



FINAL ANNUAL ACCOUNTS OF THE INNOVATIVE HEALTH INITIATIVE JOINT UNDERTAKING

FINANCIAL YEAR 2023

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CERTIFICATION OF THE ACCOUNTS

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the **Innovative Health Initiative** Joint Undertaking, in accordance with Article 52 of the Model Financial Regulation ('MFR')¹ and I hereby certify that the annual accounts of the **Innovative Health Initiative** JU for the year 2023 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 the **Innovative Health Initiative** 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 the **Innovative Health Initiative** JU.

My assurance statement related to the Final Accounts 2023 will be transmitted to the Accounting Officer of the Commission. The Management Representation Letter, signed by the Authorising Officer and myself, will be sent to the European Court of Auditors for the audit of the Final Accounts.

Hancq 03/06/2024
Katty HANCO

**Accounting Officer of the
Innovative Health Initiative Joint Undertaking**

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 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

BACKGROUND INFORMATION NOTE

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 centers, 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 JU'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. Panelists include representatives of the European Commission, IHI JU 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 JU 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 JU 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 JU industry partners;
- EUR 200 million will come from other life science industries or associations that decide to contribute to IHI JU 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 JU objectives can apply to become an IHI JU contributing partner, as long as it is not a member or affiliate of one of the IHI JU industry partners. Contributing partners invest their own resources (IKOP which can be researchers' time, laboratories, data, etc.) or cash in a specific IHI JU project or projects.

Annual accounts

Basis for preparation

The legal framework and the deadlines for the preparation of the annual accounts are set by 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 **Innovative Health Initiative** Joint Undertaking 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 **Innovative Health Initiative** Joint Undertaking.

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, the European Court of Auditors, the European Parliament and the Council by 1 July of the following financial year. The ECA scrutinises the final annual accounts and includes any findings in the annual report for the European Parliament and the Council.

It falls to the Council to recommend, and then to the European Parliament to decide, whether to grant discharge to the 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 71 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council (OJ L 14 2, 29.5.2019, p. 16)

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

1. Operational highlights

Achievements of the year

IHI JU's operational highlights in 2023 include the launch of IHI call 4 (two-stage) with topics on the 3Rs, patient-centric blood sample collection, clinical trials, and the environmental impacts of healthcare, and IHI call 5 (single-stage) with topics on the 3Rs, theranostics, stroke management and synthetic data. In addition, IHI JU signed the grant agreements for the first 16 IHI JU projects, which result from IHI calls 1, 2 and 3, calls that were launched in 2022. These projects bring on board the different industry sectors involved in IHI JU and address diverse disease areas (including diabetes, dementia, heart disease, cancer, and multiple sclerosis) and a range of challenges in health research. IHI JU also launched the IHI Patient Pool to strengthen the patient voice in IHI JU activities, and boosted the promotion of the IHI Ideas Incubator, which allows external people and organisations to submit ideas for IHI call topics.

BUDGET AND BUDGET IMPLEMENTATION

IHI JU's total budget for 2023 was EUR 223,231,575 in commitment appropriations (CA) and EUR 225,848,975

in payment appropriations (PA). The budget execution of the commitment appropriations and the payment appropriations reached 92.65% and 90.29% respectively.

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

- Title 1 covers staff expenditure such as salaries, training, costs associated with recruitment procedures, missions and staff well-being.
- Title 2 covers the costs associated with functioning of IHI JU 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 JU's operational activities.

The IHI JU Governing Board approved the 2023 budget on 22 December 2022. The total budget approved was EUR 215.3 million in commitment appropriations and EUR 219.5 million in payment appropriations. The budget was subsequently amended during 2023.

The budget amendment was approved by the Governing Board on 24 July 2023. The commitment appropriations were adjusted to include the carry overs from the previous year, of EUR 1.6 million. The total budget approved was EUR 216.9 million in commitment appropriations and EUR 219.5 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. Here it should be noted that, since November 2021, IHI JU has managed three programmes in parallel:

- IHI JU (under Horizon Europe, HE)

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

As set out in the 2021 Council Regulation establishing IHI JU, the EU has committed to contribute EUR 1.170 billion from Horizon Europe to the IHI JU 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 JU in specific areas of research, by becoming contributing partners.

Regarding the commitment appropriations, in 2023, IHI JU launched the fourth and the fifth calls for proposals under the Horizon Europe programme. The committed amounts were EUR 83.4 million for IHI call 4, EUR 115 million for IHI call 5.

IMI2 (under Horizon 2020, H2020)

As initially set out 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 2021, the total EU commitments available at programme level over the lifetime of the IMI2 JU (2014-2021) for operational activities amount to EUR 1.456,6 billion:

EUR 1.595 billion	(as initially set out 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)
= EUR1.4566 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 2023, payments related to H2020 projects amounted to EUR 118.3 million. The payment appropriations related to H2020 were mainly used by interim and final payments for projects of IMI2 calls 3-23. 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 2023, payments related to FP7 projects amounted to EUR 7.3 million. The payment appropriations related to FP7 were used by payments for periodic or final reports for projects of IMI1 call 6 and call 8.

Administrative expenditure

The administrative budget implementation, of the commitment and payment appropriations, reached a level of 81.3% and 80.1% respectively.

At the end of 2023, the administrative budget was EUR 9.7 million in commitment appropriations and equal amount in payment appropriations. The implementation rates show a good achievement for administrative expenditure (Titles 1 and 2) in 2023, 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 87.5% and 86.4% respectively.

Regarding Title 2, the budget implementation of the commitment and payment appropriations reached a level of 68.7% and 67.3% respectively.

A significant part of the Title 2 budget was used for expenditure linked to rent, IT, meetings, workshops, communication and studies, as support provided in managing the three programmes running. The formal meetings, expenditure in connection with operational activities and communication costs were affected by meetings and events taking place mainly virtually.

IHI JU continued to execute its budget applying the principles of sound financial management, which resulted in several budget transfers between budget chapters, in line with operational needs. In 2023, 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: The increase from kEUR 255 058 in 2022 to kEUR 260 708 in 2023 is a combined result of a strong increase due to the start of the first 15 projects under the Horizon Europe and the payment of the related pre-financing and a decrease due to the clearing of the pre-financing with incurred expenses for ongoing IMI2 JU projects and the finalisation of several projects (see note **2.3**).

Members' contributions: 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 in-kind contributions actually incurred on the basis of validated cost claims (for the FP7) or IKC certificates (for the H2020). The 'Contributions in cash to be validated' are the received but unspent EC financial contributions to the Horizon Europe Programme (see note **2.7**). The contributions from members increased by kEUR 435 046 and amounted to kEUR 4 088 652 in 2023. The increase of kEUR 209 300 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 2023. The increase of kEUR 225 746 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 2023 (see note **2.9**).

Operational costs: The decrease of the total operating cost from kEUR 467 522 in 2022 to kEUR 367 772 in 2023 is an effect of a decrease of the total validated costs combined with a 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 and validated (see note **3.4**).

FINANCIAL STATEMENTS AND EXPLANATORY NOTES

BALANCE SHEET

	Note	31.12.2023	31.12.2022
NON-CURRENT ASSETS			
Intangible assets	2.1	97.56	2,720.10
Property, plant and equipment	2.2	113,131.05	164,312.64
Long term pre-financing	2.3	161,010,849.83	144,587,797.69
		161,124,078.44	144,754,830.43
CURRENT ASSETS			
Short term pre-financing	2.3	99,696,662.72	110,470,295.77
Exchange receivables and non-exchange recoverables	2.4	70,380,006.80	47,836,143.20
		170,076,669.52	158,306,438.97
TOTAL ASSETS		331,200,747.96	303,061,269.40
CURRENT LIABILITIES			
Payables and other liabilities	2.7	260,637,234.34	277,762,160.89
Accrued charges and deferred income	2.8	120,425,408.14	136,489,031.31
TOTAL LIABILITIES		381,062,642.48	414,251,192.20
Contribution from Members	2.9	4,088,652,420.83	3,653,606,591.92
Accumulated deficit		(3,764,796,514.72)	(3,294,225,065.37)
Economic result of the year		(373,717,800.63)	(470,571,449.35)
NET ASSETS		(49,861,894.52)	(111,189,922.80)
LIABILITIES AND NET ASSETS		331,200,747.96	303,061,269.40

STATEMENT OF FINANCIAL PERFORMANCE

	Note	2023	2022
REVENUE			
Revenue from non-exchange transactions			
Recovery of operating expenses	3.1	1,672,581.07	4,748,106.37
Other non-exchange revenue	3.2	-	1,518.05
Revenue from exchange transactions			
	3.3		
Financial revenues		4,211.00	5,763.28
Other exchange revenue		29,813.97	124,292.48
Total revenue		1,706,606.04	4,879,680.18
EXPENSES			
Operating costs	3.4	(367,772,083.29)	(467,521,819.97)
Staff costs	3.5	(5,075,637.87)	(5,178,163.36)
Financial expenses	3.6	(7,425.53)	-
Other expenses	3.7	(2,569,259.98)	(2,751,146.20)
Total expenses		(375,424,406.67)	(475,451,129.53)
ECONOMIC RESULT OF THE YEAR		(373,717,800.63)	(470,571,449.35)

CASHFLOW STATEMENT⁴

	2023	2022
Economic result of the year	(373,717,800.63)	(470,571,449.35)
Operating activities		
Depreciation and amortization	64,655.74	83,058.85
(Increase)/decrease in pre-financing	(5,649,419.09)	83,152,122.75
(Increase)/decrease in exchange receivables and non-exchange recoverables	(22,543,863.60)	(17,233,073.91)
Increase/(decrease) in payables	(17,124,926.55)	(31,534,209.11)
Increase/(decrease) in accrued charges & deferred income	(16,063,623.17)	(14,438,762.82)
Increase/(decrease) in cash contributions	209,299,532.37	160,671,120.00
Increase/(decrease) in in-kind contributions	225,746,296.54	289,933,813.58
Investing activities		
(Increase)/decrease in intangible assets and property, plant and equipment	(10,851.61)	(62,619.99)
NET CASHFLOW	(0.00)	(0.00)

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 and non-exchange recoverables.

STATEMENT OF CHANGES IN NET ASSETS

	Contribution from Members	Accumulated Surplus/(Deficit)	Economic result of the year	Net Assets
BALANCE AS AT 31.12.2021	3,203,001,658.34	(2,795,006,287.53)	(499,218,777.84)	(91,223,407.03)
Allocation 2021 economic result	-	(499,218,777.84)	499,218,777.84	-
Cash contribution	160,671,120.00	-	-	160,671,120.00
Contribution in-kind	289,933,813.58	-	-	289,933,813.58
Unpaid cash contributions	-	-	-	-
Economic result of the year	-	-	(470,571,449.35)	(470,571,449.35)
BALANCE AS AT 31.12.2022	3,653,606,591.92	(3,294,225,065.37)	(470,571,449.35)	(111,189,922.80)
Allocation 2022 economic result	-	(470,571,449.35)	470,571,449.35	-
Cash contribution	209,299,532.37	-	-	209,299,532.37
Contribution in-kind	225,746,296.54	-	-	225,746,296.54
Unpaid cash contributions	-	-	-	-
Economic result of the year	-	-	(373,717,800.63)	(373,717,800.63)
BALANCE AS AT 31.12.2023	4,088,652,420.83	(3,764,796,514.72)	(373,717,800.63)	(49,861,894.52)

NOTES TO THE FINANCIAL STATEMENTS

1.SIGNIFICANT ACCOUNTING POLICIES

1.1. ACCOUNTING PRINCIPLES

The objective of financial statements is to provide information about the financial position, performance and cash flows 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 euros, the budget implementation tables 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	31.12.2023	31.12.2022	Currency	31.12.2023	31.12.2022
BGN	1.9558	1.9558	PLN	4.3395	4.6808
CZK	24.724	24.116	RON	4.9756	4.9495
DKK	7.4529	7.4365	SEK	11.096	11.1218
GBP	0.8869	0.8869	CHF	0.926	0.9847
NOK	11.2405	10.4812	JPY	156.33	140.66
HUF	382.80	400.87	USD	1.105	1.0666

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>	<i>4 % to 10 %</i>
<i>Plant and equipment</i>	<i>10 % to 25 %</i>
<i>Furniture and vehicles</i>	<i>10 % to 25 %</i>
<i>Computer hardware</i>	<i>25 % to 33 %</i>
<i>Other</i>	<i>10 % to 33 %</i>

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

Leases

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

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

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

1.3.3. Impairment of non-financial assets

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

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

1.3.4. Financial assets

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

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

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

Initial recognition and measurement

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

Subsequent measurement

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

Derecognition

Financial assets at amortised cost are derecognised either when the rights to receive cashflows from the investments have expired or are waived, or 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 are 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 remote.

1.6. CONTRIBUTIONS FROM MEMBERS

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).

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.

1.6.1. Financial contributions

Financial contributions are contributions of Members made in cash in order to provide funding of the operational or administrative needs of the JU.

Horizon 2020 programme:

- 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 payment's 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 – CAAR (Art. 19.2 FFPA)
- Private (Industry Members) contributions: financial contributions are contributions made in cash in order to provide funding of the 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 is recognised in net assets of the JU in the period when the conditions for Members' contributions stipulated by the Regulation are met.

As IKOP calculated from periodic cost claims of projects is not automatically recorded in the statement of financial performance, at year-end, this incurred IKOP as well as IKOP not yet reported (via received costs claims) is estimated and recorded as other liabilities ('Contributions of Members to be validated').

The EU makes available the cash contributions in advance (until the payments reach the 90%), providing the beneficiaries with sufficient level of funds to implement the programme activities; while the in-kind contributions provided by the private members can be verified and recognised only after the activities are concluded, reported, and certified.

The EU cash contributions are validated and recognised in the accounts of the JU when paid to the JU (or based on the payments processed by the JU, in case of Horizon Europe, see point 1.6.1, while members' in-kind contributions are only recognised after validation of the costs incurred and declared. Consequently, due to this time gap, during the program implementation the amounts of contributions recognised per member category (EU and private members) differ significantly from each other. This gap between the recognised amount of EU cash contributions, on one hand, and in-kind contributions, on the other hand, will be closed as the programme is approaching the finalisation stage.

Due to major simplifications introduced in Horizon Europe, the certification for IKOP is based on the certificate on the statements of contributions (CCS). The certificates for IKOP are only due to be submitted to the JU after the end of the last project reporting period. This time difference is a cause of a major delay between the time when the IKOP balances are committed (upon signature of the grant) until they could be validated and recognised in net assets of the JU.

The IKAA (under Horizon 2020) 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), 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.

IKAA can be either programme or project specific:

1. Programme-specific additional activities contribute to the uptake of results from IMI JU, IMI2 JU, IHI JU projects or have a significant added value for the Union.
2. Project-specific additional activities contribute towards the achievement of objectives of the IHI JU funded projects, or the dissemination, sustainability, or exploitation of the IHI JU project results.

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

	TOTAL
Gross carrying amount at 31.12.2022	391,066.22
Additions	-
Gross carrying amount at 31.12.2023	391,066.22
Accumulated amortisation at 31.12.2022	(388,346.12)
Amortisation charge for the year	(2,622.54)
Accumulated amortisation at 31.12.2023	(390,968.66)
NET CARRYING AMOUNT AT 31.12.2023	97.56
NET CARRYING AMOUNT AT 31.12.2022	2,720.10

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.

	Furniture and vehicles	Computer hardware	TOTAL
Gross carrying amount at 31.12.2022	159,510.79	314,008.38	473,519.17
Additions	-	10,851.61	10,851.61
Disposals	(1,594.54)	(50,690.62)	(52,285.16)
Gross carrying amount at 31.12.2023	157,916.25	274,169.37	432,085.62
Accumulated depreciation at 31.12.2022	(84,171.58)	(225,034.95)	(309,206.53)
Depreciation charge for the year	(11,898.83)	(49,164.36)	(61,063.19)
Disposals	624.53	50,690.62	51,315.15
Accumulated depreciation at 31.12.2023	(95,445.88)	(223,508.69)	(318,954.57)
NET CARRYING AMOUNT AT 31.12.2023	62,470.37	50,660.68	113,131.05
NET CARRYING AMOUNT AT 31.12.2022	75,339.21	88,973.43	164,312.64

The additions of EUR 10 852 relate to the acquisition of laptops and mobile phones. The disposals of EUR 50 691 relate to laptops and tablets with no remaining book value. For Furniture and vehicles the depreciation rate is 10% and for Computer hardware the depreciation rate is 25%.



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.

	31.12.2023	31.12.2022
Long term pre-financing	161,010,849.83	144,587,797.69
Short term pre-financing	99,696,662.72	110,470,295.77
Total	260,707,512.55	255,058,093.46

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

For all pre-financing amounts open at 31 December 2023 a case-by-case assessment has been performed and all the pre-financing that was considered unlikely to be cleared in the course of 2024 was classified as non-current.

The overall high amount of the open pre-financing can be explained by the fact that for FP7, Horizon 2020 and Horizon Europe 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 2023. The clearing of pre-financing with year-end (cut-off) adjustments amounted to kEUR 100 843 (2022: kEUR 111 017). The remaining portion of the cut off expenses is recorded in accrued charges (see note 2.8).

In 2023 the first projects under the Horizon Europe programme started and pre-financing for 15 projects was paid. Despite the clearing of the pre-financing with incurred expenses for ongoing IMI2 JU projects and the finalisation of several projects, it resulted in an overall increase of pre-financing from kEUR 255 058 in 2022 to kEUR 260 708 in 2023.

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.

On 31 December 2023 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 relates 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.

	31.12.2023	31.12.2022
Recoverables from non-exchange transactions		
Central treasury liaison accounts	68,941,106.21	47,229,655.08
Receivables from members and partners	1,324,914.40	519,970.85
	70,266,020.61	47,749,625.93
Receivables from exchange transactions		
Accrued income and deferred charges	109,908.59	86,517.27
Other	4,077.60	-
	113,986.19	86,517.27
Total	70,380,006.80	47,836,143.20

2.5. CASH AND CASH EQUIVALENTS

All the payments and receipts are processed via the Commission's treasury system and registered on liaison accounts, which are presented under heading 'Recoverables from non-exchange transactions' (see note 2.4).

Innovative Health Initiative Joint Undertaking does not hold any form of cash or cash equivalents at hand or in accounts with financial institutions under its name.

LIABILITIES

2.6. 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).

	31.12.2023	31.12.2022
Short-Term provisions	-	-

Not applicable for Innovative Health Initiative JU in 2023.

2.7. 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).

	31.12.2023	31.12.2022
Contribution in kind from Members to be validated	223,615,985.90	247,466,756.88
Suppliers	13,975,139.45	17,874,052.89
Contribution in cash to be validated	9,936,303.63	276,058.00
Public bodies and other current payables	13,109,805.36	12,145,293.12
Total	260,637,234.34	277,762,160.89

Under the heading 'Contribution in-kind from Members to be validated' the in-kind contributions related to on-going projects which have not been validated by the year-end are presented. The amount for the 2023 IKOP is recognised based on estimates. For the H2020 programme the estimates are based on reported numbers from

the members, for the FP7 programme on reported numbers from the members and/or pro-rata and for the Horizon Europe programme the estimates are based on pro-rata.

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 in-kind contribution actually incurred on the basis of validated cost claims (for the FP7) or IKC certificates (for the H2020)

After validation of the contributions by the Executive Director, the amounts will be booked to Net Assets and presented as Contribution received from members (see note **2.9**).

The decrease of the current payables to Suppliers and Public bodies from globally kEUR 30 019 in 2022 to kEUR 27 085 in 2023 relates mainly to cost claims received and validated at year-end and invoices outstanding at the year-end.

The 'Contributions in cash to be validated' are the received but unspent EC financial contributions to the Horizon Europe programme (see note **1.6.1**).

2.8. 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.

	31.12.2023	31.12.2022
Accrued charges	120,425,408.14	136,489,031.31

The heading is mainly composed of operational accrued charges (kEUR 119 905) for on-going or ended projects without a validated cost statement where the 2023 operational costs were estimated on a case by-case basis using the best available information about the projects at 31 December 2023. 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 mainly driven by projects of the H2020 programme which is in line with the normal evolution of a programme as YTD more costs have been validated and therefore less costs will need to be accrued.

This heading also includes administrative accrued charges of kEUR 402 and staff-related accrued charges of kEUR 119 out of which kEUR 112 for untaken holidays and kEUR 7 for other staff related expenditure.

NET ASSETS

2.9. 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' once validated. 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	2023			2022		
	Cash	In-Kind	Total	Cash	In-Kind	Total
FP7	960,252,069.81	816,313,919.34	1,776,565,989.15	960,252,069.81	808,851,115.32	1,769,103,185.13
Horizon 2020	1,164,271,370.13	1,072,288,432.18	2,236,559,802.31	1,028,008,525.13	854,004,939.66	1,882,013,464.79
Horizon Europe	75,526,629.37	-	75,526,629.37	2,489,942.00	-	2,489,942.00
Total	2,200,050,069.31	1,888,602,351.52	4,088,652,420.83	1,990,750,536.94	1,662,856,054.98	3,653,606,591.92

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

Similar to Horizon 2020 (see note 2.9.2 below), under the FP7 programme only certified in-kind contributions from the EFPIA, validated by the Executive Director of IHI JU, are considered as net assets.

Member	Commission Cash	Industry Grouping			Total	
		Cash	In kind	Total	Cash	In kind
Running costs contributions at 31.12.2022	34,366,451.00	21,898,055.36	-	21,898,055.36	56,264,506.36	-
Current year contributions	-	-	-	-	-	-
Running costs contributions at 31.12.2023	34,366,451.00	21,898,055.36	-	21,898,055.36	56,264,506.36	-
Operating costs contributions at 31.12.2022	903,987,563.45	-	808,851,115.32	808,851,115.32	903,987,563.45	808,851,115.32
Current year contributions	-	-	7,462,804.02	7,462,804.02	-	7,462,804.02
Operating costs contributions at 31.12.2023	903,987,563.45	-	816,313,919.34	816,313,919.34	903,987,563.45	816,313,919.34
TOTAL contributions at 31.12.2022	938,354,014.45	21,898,055.36	808,851,115.32	830,749,170.68	960,252,069.81	808,851,115.32
TOTAL contributions at 31.12.2023	938,354,014.45	21,898,055.36	816,313,919.34	838,211,974.70	960,252,069.81	816,313,919.34

2.9.1. 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 certification has been received and/or this certification has not been validated by the Executive Director, 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 Grouping		Associated partner		Total	Total	
	Cash	Cash	In kind	Cash	In kind		Cash	In kind
Running costs contributions at 31.12.2022	27,744,818.00	25,057,825.72	-	-	-	25,057,825.72	52,802,643.72	-
Current year contributions	3,325,000.00	2,937,845.00	-	-	-	2,937,845.00	6,262,845.00	-
Running costs contributions at 31.12.2023	31,069,818.00	27,995,670.72	-	-	-	27,995,670.72	59,065,488.72	-
Operating costs contributions at 31.12.2022	963,942,380.40	4,200,000.00	742,063,223.85	7,063,501.01	111,941,715.81	865,268,440.67	975,205,881.41	854,004,939.66
Current year contributions	130,000,000.00	-	198,612,895.45	-	19,670,597.07	218,283,492.52	130,000,000.00	218,283,492.52
Operating costs contributions at 31.12.2023	1,093,942,380.40	4,200,000.00	940,676,119.30	7,063,501.01	131,612,312.88	1,083,551,933.19	1,105,205,881.41	1,072,288,432.18
TOTAL contributions at 31.12.2022	991,687,198.40	29,257,825.72	742,063,223.85	7,063,501.01	111,941,715.81	890,326,266.39	1,028,008,525.13	854,004,939.66
TOTAL contributions at 31.12.2023	1,125,012,198.40	32,195,670.72	940,676,119.30	7,063,501.01	131,612,312.88	1,111,547,603.91	1,164,271,370.13	1,072,288,432.18

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

Under the new SBA (Horizon Europe) 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 Cash	Industry Grouping		Associated partner			Total	
		Cash	In kind	Cash	In kind	Total	Cash	In kind
Running costs contributions at 31.12.2022	1,106,942.00	661,500.00	-	721,500.00	-	1,383,000.00	2,489,942.00	-
Current year contributions	1,159,813.43	626,368.00	-	645,565.00	-	1,271,933.00	2,431,746.43	-
Running costs contributions at 31.12.2023	2,266,755.43	1,287,868.00	-	1,367,065.00	-	2,654,933.00	4,921,688.43	-
Operating costs contributions at 31.12.2022	-	-	-	-	-	-	-	-
Current year contributions	70,604,940.94	-	-	-	-	-	70,604,940.94	-
Operating costs contributions at 31.12.2023	70,604,940.94	-	-	-	-	-	70,604,940.94	-
TOTAL contributions at 31.12.2022	1,106,942.00	661,500.00	-	721,500.00	-	1,383,000.00	2,489,942.00	-
TOTAL contributions at 31.12.2023	72,871,696.37	1,287,868.00	-	1,367,065.00	-	2,654,933.00	75,526,629.37	-

According to the specific guidance issued by the EC Accounting Officer^[1] for the accounting of the EU cash contributions received under Horizon Europe, the accounting treatment of the EU contribution should align with Art. 19.1 of the Financial Framework Partnership Agreement (FFPA), defining that the Union contributions take form of provisional payments ("pre-financings"). Based on this new requirement, the JU determines, on the basis of the payment implementation report the amount of operating and administrative expenditure that have been covered from the EU financial contributions to the Horizon Europe programme and enters only this amount into the net assets. The unspent funds in 2023 (9 936 kEUR) are booked among the liabilities as "Contributions in cash to be validated".

^[1] . Ares(2022)6810956 – 03/10/2022 : Specific Guidance: Accounting for EU cash contributions received by Joint Undertakings under the Financial Framework Partnership Agreement related to MFF 2021-2027



3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

REVENUE

NON-EXCHANGE REVENUE

Revenue from non-exchange transactions relates to transactions where the transferor provides resources to the recipient entity without the recipient entity providing approximately equal value directly in exchange. The heading 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 ex-post audits that will be collected in the following year.

	2023	2022
Recovery of expenses	1,672,581.07	4,748,106.37

3.2. Other non-exchange revenue

	2023	2022
Other	-	1,518.05

There are no liquidated damages in 2023.

EXCHANGE REVENUE

3.3. Revenue from exchange transactions

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

	2023	2022
Recovery of administrative expenses	29,777.72	49,987.67
Write back of previously written-off amount.	-	73,448.00
Other	4,247.25	6,620.09
Total	34,024.97	130,055.76

Innovative Health Initiative JU currently sublets the 1st floor of the office building to EDCTP3. The EUR 29 777,72 shown above under Recovery of administrative expenses relates to EDCTP3's share in the works of the 1st floor and some office materials used by EDCTP3.

EXPENSES

3.4. OPERATIONAL COSTS

Included under this heading are operational expenses related to projects that were carried out in the current year. The part of the operational costs related to on-going projects without any validated cost claims (or equivalent) available on 31 December was estimated using the best information available at the time of preparation of the annual accounts. The estimation is based on the case-by-case assessment of completion which ensures that only costs that reflect the services or work performed by 31 December are included in the operational costs of the year. Depending on the availability of information at the time of preparation of the annual accounts, the estimates are based on costs incurred to date as a proportion of the estimated total costs of the projects ("pro-rata temporis").

The break-down of the operational costs between operational costs incurred on the basis of validated cost claims (or equivalent) and estimated operational costs is given in the table below:

	2023	2022
Operational costs: validated in-kind contributions	225,746,296.54	294,312,885.92
Operational costs: estimated in-kind contributions	(23,850,770.98)	(41,913,022.76)
Total operational costs from in-kind contributions	201,895,525.56	252,399,863.16
Operational costs: validated EU contributions	198,408,448.16	224,357,868.18
Operational costs: estimated EU contributions	(32,531,890.43)	(9,235,911.37)
Total operational costs from EU contributions	165,876,557.73	215,121,956.81
Total	367,772,083.29	467,521,819.97

The decrease of the total operational costs is an effect of a decrease of the validated costs for the FP7 and H2020 programmes versus 2022 and a decrease of estimated costs for the H2020 programme, partially offset by an increase of estimated costs for the FP7 and Horizon Europe programmes. The decrease in validated costs for FP7 is due to the phasing out of the IMI programme (legacy projects). There is less to be validated as almost all cost claims have now been received and paid. The decrease of the estimated costs is driven by the H2020 programme. For Horizon Europe the first projects have started in 2023 and no cost claims have been received.

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 are 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, the JU 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.

As per Article 83a (2) of the Staff Regulations, the 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. To avoid disruptive variations over time, the JU's employer's pension contribution is calculated with a single percentage share for the whole duration of the JU. This single percentage was established on the basis of the EU and non-EU members' respective contributions, as foreseen in the JU's legal basis, with a correction and regularisation at the last year of existence of the JU. The contribution of Innovative Health Initiative Joint Undertaking was set as 2.5 % of the total pension scheme contributions (at 31 December 2023, the contribution of Innovative Health Initiative Joint Undertaking was fixed in the amount of kEUR 21). This contribution is accounted within staff costs.

In view of implementation problems and the principle of good administration, it was agreed between the Commission and the JUs that the provisions of Article 83a(2) are applied only to the JUs set up by the SBA and Euro HPC and not to those established under the previous Regulations. Given the late entry into force of the SBA at the end of November 2021, the applicability started as from 2022.

	2023	2022
Staff costs	5,075,637.87	5,178,163.36

3.6. FINANCE EXPENSES

	2023	2022
Interest expense on late payment of charges	318,73	-
Write down of recoverables	7.106,80	-
Total	7.425,53	-

The amount of EUR 7 106,80 relates to an amount to be recovered from a beneficiary which is unlikely to be cashed.

3.7. OTHER EXPENSES

Included under this heading are expenses of administrative nature such as external non-IT services, operating leasing expenses, communications and publications, training costs etc.

	2023	2022
Property, plant and equipment related expenses	63,685.73	83,058.85
External non-IT services	683,849.66	870,007.94
Legal Expenses	8,080.00	10,486.00
Maintenance and security expenses	183,399.99	29,250.95
Office Supplies & maintenance	21,601.21	47,858.56
External IT services	946,488.33	833,590.01
Experts' expenses	108,881.07	146,400.24
Car & transport expenditures	17,730.67	5,197.62
Training costs	29,384.30	34,680.35
Recruitment costs	2,142.98	54.00
Missions	32,954.67	14,297.45
Communications & publications	69,060.66	126,703.80
Rent expenses	402,000.37	474,275.91
Losses on realisation of trade debtors	-	73,448.00
Realised & Unrealised Exchange Rate Losses	0.34	1,836.52
Total	2,569,259.98	2,751,146.20

The decrease of the administrative costs is a combined effect of (1) a decrease of external non-IT services and communications and publications expenses (e.g., many events taking place virtually). Furthermore, less ex-post audits were performed in 2023 due to the phasing out of IMI1 projects. 2) an increase in service charges of the building. Charges were lower in 2022 due to credit notes received for the covid closed office period. This year building charges are shown under Maintenance and security expenses while last year an amount of EUR 65K was part of Rent expenses. An overview of the amounts to be committed and paid during the remaining term of these lease contracts are as follows: 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			EUR '000
	< 1 year	1- 5 years	> 5 years	Total
Buildings	690,331.88	674,799.41	0.00	1,365,131.29

4. OTHER SIGNIFICANT DISCLOSURES

4.1. CONTINGENT ASSETS

	2023	2022
Contingent assets	1,033,619.02	119,473.27

The contingent assets of Innovative Health Initiative JU relate to ex-post audit findings for which the amounts have not yet been agreed with the beneficiaries.

4.2. CONTINGENT LIABILITIES

	2023	2022
Other	-	(106,128.24)
Total	-	(106,128.24)

4.3. 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.

	2023	2022
Outstanding commitment not yet expensed	555,539,766.60	621,457,800.55

The outstanding commitments not yet expensed represent the correction of the budgetary RAL with the estimated costs which are determined by using the accrual-based principle not reflected in the budgetary result, where the cash-based principle is used. The decrease between the years is driven by the high decrease in the budgetary RAL by kEUR 85 035, which is seen in the budget implementation reports (chapter 6: kEUR 702 931 in 2023 compared to kEUR 787 966 in 2022).

4.4. IN-KIND CONTRIBUTIONS

According to both Council Regulation (EU) No 558/2014 and Council Regulation (EU) No 2021/2085, the members other than the Union shall provide in-kind contributions to the Joint Undertaking.

Under H2020 programme, in-kind contributions by the Members other than the Union and the Associated Partners, or their constituent entities or their affiliated entities consist of the costs incurred by them in implementing indirect actions less the contribution of the joint undertaking and any other Union contribution to those costs. For the purpose of valuing these in-kind contributions, the costs are determined in accordance with the usual cost accounting practices of the entities concerned, to the applicable accounting standards of the country where the entity is established, and to the applicable International Accounting Standards and International Financial Reporting Standards. The costs shall be certified by an independent external auditor appointed by the entity concerned. The valuation method may be verified by the joint undertaking, should there be any uncertainty arising from the certification.

Further simplification was introduced under Horizon Europe programme. In that context, a simplified reporting mechanism was put in place for the members, who are no longer required to report on non-eligible costs for in-kind contributions to operational activities. According to Art.2. (8) of the SBA: "in-kind contributions to operational activities' means contributions by private members, constituent entities or the affiliated entities of either, by international organisations and by contributing partners, consisting of the eligible costs incurred by them in implementing indirect actions less the contribution of that joint undertaking and of the participating states of that joint undertaking to those costs". Consequently, in-kind contributions to operational activities are accounted for solely on the basis of eligible costs and reported and audited in accordance with the mechanism applicable to the specific grant agreement. Such accounting on the basis of eligible costs allows for the automated calculation of in-kind contributions to operational activities via the Horizon Europe IT tools.

4.5. IN-KIND IN ADDITIONAL ACTIVITIES (IKAA)

The joint undertakings provide a systematic opportunity and incentive for members other than the Union to combine their research and innovation activities with those of the joint undertaking. Additional activities do not receive financial support from the joint undertaking. However, they are accounted for as members' in-kind contributions to additional activities when they contribute to the objectives of the joint undertaking and are directly linked to its activities, including non-eligible costs of indirect actions funded by the joint undertaking where this is provided for in the annual additional activities plan. That link can be established through the uptake of results from indirect actions funded by the joint undertaking or its preceding initiatives, or by demonstrating a significant Union added value. The respective costs should be certified by an independent audit body appointed by the entity concerned subject to the valuation method being open to verification by the joint undertaking in the event of uncertainty. Council Regulation (EU) No 2021/2085 laid down more specific provisions concerning the scope of additional activities for each joint undertaking, to the extent that it is necessary to achieve the desired directionality and impact.

"Additional activity" means an activity, included in the annual additional activities plan annexed to the main part of the work programme, that does not receive financial support from the joint undertaking but contributes to its objectives and is directly linked to the uptake of results from projects under that joint undertaking or its preceding initiatives or that has a significant Union added value.

In-kind contributions to additional activities means contributions by the private members, constituent entities or the affiliated entities of either, and by international organisations, consisting of the costs incurred by them in implementing additional activities less any contribution to those costs from the Union and from the participating states of that joint undertaking;

Art. 120 of the SBA defines the scope of IHI JU's additional activities:

1. For the purpose of Article 11(1), point (b), 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.
2. Where relevant, project proposals shall include a plan for their related additional activities. Costs associated to such project-specific additional activities must be incurred between the date of submission of the proposal and up to two years after the end date of the indirect action.
3. In order for the costs to be accounted for as in-kind contributions referred to in Article 11(1), point (b), the underlying additional activities shall be carried out within the Union or countries associated to Horizon Europe.

4.6. CONTRIBUTIONS PER PROGRAMME

	Members' contributions (as per Funding regulation)					Total (f)=(a)+(b)+(c)+(d)+(e)
	EU cash	Member States	Private members' cash	Private members' IKOP	Private members' IKAA	
	(a)	(b)	(c)	(d)	(e)	
FP7	1,000,000,000.00	-	34,000,000.00	966,000,000.00	-	2,000,000,000.00
H2020	1,638,000,000.00	-	42,600,000.00	1,595,400,000.00		3,276,000,000.00
Horizon Europe	1,200,000,000.00	-	30,193,000.00	1,169,807,000.00		2,400,000,000.00

	Members contributions as of 31.12.2023							Total	Achievement rate
	EU cash validated	EU cash not validated (PF)	Other members cash	Other members IKOP validated	Other members IKOP reported but not validated	IKAA certified	IKAA reported but not certified		
FP7	938,354,014.45	-	21,898,055.36	816,313,919.34	30,335,025.38	N/A	N/A	1,806,901,014.53	90%
H2020	1,125,012,198.40	-	39,259,171.73	1,072,288,432.18	182,314,304.96	N/A	N/A	2,418,874,107.27	74%
Horizon Europe	72,871,696.37	9,936,303.63	2,654,933.00	-	10,966,655.56	129,615.00	3,419,717.00	99,978,920.56	4%

4.6.1. 2007-2013 (FP7) MFF: Total Members 'Contributions

IMI1 (FP7) programme is in the phase of winding down.

At the end of 2023, the JU had committed the maximum EU operational contributions of EUR 933.5 million for signed grant agreements under the FP7 programme. At the end of 2023, there was one project still running out of the initial 59 IMI1 projects, as well as three projects that ended in 2023 but were not yet closed.

97% of the commitment appropriations had been paid out at the end of 2023. EUR 31 million (or 3 %) still remains to be paid for projects. Private members had legally committed to provide in-kind contributions of EUR 914.1 million or 95 % of the original legal target of EUR 966 million. Of this committed amount, they reported EUR 846.6 million (or 88% of the original legal target) at the end of 2023.

4.6.2. 2014-2020 (Horizon 2020) MFF: Total Members 'Contributions

At the end of 2023, the JU had committed EUR 1 452.1 million or 91 % of the maximum EU operational contribution of EUR 1 595.4 million for signed grant agreements under the Horizon 2020 programme. Of this committed amount, around EUR 356.5 million (or 24.6 %) remains to be paid in the coming years for projects yet to be completed. At the same time, private members and associated partners had legally committed to provide in-kind contributions of EUR 1 506.1 million or 94.4 % of the minimum target of EUR 1 595.4 million. Of this committed amount, they reported EUR 1 254.6 million (or 79 % of the target) at the end of 2023.

The last IMI2 projects were signed in 2021, some with an expected end date in 2028. At the end of 2023 there were still 59 IMI2 projects running with 75% 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 2023, 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 1 595.4 million.

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.

4.6.3. 2021-2027 (Horizon Europe) MFF: Total Members 'Contributions

During 2023 the first projects were launched under Horizon Europe and the pre-financing was paid. At the end of 2023, the commitments for the signed grant agreements from EU funding were EUR 183.8 million (15.7% of the target) and EUR 216.2 (18.5% of the target) from IHI JU private members and contributing partners under the Horizon Europe programme. At the end of 2023, 18 % of the commitment appropriations had been paid out.

There was no IKOP reported by IHI JU private members and contributing partners in 2023. As the first IHI JU grants were signed in 2023, the first contributions in terms of IKOP will be reported in 2024 together with the first project periodic reports.

The first reporting of IKAA took place in 2023 and IHI JU private members contributed EUR 129 615 to the IHI JU programme in terms of in-kind contribution to additional activities (amount certified by external auditors and validated by the JU Governing Board).

4.7. RELATED PARTIES

The related parties 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.

4.8. KEY MANAGEMENT ENTITLEMENTS

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

	31.12.2023	31.12.2022
Executive Director	AD 14	AD 14

In September 2022, the former Executive Director's mandate ended and as of 16 September 2022 the IHI JU Governing Board appointed the Executive Director ad interim. One year mandate finished on 14 August 2023 and the Governing Board appointed the Acting Executive Director. Having regard to Governing Board Decisions No IHI-GB-DEC-2023-07 and No IHI-G8-2023-13 regarding the selection of the Executive Director of IHI JU, the new Executive Director was nominated and took up his duties on 16 January 2024.

4.9. 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.

4.10. OTHER INFORMATION

Not applicable.

4.11. EVENTS AFTER REPORTING DATE

Not applicable.

4.12. OBSERVATIONS ON MANAGEMENT AND CONTROL SYSTEMS

Not applicable.

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 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 lifetime 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

1. BUDGETARY PRINCIPLES AND STRUCTURE

1.1. BUDGETARY PRINCIPLES

The establishment and implementation of the budget of Innovative Health Initiative is governed by the following basic principles set out in the Chapter 2 of 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 considered necessary.

Principle of annuality

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

Principle of equilibrium

Revenue and payment appropriations shall be in balance.

Principle of unit of account

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

Principle of universality

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

Principle of specification

Appropriations shall be earmarked for specific purposes 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; inadequate 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 their adoption and shall be transmitted to the Commission and the Court of Auditor.

1.2. STRUCTURE AND PRESENTATION OF THE BUDGET

Since 1 January 2015, no distinction between non-dissociated and dissociated appropriations is made. All appropriations follow the dissociated logic.

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

1.3. RESULT OF THE IMPLEMENTATION OF THE BUDGET

		EUR '000	
	Title	2023	2022
Revenue		225 622	168 016
of which:			
Revenue of IMI	1	214 750	155 095
Revenue of IMI from EFPIA and other Members	2	4 210	5 852
Operational recovery	4	159	97
Other revenue	5	6 503	6 972
Expenditure		(203 918)	(150 800)
of which:			
Staff expenditure	1	(5 602)	(5 598)
Administrative expenditure	2	(2 130)	(2 601)
Operational expenditure	3	(196 185)	(142 600)
Exchange rate differences		(1)	(2)
Budget result		21 704	17 214

1.4. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

	EUR '000	
	2023	2022
ECONOMIC RESULT OF THE YEAR		
	(373 718)	(470 571)
Adjustment for accrual items (items not in the budgetary result but included in the economic result)	240 540	320 035
In-kind contributions validated in the year	225 746	289 934
Adjustments for accrual cut-off (net)	(57 098)	(51 249)
Unpaid invoices at year end but booked in expenses	3 334	28
Depreciation, amortization and impairment of intangible and tangible assets	64	83
Movement in provisions	-	-
Recovery orders issued in the year and not yet cashed	(195)	(7)
Correction of recovery orders issued last year	-	6
Pre-financing given in previous year and cleared in the year	68 688	81 240
Payments made from carry-over of payment appropriations	-	-
Other individually immaterial	1	-
Adjustment for budgetary items (item included in the budgetary result but not in the economic result)	154 882	167 750
Members' cash contributions collected in the year	218 960	160 947
Asset acquisitions (less unpaid amounts)	(11)	(94)
Payments made from non-budget lines	-	-
New pre-financing paid in the year and remaining open as at 31 December	-	-
New pre-financing received in the year and remaining open as at 31 December	(70 491)	-
Recovery of the prefinancing paid in previous years	6 339	6 832
Entitlements established in previous year and cashed in the year	85	84
Entitlements established on balance sheet accounts and cashed in the year	-	-
Payment appropriations carried over to next year	-	-
Cancellation of unused carried over payment appropriations from previous year	-	-
Adjustment for carry-over of assigned revenue appropriations from previous year	-	-
Other individually immaterial	-	(19)
BUDGET RESULT OF THE YEAR	21 704	17 214

2. 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	10=5-8
1000	European Commission contribution out of IMI2 budget	133 325	133 325	133 325	0	133 325	133 325	0	133 325	100 %	0
1002	European Commission contribution out of IHI budget	81 425	81 425	81 425	0	81 425	81 425	0	81 425	100 %	0
Total Chapter 10		214 750	214 750	214 750	0	214 750	214 750	0	214 750	100 %	0
Total Title 1		214 750	214 750	214 750	0	214 750	214 750	0	214 750	100 %	0
2000	European Federation of Pharmaceutical Industries and Associations (EFPIA) contribution out of IMI2 budget	3 325	3 325	2 938	0	2 938	2 938	0	2 938	88 %	0
2002	European Federation of Pharmaceutical Industries and Associations (EFPI) contribution out of IHI budget	698	698	626	0	626	626	0	626	90 %	0
2010	EuropaBio contribution for IHI current year	15	15	10	0	10	10	0	10	64 %	0
2020	COCIR contribution for IHI current year	356	356	318	0	318	318	0	318	89 %	0
2030	MedTech Europe contribution for IHI current year	356	356	318	0	318	318	0	318	89 %	0
Total Chapter 20		4 750	4 750	4 210	0	4 210	4 210	0	4 210	89 %	0
Total Title 2		4 750	4 750	4 210	0	4 210	4 210	0	4 210	89 %	0
4000	Recovery ex-post audit	0	0	74	154	228	74	85	159	-	69
Total Chapter 40		0	0	74	154	228	74	85	159	-	69
Total Title 4		0	0	74	154	228	74	85	159	-	69
5000	Miscellaneous revenue	0	0	6 687	847	7 534	6 275	228	6 503	-	1 031
Total Chapter 50		0	0	6 687	847	7 534	6 275	228	6 503	-	1 031
Total Title 5		0	0	6 687	847	7 534	6 275	228	6 503	-	1 031
GRAND TOTAL		219 500	219 500	225 721	1 001	226 722	225 309	313	225 622	103 %	1 100

3. IMPLEMENTATION OF BUDGET EXPENDITURE

Breakdown & changes in commitment appropriations

Breakdown & changes in commitment appropriations – Title 1

EUR '000

	Item	Budget appropriations				Additional appropriations			Total appropri. available
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Reactivated appropriation s	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
1100	Staff in active employment and costs linked to employees	3 620	0	(87)	3 533	0	0	0	3 533
1101	Family allowances	370	0	(5)	365	0	0	0	365
1102	Transfer and expatriation allowance	500	0	0	500	0	0	0	500
1110	Contract agents	930	0	0	930	0	0	0	930
1130	Insurance against sickness	122	0	0	122	0	0	0	122
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	21	21	0	0	0	21
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	110	0	0	110	0	0	0	110
1178	Paymaster Office (PMO) fees	70	0	0	70	0	0	0	70

Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

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
1183	Moving expenses	10	0	0	10	0	0	0	10
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		5 922	0	(71)	5 851	0	0	0	5 851
1200	Miscellaneous expenditure on staff recruitment	5	0	2	7	0	0	0	7
Total Chapter 12		5	0	2	7	0	0	0	7
1300	Mission expenses	144	0	0	144	0	0	0	144
Total Chapter 13		144	0	0	144	0	0	0	144
1401	EU school costs	120	0	10	130	0	0	0	130
1410	Other trainings	50	0	0	50	0	0	0	50
1430	Medical service	20	0	(7)	13	0	0	0	13
1440	Trainings covered by the EC service level agreement	30	0	0	30	0	0	0	30
1490	Other interventions	12	0	7	19	0	0	0	19
Total Chapter 14		232	0	10	242	0	0	0	242
1500	External staff expenditure	175	0	60	235	0	0	0	235
Total Chapter 15		175	0	60	235	0	0	0	235
1700	Representation expenses	10	0	0	10	0	0	0	10
Total Chapter 17		10	0	0	10	0	0	0	10
Total Title 1		6 488	0	0	6 488	0	0	0	6 488



Breakdown & changes in commitment appropriations – Title 2

EUR '000									
		Budget appropriations				Additional appropriations			Total appropri. available
	Item	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Reactivated appropriation s	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
2000	Rentals office building	480	0	47	527	0	153	153	680
2020	Charges (water, gas, electricity, works)	208	0	(37)	171	0	0	0	171
2040	Furnishing of premises	10	0	(8)	3	0	0	0	3
Total Chapter 20		698	0	2	700	0	153	153	853
2101	Hardware, infrastructure and related services	325	0	5	330	0	0	0	330
2102	Software development, licenses and related services	765	0	0	765	0	0	0	765
Total Chapter 21		1 090	0	5	1 095	0	0	0	1 095
2202	Maintenance utilisation and repair	5	0	(2)	3	0	0	0	3
Total Chapter 22		5	0	(2)	3	0	0	0	3
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	23	26	0	0	0	26
2360	Library stocks purchase of books and subscriptions	51	0	(3)	48	0	0	0	48
2370	Translation, interpretation	5	0	0	5	0	0	0	5
Total Chapter 23		124	0	20	144	0	0	0	144



Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

2400	Correspondence and communication expenses	40	0	0	40	0	0	0	40
Total Chapter 24		40	0	0	40	0	0	0	40
2500	Formal meetings	80	0	0	80	0	0	0	80
Total Chapter 25		80	0	0	80	0	0	0	80
2600	Administrative costs in connection with operational activities	30	0	0	30	0	0	0	30
2602	Workshops	220	0	10	230	0	0	0	230
Total Chapter 26		250	0	10	260	0	0	0	260
2700	External communication	60	0	0	60	0	0	0	60
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	0	0	300
2800	Ex-post audits	200	0	(65)	135	0	0	0	135
2801	Studies, consultancy	100	0	30	130	0	0	0	130
2802	Audits	55	0	0	55	0	0	0	55
2803	Accounting services	70	0	0	70	0	0	0	70
Total Chapter 28		425	0	(35)	390	0	0	0	390
Total Title 2		3 012	0	(0)	3 012	0	153	153	3 165



Breakdown & changes in commitment appropriations – Title 3

EUR '000									
		Budget appropriations				Additional appropriations			Total appropri. available
	Item	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Reactivated appropriation s	Assigned revenue	Total	
		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	68	0	68	68
3003	Call 3	0	0	0	0	0	74	74	74
3008	Call 8	0	0	0	0	32	0	32	32
3020	Implementing the research agenda of IMI2 Joint Undertaking	0	0	0	0	50	0	50	50
3022	IMI2 Call 2	0	0	0	0	0	5 700	5 700	5 700
3023	IMI2 Call 3	0	0	0	0	0	5	5	5
3029	IMI2 Call 9	0	0	0	0	0	406	406	406
3030	IMI2 Call 10	0	0	0	0	0	6	6	6
3031	IMI2 Call 11	0	0	0	0	0	1	1	1
3033	IMI2 Call 13	0	0	0	0	0	4	4	4
Total Chapter 30		0	0	0	0	150	6 196	6 346	6 346
3100	Implementing the research agenda of IHI JU	8 283	0	0	8 283	0	0	0	8 283
3104	IHI JU Call 4	81 897	0	0	81 897	1 453	0	1 453	83 350
3105	IHI JU Call 5	115 000	0	0	115 000	0	0	0	115 000
Total Chapter 31		205 180	0	0	205 180	1 453	0	1 453	206 633
3900	Evaluations experts	600	0	0	600	0	0	0	600
Total Chapter 39		600	0	0	600	0	0	0	600
Total Title 3		205 780	0	0	205 780	1 603	6 196	7 799	213 579
GRAND TOTAL		215 280	0	(0)	215 280	1 603	6 349	7 952	223 232

Breakdown & changes in payment appropriations

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	8=4+7
1100	Staff in active employment and costs linked to employees	3 620	0	(87)	3 533	0	0	0	3 533
1101	Family allowances	370	0	(5)	365	0	0	0	365
1102	Transfer and expatriation allowance	500	0	0	500	0	0	0	500
1110	Contract agents	930	0	0	930	0	0	0	930
1130	Insurance against sickness	122	0	0	122	0	0	0	122
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	21	21	0	0	0	21
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	110	0	0	110	0	0	0	110
1178	Paymaster Office (PMO) fees	70	0	0	70	0	0	0	70
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
1183	Moving expenses	10	0	0	10	0	0	0	10

Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

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		5 922	0	(71)	5 851	0	0	0	5 851
1200	Miscellaneous expenditure on staff recruitment	5	0	2	7	0	0	0	7
Total Chapter 12		5	0	2	7	0	0	0	7
1300	Mission expenses	144	0	0	144	0	0	0	144
Total Chapter 13		144	0	0	144	0	0	0	144
1401	EU school costs	120	0	10	130	0	0	0	130
1410	Other trainings	50	0	0	50	0	0	0	50
1430	Medical service	20	0	(7)	13	0	0	0	13
1440	Trainings covered by the EC service level agreement	30	0	0	30	0	0	0	30
1490	Other interventions	12	0	7	19	0	0	0	19
Total Chapter 14		232	0	10	242	0	0	0	242
1500	External staff expenditure	175	0	60	235	0	0	0	235
Total Chapter 15		175	0	60	235	0	0	0	235
1700	Representation expenses	10	0	0	10	0	0	0	10
Total Chapter 17		10	0	0	10	0	0	0	10
Total Title 1		6 488	0	0	6 488	0	0	0	6 488



Breakdown & changes in payment appropriations – Title 2

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	8=4+7
2000	Rentals office building	480	0	47	527	0	153	153	680
2020	Charges (water, gas, electricity, works)	208	0	(37)	171	0	0	0	171
2040	Furnishing of premises	10	0	(8)	3	0	0	0	3
Total Chapter 20		698	0	2	700	0	153	153	853
2101	Hardware, infrastructure and related services	325	0	5	330	0	0	0	330
2102	Software development, licenses and related services	765	0	0	765	0	0	0	765
Total Chapter 21		1 090	0	5	1 095	0	0	0	1 095
2202	Maintenance utilisation and repair	5	0	(2)	3	0	0	0	3
Total Chapter 22		5	0	(2)	3	0	0	0	3
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	23	26	0	0	0	26
2360	Library stocks purchase of books and subscriptions	51	0	(3)	48	0	0	0	48
2370	Translation, interpretation	5	0	0	5	0	0	0	5
Total Chapter 23		124	0	20	144	0	0	0	144
2400	Correspondence and communication expenses	40	0	0	40	0	0	0	40
Total Chapter 24		40	0	0	40	0	0	0	40
2500	Formal meetings	80	0	0	80	0	0	0	80

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Total Chapter 25		80	0	0	80	0	0	0	80
2600	Administrative costs in connection with operational activities	30	0	0	30	0	0	0	30
2602	Workshops	220	0	10	230	0	0	0	230
Total Chapter 26		250	0	10	260	0	0	0	260
2700	External communication	60	0	0	60	0	0	0	60
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	0	0	300
2800	Ex-post audits	200	0	(65)	135	0	0	0	135
2801	Studies, consultancy	100	0	30	130	0	0	0	130
2802	Audits	55	0	0	55	0	0	0	55
2803	Accounting services	70	0	0	70	0	0	0	70
Total Chapter 28		425	0	(35)	390	0	0	0	390
Total Title 2		3 012	0	(0)	3 012	0	153	153	3 165



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	8=4+7
3000	Implementing the research agenda of IMI Joint Undertaking	14 000	0	(14 000)	0	0	0	0	0
3003	Call 3	0	0	0	0	0	42	42	42
3006	Call 6	(1 500)	0	9 000	7 500	0	0	0	7 500
3008	Call 8	0	0	0	0	0	32	32	32
3011	Call 11	(5 000)	0	5 000	0	0	0	0	0
3020	Implementing the research agenda of IMI2 Joint Undertaking	122 500	0	(122 500)	0	0	0	0	0
3022	IMI2 Call 2	0	0	0	0	0	1 700	1 700	1 700
3023	IMI2 Call 3	0	0	4 000	4 000	0	5	5	4 005
3025	IMI2 Call 5	0	0	1 274	1 274	0	0	0	1 274
3026	IMI2 Call 6	0	0	991	991	0	0	0	991
3028	IMI2 Call 8	0	0	2 409	2 409	0	0	0	2 409
3029	IMI2 Call 9	0	0	1 506	1 506	0	406	406	1 912
3030	IMI2 Call 10	0	0	16 000	16 000	0	6	6	16 006
3031	IMI2 Call 11	0	0	0	0	0	1	1	1
3032	IMI2 Call 12	0	0	3 551	3 551	0	0	0	3 551
3033	IMI2 Call 13	0	0	18 500	18 500	0	4	4	18 504
3034	IMI2 Call 14	0	0	12 694	12 694	0	4 000	4 000	16 694

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3035	IMI2 Call 15	0	0	19 626	19 626	0	0	0	19 626
3036	IMI2 Call 16	0	0	1 450	1 450	0	0	0	1 450
3037	IMI2 Call 17	0	0	8 050	8 050	0	0	0	8 050
3038	IMI2 Call 18	0	0	9 000	9 000	0	0	0	9 000
3039	IMI2 Call 19	0	0	2 000	2 000	0	0	0	2 000
3040	IMI2 Call 20	0	0	10 500	10 500	0	0	0	10 500
3041	IMI2 Call 21	0	0	11 649	11 649	0	0	0	11 649
3042	IMI2 Call 22	0	0	2 000	2 000	0	0	0	2 000
3043	IMI2 Call 23	0	0	6 000	6 000	0	0	0	6 000
Total Chapter 30		130 000	0	8 700	138 700	0	6 196	6 196	144 896
3100	Implementing the research agenda of IHI JU	79 400	0	(79 400)	0	0	0	0	0
3101	IHI JU Call 1	0	0	30 494	30 494	0	0	0	30 494
3102	IHI JU Call 2	0	0	8 190	8 190	0	0	0	8 190
3103	IHI JU Call 3	0	0	32 016	32 016	0	0	0	32 016
Total Chapter 31		79 400	0	(8 700)	70 700	0	0	0	70 700
3900	Evaluations experts	600	0	0	600	0	0	0	600
Total Chapter 39		600	0	0	600	0	0	0	600
Total Title 3		210 000	0	0	210 000	0	6 196	6 196	216 196
GRAND TOTAL		219 500	0	0	219 500	0	6 349	6 349	225 849



Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

EUR
'000

		Budget appropriations				Additional appropriations			Total appropri. available
	Item	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	8=4+7
3000	Implementing the research agenda of IMI Joint Undertaking	14 000	0	(14 000)	0	0	0	0	0
3003	Call 3	0	0	0	0	0	42	42	42
3006	Call 6	(1 500)	0	9 000	7 500	0	0	0	7 500
3008	Call 8	0	0	0	0	0	32	32	32
3011	Call 11	(5 000)	0	5 000	0	0	0	0	0
3020	Implementing the research agenda of IMI2 Joint Undertaking	122 500	0	(122 500)	0	0	0	0	0
3022	IMI2 Call 2	0	0	0	0	0	1 700	1 700	1 700
3023	IMI2 Call 3	0	0	4 000	4 000	0	5	5	4 005
3025	IMI2 Call 5	0	0	1 274	1 274	0	0	0	1 274
3026	IMI2 Call 6	0	0	991	991	0	0	0	991
3028	IMI2 Call 8	0	0	2 409	2 409	0	0	0	2 409
3029	IMI2 Call 9	0	0	1 506	1 506	0	406	406	1 912
3030	IMI2 Call 10	0	0	16 000	16 000	0	6	6	16 006
3031	IMI2 Call 11	0	0	0	0	0	1	1	1
3032	IMI2 Call 12	0	0	3 551	3 551	0	0	0	3 551
3033	IMI2 Call 13	0	0	18 500	18 500	0	4	4	18 504
3034	IMI2 Call 14	0	0	12 694	12 694	0	4 000	4 000	16 694
3035	IMI2 Call 15	0	0	19 626	19 626	0	0	0	19 626
3036	IMI2 Call 16	0	0	1 450	1 450	0	0	0	1 450

Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

3037	IMI2 Call 17	0	0	8 050	8 050	0	0	0	8 050
3038	IMI2 Call 18	0	0	9 000	9 000	0	0	0	9 000
3039	IMI2 Call 19	0	0	2 000	2 000	0	0	0	2 000
3040	IMI2 Call 20	0	0	10 500	10 500	0	0	0	10 500
3041	IMI2 Call 21	0	0	11 649	11 649	0	0	0	11 649
3042	IMI2 Call 22	0	0	2 000	2 000	0	0	0	2 000
3043	IMI2 Call 23	0	0	6 000	6 000	0	0	0	6 000
Total Chapter 30		130 000	0	8 700	138 700	0	6 196	6 196	144 896
3100	Implementing the research agenda of IHI JU	79 400	0	(79 400)	0	0	0	0	0
3101	IHI JU Call 1	0	0	30 494	30 494	0	0	0	30 494
3102	IHI JU Call 2	0	0	8 190	8 190	0	0	0	8 190
3103	IHI JU Call 3	0	0	32 016	32 016	0	0	0	32 016
Total Chapter 31		79 400	0	(8 700)	70 700	0	0	0	70 700
3900	Evaluations experts	600	0	0	600	0	0	0	600
Total Chapter 39		600	0	0	600	0	0	0	600
Total Title 3		210 000	0	0	210 000	0	6 196	6 196	216 196
GRAND TOTAL		219 500	0	0	219 500	0	6 349	6 349	225 849



4. IMPLEMENTATION OF COMMITMENT APPROPRIATIONS

Implementation of commitment appropriations – Title 1

EUR '000

	Item	Total approp. available	Commitments made					Appropriations carried over to 2024			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	3 533	3 234	0	0	3 234	92 %	0	0	0	299	0	0	299
1101	Family allowances	365	278	0	0	278	76 %	0	0	0	88	0	0	88
1102	Transfer and expatriation allowance	500	422	0	0	422	84 %	0	0	0	78	0	0	78
1110	Contract agents	930	918	0	0	918	99 %	0	0	0	12	0	0	12
1130	Insurance against sickness	122	111	0	0	111	91 %	0	0	0	11	0	0	11
1131	Insurance against accidents and occupational disease	15	12	0	0	12	83 %	0	0	0	3	0	0	3
1132	Unemployment insurance for temporary staff	48	42	0	0	42	88 %	0	0	0	6	0	0	6
1133	Pension	21	21	0	0	21	100 %	0	0	0	0	0	0	0
1140	Birth and death allowance	1	0	0	0	0	0 %	0	0	0	1	0	0	1

Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

1141	Annual travel costs from the place of employment to the place of origins	60	50	0	0	50	83 %	0	0	0	10	0	0	10
1172	Cost of organizing traineeships within IMI	10	8	0	0	8	80 %	0	0	0	2	0	0	2
1177	Other services rendered	110	51	0	0	51	46 %	0	0	0	59	0	0	59
1178	Paymaster Office (PMO) fees	70	39	0	0	39	55 %	0	0	0	31	0	0	31
1180	Sundry recruitment expenses	5	0	0	0	0	0 %	0	0	0	5	0	0	5
1181	Travelling expenses (including taking up duty)	1	0	0	0	0	22 %	0	0	0	1	0	0	1
1182	Installation allowance	30	5	0	0	5	16 %	0	0	0	25	0	0	25
1183	Moving expenses	10	5	0	0	5	53 %	0	0	0	5	0	0	5
1184	Temporary daily allowance	15	0	0	0	0	0 %	0	0	0	15	0	0	15
1190	Weightings (correction coefficients)	5	0	0	0	0	5 %	0	0	0	5	0	0	5
Total Chapter 11		5 851	5 196	0	0	5 196	89 %	0	0	0	655	0	0	655
1200	Miscellaneous expenditure on staff recruitment	7	7	0	0	7	100 %	0	0	0	0	0	0	0
Total Chapter 12		7	7	0	0	7	100 %	0	0	0	0	0	0	0
1300	Mission expenses	144	33	0	0	33	23 %	0	0	0	111	0	0	111
Total Chapter 13		144	33	0	0	33	23 %	0	0	0	111	0	0	111
1401	EU school costs	130	130	0	0	130	100 %	0	0	0	0	0	0	0



Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

1410	Other trainings	50	10	0	0	10	21 %	0	0	0	40	0	0	40
1430	Medical service	13	10	0	0	10	77 %	0	0	0	3	0	0	3
1440	Trainings covered by the EC service level agreement	30	29	0	0	29	95 %	0	0	0	1	0	0	1
1490	Other interventions	19	19	0	0	19	100 %	0	0	0	0	0	0	0
Total Chapter 14		242	197	0	0	197	82 %	0	0	0	44	0	0	44
1500	External staff expenditure	235	235	0	0	235	100 %	0	0	0	0	0	0	0
Total Chapter 15		235	235	0	0	235	100 %	0	0	0	0	0	0	0
1700	Representation expenses	10	6	0	0	6	59 %	0	0	0	4	0	0	4
Total Chapter 17		10	6	0	0	6	59 %	0	0	0	4	0	0	4
Total Title 1		6 488	5 674	0	0	5 674	87 %	0	0	0	814	0	0	814

Implementation of commitment appropriations – Title 2

EUR '000														
		Total approp. available	Commitments made					Appropriations carried over to 2024			Appropriations lapsing			
	Item		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	680	525	0	0	525	77 %	0	0	0	2	0	153	155
2020	Charges (water, gas, electricity, works)	171	129	0	0	129	75 %	0	0	0	42	0	0	42
2040	Furnishing of premises	3	0	0	0	0	0 %	0	0	0	3	0	0	3



Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

Total Chapter 20		853	653	0	0	653	77 %	0	0	0	47	0	153	200
2101	Hardware, infrastructure and related services	330	273	0	0	273	83 %	0	0	0	57	0	0	57
2102	Software development, licenses and related services	765	596	0	0	596	78 %	0	0	0	169	0	0	169
Total Chapter 21		1 095	869	0	0	869	79 %	0	0	0	226	0	0	226
2202	Maintenance utilisation and repair	3	0	0	0	0	0 %	0	0	0	3	0	0	3
Total Chapter 22		3	0	0	0	0	0 %	0	0	0	3	0	0	3
2300	Stationery and office supply	50	17	0	0	17	34 %	0	0	0	33	0	0	33
2330	Legal expenses	15	8	0	0	8	54 %	0	0	0	7	0	0	7
2350	Other operating expenditure	26	25	0	0	25	95 %	0	0	0	1	0	0	1
2360	Library stocks purchase of books and subscriptions	48	36	0	0	36	76 %	0	0	0	12	0	0	12
2370	Translation, interpretation	5	3	0	0	3	70 %	0	0	0	2	0	0	2
Total Chapter 23		144	90	0	0	90	62 %	0	0	0	54	0	0	54
2400	Correspondence and communication expenses	40	11	0	0	11	29 %	0	0	0	29	0	0	29
Total Chapter 24		40	11	0	0	11	29 %	0	0	0	29	0	0	29
2500	Formal meetings	80	42	0	0	42	52 %	0	0	0	38	0	0	38
Total Chapter 25		80	42	0	0	42	52 %	0	0	0	38	0	0	38
2600	Administrative costs in connection with	30	0	0	0	0	0 %	0	0	0	30	0	0	30

Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

	operational activities													
2602	Workshops	230	141	0	0	141	62 %	0	0	0	89	0	0	89
Total Chapter 26		260	141	0	0	141	54 %	0	0	0	119	0	0	119
2700	External communication	60	40	0	0	40	66 %	0	0	0	20	0	0	20
2701	Events external communication	200	148	0	0	148	74 %	0	0	0	52	0	0	52
2702	Material	40	15	0	0	15	37 %	0	0	0	25	0	0	25
Total Chapter 27		300	202	0	0	202	67 %	0	0	0	98	0	0	98
2800	Ex-post audits	135	0	0	0	0	0 %	0	0	0	135	0	0	135
2801	Studies, consultancy	130	125	0	0	125	96 %	0	0	0	5	0	0	5
2802	Audits	55	0	0	0	0	0 %	0	0	0	55	0	0	55
2803	Accounting services	70	39	0	0	39	56 %	0	0	0	31	0	0	31
Total Chapter 28		390	164	0	0	164	42 %	0	0	0	226	0	0	226
Total Title 2		3 165	2 173	0	0	2 173	69 %	0	0	0	839	0	153	991



Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

Implementation of commitment appropriations – Title 3

EUR
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	Item	Total approp. available	Commitments made					Appropriations carried over to 2024			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	68	0	0	0	0	0 %	0	0	0	0	68	0	68
3003	Call 3	74	0	0	0	0	0 %	0	0	0	0	0	74	74
3008	Call 8	32	0	32	0	32	100 %	0	0	0	0	0	0	0
3020	Implementing the research agenda of IMI2 Joint Undertaking	50	0	0	0	0	0 %	0	0	0	0	50	0	50
3022	IMI2 Call 2	5 700	0	0	0	0	0 %	0	0	0	0	0	5 700	5 700
3023	IMI2 Call 3	5	0	0	1	1	25 %	0	0	0	0	0	4	4
3029	IMI2 Call 9	406	0	0	0	0	0 %	0	0	0	0	0	406	406
3030	IMI2 Call 10	6	0	0	0	0	0 %	0	0	0	0	0	6	6
3031	IMI2 Call 11	1	0	0	0	0	0 %	0	0	0	0	0	1	1
3033	IMI2 Call 13	4	0	0	0	0	0 %	0	0	0	0	0	4	4
Total Chapter 30		6 346	0	32	1	33	1 %	0	0	0	0	118	6 195	6 313
3100	Implementing the research agenda of IHI JU	8 283	0	0	0	0	0 %	0	0	0	8 283	0	0	8 283
3104	IHI JU Call 4	83 350	81 897	1 453	0	83 350	100 %	0	0	0	0	0	0	0
3105	IHI JU Call 5	115 000	115 000	0	0	115 000	100 %	0	0	0	0	0	0	0
Total Chapter 31		206 633	196 897	1 453	0	198 350	96 %	0	0	0	8 283	0	0	8 283

Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

3900	Evaluations experts	600	600	0	0	600	100 %	0	0	0	0	0	0	0
Total Chapter 39		600	600	0	0	600	100 %	0	0	0	0	0	0	0
Total Title 3		213 579	197 497	1 485	1	198 983	93 %	0	0	0	8 283	118	6 195	14 596
GRAND TOTAL		223 232	205 345	1 485	1	206 831	93 %	0	0	0	9 935	118	6 348	16 401

IMPLEMENTATION OF PAYMENT APPROPRIATIONS

Implementation of payment appropriations – Title 1

		Total approp. availab.	Payments made					Appropriations carried over to 2024				Appropriations lapsing		
	Item		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.
		1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11	12	13
1100	Staff in active employment and costs linked to employees	3 533	3 234	0	0	3 234	92 %	0	0	0	0	299	0	0
1101	Family allowances	365	278	0	0	278	76 %	0	0	0	0	88	0	0
1102	Transfer and expatriation allowance	500	422	0	0	422	84 %	0	0	0	0	78	0	0
1110	Contract agents	930	918	0	0	918	99 %	0	0	0	0	12	0	0
1130	Insurance against sickness	122	111	0	0	111	91 %	0	0	0	0	11	0	0
1131	Insurance against accidents and occupational disease	15	12	0	0	12	83 %	0	0	0	0	3	0	0



Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

1132	Unemployment insurance for temporary staff	48	42	0	0	42	88 %	0	0	0	0	6	0	0
1133	Pension	21	21	0	0	21	100 %	0	0	0	0	0	0	0
1140	Birth and death allowance	1	0	0	0	0	0 %	0	0	0	0	1	0	0
1141	Annual travel costs from the place of employment to the place of origins	60	50	0	0	50	83 %	0	0	0	0	10	0	0
1172	Cost of organizing traineeships within IMI	10	8	0	0	8	80 %	0	0	0	0	2	0	0
1177	Other services rendered	110	51	0	0	51	46 %	0	0	0	0	59	0	0
1178	Paymaster Office (PMO) fees	70	39	0	0	39	55 %	0	0	0	0	31	0	0
1180	Sundry recruitment expenses	5	0	0	0	0	0 %	0	0	0	0	5	0	0
1181	Travelling expenses (including taking up duty)	1	0	0	0	0	22 %	0	0	0	0	1	0	0
1182	Installation allowance	30	5	0	0	5	16 %	0	0	0	0	25	0	0
1183	Moving expenses	10	5	0	0	5	53 %	0	0	0	0	5	0	0
1184	Temporary daily allowance	15	0	0	0	0	0 %	0	0	0	0	15	0	0
1190	Weightings (correction coefficients)	5	0	0	0	0	5 %	0	0	0	0	5	0	0
Total Chapter 11		5 851	5 196	0	0	5 196	89 %	0	0	0	0	655	0	0
1200	Miscellaneous expenditure on staff recruitment	7	5	0	0	5	73 %	0	0	0	0	2	0	0
Total Chapter 12		7	5	0	0	5	73 %	0	0	0	0	2	0	0
1300	Mission expenses	144	33	0	0	33	23 %	0	0	0	0	111	0	0



Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

Total Chapter 13		144	33	0	0	33	23 %	0	0	0	0	111	0	0
1401	EU school costs	130	130	0	0	130	100 %	0	0	0	0	0	0	0
1410	Other trainings	50	7	0	0	7	14 %	0	0	0	0	43	0	0
1430	Medical service	13	7	0	0	7	51 %	0	0	0	0	6	0	0
1440	Trainings covered by the EC service level agreement	30	27	0	0	27	89 %	0	0	0	0	3	0	0
1490	Other interventions	19	17	0	0	17	90 %	0	0	0	0	2	0	0
Total Chapter 14		242	187	0	0	187	77 %	0	0	0	0	55	0	0
1500	External staff expenditure	235	175	0	0	175	74 %	0	0	0	0	60	0	0
Total Chapter 15		235	175	0	0	175	74 %	0	0	0	0	60	0	0
1700	Representation expenses	10	6	0	0	6	59 %	0	0	0	0	4	0	0
Total Chapter 17		10	6	0	0	6	59 %	0	0	0	0	4	0	0
Total Title 1		6 488	5 602	0	0	5 602	86 %	0	0	0	0	886	0	0



Implementation of payment appropriations – Title 2

EUR
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		Total approp. availab.	Payments made					Appropriations carried over to 2024				Appropriations lapsing			
	Item		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- activa- tions	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	680	526	0	0	526	77 %	0	0	0	0	1	0	153	154
2020	Charges (water, gas, electricity, works)	171	115	0	0	115	67 %	0	0	0	0	56	0	0	56
2040	Furnishing of premises	3	2	0	0	2	64 %	0	0	0	0	1	0	0	1
Total Chapter 20		853	642	0	0	642	75 %	0	0	0	0	59	0	153	211
2101	Hardware, infrastructure and related services	330	330	0	0	330	100 %	0	0	0	0	0	0	0	0
2102	Software development, licenses and related services	765	600	0	0	600	78 %	0	0	0	0	165	0	0	165
Total Chapter 21		1 095	930	0	0	930	85 %	0	0	0	0	165	0	0	165
2202	Maintenance utilisation and repair	3	0	0	0	0	0 %	0	0	0	0	3	0	0	3
Total Chapter 22		3	0	0	0	0	0 %	0	0	0	0	3	0	0	3
2300	Stationery and office supply	50	19	0	0	19	38 %	0	0	0	0	31	0	0	31
2330	Legal expenses	15	9	0	0	9	61 %	0	0	0	0	6	0	0	6
2350	Other operating expenditure	26	11	0	0	11	43 %	0	0	0	0	15	0	0	15
2360	Library stocks purchase of books and subscriptions	48	36	0	0	36	76 %	0	0	0	0	12	0	0	12
2370	Translation, interpretation	5	3	0	0	3	70 %	0	0	0	0	2	0	0	2

Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

Total Chapter 23		144	79	0	0	79	55 %	0	0	0	0	65	0	0	65
2400	Correspondence and communication expenses	40	7	0	0	7	17 %	0	0	0	0	33	0	0	33
Total Chapter 24		40	7	0	0	7	17 %	0	0	0	0	33	0	0	33
2500	Formal meetings	80	42	0	0	42	52 %	0	0	0	0	38	0	0	38
Total Chapter 25		80	42	0	0	42	52 %	0	0	0	0	38	0	0	38
2600	Administrative costs in connection with operational activities	30	0	0	0	0	0 %	0	0	0	0	30	0	0	30
2602	Workshops	230	96	0	0	96	42 %	0	0	0	0	134	0	0	134
Total Chapter 26		260	96	0	0	96	37 %	0	0	0	0	164	0	0	164
2700	External communication	60	40	0	0	40	66 %	0	0	0	0	20	0	0	20
2701	Events external communication	200	54	0	0	54	27 %	0	0	0	0	146	0	0	146
2702	Material	40	14	0	0	14	34 %	0	0	0	0	26	0	0	26
Total Chapter 27		300	107	0	0	107	36 %	0	0	0	0	193	0	0	193
2800	Ex-post audits	135	83	0	0	83	62 %	0	0	0	0	52	0	0	52
2801	Studies, consultancy	130	48	0	0	48	37 %	0	0	0	0	82	0	0	82
2802	Audits	55	26	0	0	26	47 %	0	0	0	0	29	0	0	29
2803	Accounting services	70	70	0	0	70	100 %	0	0	0	0	0	0	0	0
Total Chapter 28		390	227	0	0	227	58 %	0	0	0	0	163	0	0	163
Total Title 2		3 165	2 130	0	0	2 130	67 %	0	0	0	0	882	0	153	1 035



Implementation of payment appropriations – Title 3

EUR
'000

		Total approp. availab.	Payments made					Appropriations carried over to 2024				Appropriations lapsing			
	Item		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- activa- tions	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
3003	Call 3	42	0	0	0	0	0 %	0	0	0	0	0	0	42	42
3006	Call 6	7 500	7 256	0	0	7 256	97 %	0	0	0	0	244	0	0	244
3008	Call 8	32	0	0	32	32	100 %	0	0	0	0	0	0	0	0
3022	IMI2 Call 2	1 700	0	0	0	0	0 %	0	0	0	0	0	0	1 700	1 700
3023	IMI2 Call 3	4 005	1 885	0	0	1 885	47 %	0	0	0	0	2 115	0	5	2 120
3025	IMI2 Call 5	1 274	1 274	0	0	1 274	100 %	0	0	0	0	0	0	0	0
3026	IMI2 Call 6	991	991	0	0	991	100 %	0	0	0	0	0	0	0	0
3028	IMI2 Call 8	2 409	2 274	0	0	2 274	94 %	0	0	0	0	135	0	0	135
3029	IMI2 Call 9	1 912	1 338	0	0	1 338	70 %	0	0	0	0	168	0	406	574
3030	IMI2 Call 10	16 006	15 189	0	6	15 195	95 %	0	0	0	0	811	0	0	811
3031	IMI2 Call 11	1	0	0	0	0	0 %	0	0	0	0	0	0	1	1
3032	IMI2 Call 12	3 551	3 551	0	0	3 551	100 %	0	0	0	0	0	0	0	0
3033	IMI2 Call 13	18 504	17 334	0	0	17 334	94 %	0	0	0	0	1 166	0	4	1 171
3034	IMI2 Call 14	16 694	12 694	0	0	12 694	76 %	0	0	0	0	0	0	4 000	4 000
3035	IMI2 Call 15	19 626	18 698	0	0	18 698	95 %	0	0	0	0	928	0	0	928
3036	IMI2 Call 16	1 450	1 396	0	0	1 396	96 %	0	0	0	0	54	0	0	54
3037	IMI2 Call 17	8 050	8 041	0	0	8 041	100 %	0	0	0	0	9	0	0	9

Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

3038	IMI2 Call 18	9 000	5 982	0	0	5 982	66 %	0	0	0	0	3 018	0	0	3 018
3039	IMI2 Call 19	2 000	1 559	0	0	1 559	78 %	0	0	0	0	441	0	0	441
3040	IMI2 Call 20	10 500	6 692	0	0	6 692	64 %	0	0	0	0	3 808	0	0	3 808
3041	IMI2 Call 21	11 649	11 567	0	0	11 567	99 %	0	0	0	0	82	0	0	82
3042	IMI2 Call 22	2 000	1 825	0	0	1 825	91 %	0	0	0	0	175	0	0	175
3043	IMI2 Call 23	6 000	5 996	0	0	5 996	100 %	0	0	0	0	4	0	0	4
Total Chapter 30		144 896	125 543	0	38	125 581	87 %	0	0	0	0	13 157	0	6 158	19 316
3101	IHI JU Call 1	30 494	30 494	0	0	30 494	100 %	0	0	0	0	0	0	0	0
3102	IHI JU Call 2	8 190	8 190	0	0	8 190	100 %	0	0	0	0	0	0	0	0
3103	IHI JU Call 3	32 016	31 808	0	0	31 808	99 %	0	0	0	0	209	0	0	209
Total Chapter 31		70 700	70 491	0	0	70 491	100 %	0	0	0	0	209	0	0	209
3900	Evaluations experts	600	114	0	0	114	19 %	0	0	0	0	486	0	0	486
Total Chapter 39		600	114	0	0	114	19 %	0	0	0	0	486	0	0	486
Total Title 3		216 196	196 148	0	38	196 185	91 %	0	0	0	0	13 852	0	6 158	20 011
GRAND TOTAL		225 849	203 880	0	38	203 918	90 %	0	0	0	0	15 620	0	6 311	21 931



5. OUTSTANDING COMMITMENTS

Outstanding commitments – Title 1

EUR '000

[illegible]

Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

1182	Installation allowance	0	0	0	0	5	5	0	0	0
1183	Moving expenses	0	0	0	0	5	5	0	0	0
1190	Weightings (correction coefficients)	0	0	0	0	0	0	0	0	0
Total Chapter 11		0	0	0	0	5 196	5 196	0	0	0
1200	Miscellaneous expenditure on staff recruitment	0	0	0	0	7	5	0	2	2
Total Chapter 12		0	0	0	0	7	5	0	2	2
1300	Mission expenses	3	(1)	3	0	33	31	0	3	3
Total Chapter 13		3	()	3	0	33	31	0	3	3
1401	EU school costs	0	0	0	0	130	130	0	0	0
1410	Other trainings	5	0	5	0	10	2	0	8	8
1430	Medical service	20	(13)	7	0	10	0	0	10	10
1440	Trainings covered by the EC service level agreement	5	(3)	2	0	29	25	0	4	4
1490	Other interventions	4	(4)	0	0	19	17	0	2	2
Total Chapter 14		34	(21)	14	0	197	173	0	24	24
1500	External staff expenditure	78	(31)	47	0	235	128	0	107	107
Total Chapter 15		78	(31)	47	0	235	128	0	107	107
1700	Representation expenses	0	0	0	0	6	6	0	0	0
Total Chapter 17		0	0	0	0	6	6	0	0	0
Total Title 1		116	(52)	63	0	5 674	5 539	0	135	135



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 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. outstanding 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	525	523	0	1	1
2020	Charges (water, gas, electricity, works)	0	0	0	0	129	115	0	14	14
2040	Furnishing of premises	2	0	2	0	0	0	0	0	0
Total Chapter 20		4	0	4	0	653	638	0	15	15
2101	Hardware, infrastructure and related services	204	(25)	177	1	273	153	0	120	122
2102	Software development, licenses and related services	388	(12)	372	4	596	228	0	368	372
Total Chapter 21		592	(38)	550	5	869	381	0	489	494
2300	Stationery and office supply	10	(2)	9	0	17	11	0	6	6
2330	Legal expenses	6	(5)	1	0	8	8	0	0	0
2350	Other operating expenditure	0	0	0	0	25	11	0	14	14
2360	Library stocks purchase of books and subscriptions	0	0	0	0	36	36	0	0	0
2370	Translation, interpretation	0	0	0	0	3	3	0	0	0
Total Chapter 23		16	(6)	10	0	90	70	0	20	20
2400	Correspondence and communication expenses	9	(5)	5	0	11	2	0	9	9
Total Chapter 24		9	(5)	5	0	11	2	0	9	9

Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

2500	Formal meetings	0	(0)	0	0	42	42	0	0	0
Total Chapter 25		0	(0)	0	0	42	42	0	0	0
2602	Workshops	31	(1)	30	0	141	66	0	75	75
Total Chapter 26		31	(1)	30	0	141	66	0	75	75
2700	External communication	0	0	0	0	40	40	0	0	0
2701	Events external communication	5	0	5	0	148	48	0	100	100
2702	Material	0	0	0	0	15	13	0	2	2
Total Chapter 27		6	0	6	0	202	101	0	102	102
2800	Ex-post audits	87	(4)	83	0	0	0	0	0	0
2801	Studies, consultancy	48	0	48	0	125	0	0	125	125
2802	Audits	43	0	26	17	0	0	0	0	17
2803	Accounting services	148	(16)	70	62	39	0	0	39	101
Total Chapter 28		327	(20)	227	80	164	0	0	164	244
Total Title 2		985	(70)	830	85	2 173	1 300	0	874	959



Outstanding commitments – Title 3

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
3006	Call 6	13 378	0	7 256	6 122	0	0	0	0	6 122
3008	Call 8	13 710	(5 911)	0	7 798	32	32	0	0	7 798
3009	Call 9	5 870	0	0	5 870	0	0	0	0	5 870
3010	Call 10	501	(501)	0	0	0	0	0	0	0
3011	Call 11	11 478	(192)	0	11 286	0	0	0	0	11 286
3020	Implementing the research agenda of IMI2 Joint Undertaking	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	9 915	(9 915)	0	0	0	0	0	0	0
3023	IMI2 Call 3	1 884	0	1 884	0	1	1	0	0	0
3025	IMI2 Call 5	3 725	0	1 274	2 451	0	0	0	0	2 451
3026	IMI2 Call 6	4 270	0	991	3 279	0	0	0	0	3 279
3027	IMI2 Call 7	3 706	0	0	3 706	0	0	0	0	3 706
3028	IMI2 Call 8	5 590	(44)	2 274	3 272	0	0	0	0	3 272
3029	IMI2 Call 9	5 449	0	1 338	4 112	0	0	0	0	4 112
3030	IMI2 Call 10	37 374	0	15 195	22 179	0	0	0	0	22 179
3031	IMI2 Call 11	175	0	0	175	0	0	0	0	175

Final annual accounts of the INNOVATIVE HEALTH INITIATIVE Joint Undertaking 2023

3032	IMI2 Call 12	10 800	0	3 551	7 249	0	0	0	0	7 249
3033	IMI2 Call 13	32 430	(51)	17 334	15 046	0	0	0	0	15 046
3034	IMI2 Call 14	45 187	0	12 694	32 492	0	0	0	0	32 492
3035	IMI2 Call 15	86 228	0	18 698	67 531	0	0	0	0	67 531
3036	IMI2 Call 16	8 292	0	1 396	6 895	0	0	0	0	6 895
3037	IMI2 Call 17	18 319	0	8 041	10 278	0	0	0	0	10 278
3038	IMI2 Call 18	42 806	0	5 982	36 824	0	0	0	0	36 824
3039	IMI2 Call 19	3 781	0	1 559	2 221	0	0	0	0	2 221
3040	IMI2 Call 20	99 723	0	6 692	93 031	0	0	0	0	93 031
3041	IMI2 Call 21	26 087	0	11 567	14 521	0	0	0	0	14 521
3042	IMI2 Call 22	2 745	0	1 825	919	0	0	0	0	919
3043	IMI2 Call 23	34 508	0	5 996	28 512	0	0	0	0	28 512
Total Chapter 30		531 794	(16 615)	125 547	389 631	33	33	0	0	389 631
3101	IHI JU Call 1	95 000	(19 146)	30 494	45 360	0	0	0	0	45 360
3102	IHI JU Call 2	21 929	(1 454)	8 190	12 285	0	0	0	0	12 285
3103	IHI JU Call 3	138 000	(50 491)	31 808	55 701	0	0	0	0	55 701
3104	IHI JU Call 4	0	0	0	0	83 350	0	0	83 350	83 350
3105	IHI JU Call 5	0	0	0	0	115 000	0	0	115 000	115 000
Total Chapter 31		254 929	(71 092)	70 491	113 346	198 350	0	0	198 350	311 696
3900	Evaluations experts	142	(119)	23	0	600	91	0	509	509
Total Chapter 39		142	(119)	23	0	600	91	0	509	509
Total Title 3		786 865	(87 826)	196 062	502 978	198 983	124	0	198 859	701 837
GRAND TOTAL		787 966	(87 948)	196 955	503 062	206 831	6 962	0	199 869	702 931



6. GLOSSARY

Administrative appropriations

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

Adopted budget

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

Amending budget

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

Appropriations

Budget funding.

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

Assigned revenue

Revenue dedicated to finance specific items of expenditure.

Budget result

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

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

Budget implementation

Consumption of the budget through expenditure and revenue operations.

Budget item / Budget line / Budget position

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

Budgetary commitment

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

Cancellation of appropriations

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

Carryover of appropriations

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

Commitment appropriations

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

De-commitment

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

Differentiated appropriations.

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

Economic result

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

Entitlements established

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

Exchange rate difference

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

Expenditure

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

Grants

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

Lapsing appropriations

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

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

Legal basis / basic act

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

Legal commitment

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

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

Non-differentiated appropriations

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

Operational appropriations

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

Outstanding commitments

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

Payment appropriations

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

RAL (Reste à liquider)

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

Surplus

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

Transfer between budget lines

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