	-6.246.294,68
M Budgetary recovery orders issued in on balance sheet accounts (not 7 or 6 accounts) and cashed	+	20.179.336,50
N Payment appropriations carried over to 2011	-	-10.355.294,09
O Cancellation of unused carried over payment appropriations from previous year	+	-5.956,03
P Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	+	671.466,47
Q Payments for staff (they are budgetary payments but booked against provisions)	-	-11.029,94
Z Remaining Reconciliation difference between Budget and Financial Accounts	+/-	-178,26
Budgetary result (+ for surplus)		279.833,50

6. Human Resources

6.1 Establishment Plan

The approved establishment plan for the years 2009 and 2010 is the following:

Category and grade	Establishment plan 2010		Posts actually filled at 31.12.2009		Posts filled in by external publication in 2010		Promotion / reclassification in 2010		Departures 2010		Posts actually filled at 31.12.2010	
	<i>perm</i>	<i>temp</i>	<i>perm</i>	<i>temp</i>	<i>perm</i>	<i>temp</i>	<i>perm</i>	<i>temp</i>	<i>perm</i>	<i>temp</i>	<i>perm</i>	<i>temp</i>
AD 16												
AD 15												
AD 14		1		1								1
AD 13												
AD 12												
AD 11		2		2								2
AD 10												
AD 9												
AD 8		5		4								4
AD 7												
AD 6												
AD 5												
Total AD		8		7								7

Number of Contractual Agents				
	<i>Posts actually filled at 31.12.2009</i>	<i>Envisaged 2010</i>	<i>Posts actually filled at 31.12.2010</i>	<i>Envisaged 2011</i>
GF IV				
GF III	1	4	2	3
GF II	1	3	2	4
GF I				
TOTAL	2	7	4	7

6.2 Organisational Chart

