



# Haushaltsausschuss

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Haushaltsentwurf für den ersten  
Rechnungslegungszeitraum ("FAP") des  
Übereinkommens über ein einheitliches  
Patentgericht

Eingereicht von: Präsident des Berufungsgerichts  
(Präsidium)

Adressaten: Haushaltsausschuss (zur  
Beschlussfassung)

Luxembourg, 09.02.2023

## ZUSAMMENFASSUNG (DE)

*Dieses Dokument enthält gemäß Abschnitt 2 Artikel 21 bis 26 der vom Verwaltungsausschuss am 22. Februar 2022 angenommenen Finanzordnung des Einheitlichen Patentgerichts (EPG) den Haushaltsentwurf für den ersten Rechnungslegungszeitraum (FAP) des Übereinkommens über ein einheitliches Patentgericht (EPGÜ).*

*Der vorliegende Haushaltsentwurf stützt sich auf Annahmen, die der Vorbereitende Ausschuss von 2017 bis 2022 geprüft hat und die anhand der während des 2022 begonnenen Zeitraums der vorläufigen Anwendung (PAP) gewonnenen Erfahrungen und Erkenntnisse aktualisiert wurden.*

*Er enthält die notwendigen finanziellen Abläufe, damit das EPG seine operativen Aufgaben erfüllen und im Hinblick auf seine personellen, technischen und organisatorischen Ressourcen mit den Herausforderungen und Unwägbarkeiten der ersten Monate des Übergangszeitraums umgehen kann.*

*Er umfasst ferner die nach Artikel 23 der Finanzordnung erforderlichen Informationen und Schätzungen, wie eine Gewinn- und Verlustrechnung, eine Übersicht über die Einnahmen und die Finanzlage, den Stellen- und Einstellungsplan sowie gemäß Artikel 23 Absatz 3 Buchstabe c der Finanzordnung des EPG Schätzungen zu den wichtigsten Finanzdaten für die nächsten vier Jahre für den Zeitraum 2024 bis 2027.*

*Die Aufforderung zur Leistung der Beiträge der Vertragsmitgliedstaaten wird gleichzeitig mit der Aufforderung zur Leistung der Beiträge zur Deckung der durch die Verlängerung des Zeitraums der vorläufigen Anwendung (PAP) notwendigen Kosten eingereicht. Die Aufforderung zur Leistung der Beiträge zum Betriebsmittelfonds wird ebenfalls entsprechend übermittelt. Die Einzelheiten und der jeweilige von den einzelnen Mitgliedsstaaten erwartete Gesamtbetrag sind in Anhang 3 aufgeführt.*

*Der Haushaltsausschuss wird gebeten, diesen Haushalt für den ersten Rechnungslegungszeitraum anzunehmen und die Anwendung des Beitragsschlüssels für den vorliegenden Haushalt zu genehmigen.*

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### Erläuterung und allgemeine Entwicklungen

Der hier vorgelegte Haushalt für den ersten Rechnungslegungszeitraum (FAP) betrifft insbesondere:

- Die Ausgaben in Klasse 3 (Opex) belaufen sich auf **9 742 654 EUR**.

- Die Ausgaben in Klasse 4 (Capex) belaufen sich auf **290 500 EUR**.
- Betriebsmittelfonds: **2 410 637 EUR**.
- Gesamtes Nettovermögen (Schätzung bei Inkrafttreten, siehe Anhang 5.4): **1 274 140 EUR**.

In der nachstehenden Tabelle werden die wichtigsten Entwicklungen seit dem ursprünglichen Haushalt für den PAP dargestellt:

Haushaltsklasse	Ursprünglicher Haushalt für den PAP	1. Nachtragshaushalt für den PAP	2. Nachtragshaushalt für den PAP	3. Nachtragshaushalt für den PAP	Zur Abstimmung vorgelegter Haushalt für den ersten Rechnungslegungszeitraum
<b>Ausgaben insgesamt</b>	<b>6 333 883 EUR</b>	<b>6 304 186 EUR</b>	<b>6 401 493 EUR</b>	<b>10 132 857 EUR</b>	<b>9 742 654 EUR</b>
<b>Klasse 3 OPEX + fi</b>	<b>5 765 883 EUR</b>	<b>5 658 775 EUR</b>	<b>5 686 033 EUR</b>	<b>9 334 397 EUR</b>	<b>9 452 154 EUR</b>
Betriebsmittelfonds	0 EUR	0 EUR	142 497 EUR	1 000 000 EUR	2 410 637 EUR
<b>Klasse 4 Capex</b>	<b>568 000 EUR</b>	<b>645 460 EUR</b>	<b>715 460 EUR</b>	<b>798 460 EUR</b>	<b>290 500 EUR</b>
<b>Klasse 5 Einnahmen</b>	<b>6 333 883 EUR</b>	<b>6 304 185 EUR</b>	<b>6 401 493 EUR</b>	<b>10 132 857 EUR</b>	<b>9 742 654 EUR</b>
51 Gerichtsgebühren	0 EUR	0 EUR	0 EUR	0 EUR	1 050 000 EUR
52 Beiträge der Mitgliedstaaten	6 201 150 EUR	6 201 510 EUR	6 201 510 EUR	9 889 063 EUR	8 059 015 EUR
53 Sonstige betriebliche Erträge	13 373 EUR	102 675 EUR	199 983 EUR	243 794 EUR	633 638 EUR

**Der Haushaltsausschuss wird gebeten, den in Anhang I beigefügten Beschluss zur Annahme eines ersten Rechnungslegungszeitraums im Rahmen des EPG-Übereinkommens zu genehmigen.**

#### I. AUSGABEN/EINNAHMEN; BETRIEBSMITTELFONDS

1. Eine Übersicht über die Ausgaben und Einnahmen mit einer Angabe der Gesamtbeträge findet sich in Anhang 2.1.
2. Der Betriebsmittelfonds als Barreserve des EPG findet sich in Anhang 2.2.
3. Die Beiträge der Vertragsmitgliedstaaten (Opex + Capex), einschließlich der Erstattung von Vorschüssen durch die Mitgliedstaaten für das Jahr 2022, finden sich in Anhang 2.3.
4. Die Gerichtsgebühren sind als der Betrag vor Abzügen ausgewiesen (siehe Anhang 4.13).

#### II. ANPASSUNG DES VORLÄUFIGEN BEITRAGSSCHLÜSSELS

1. Alle Vertragsmitgliedstaaten des Übereinkommens, einschließlich derjenigen, die dem Protokoll über die vorläufige Anwendung des Übereinkommens nicht beigetreten sind, werden

aufgefordert, den ersten Finanzbeitrag zu leisten. Dies führt zu einer entsprechenden Anpassung der Verteilung der Beiträge der Vertragsmitgliedstaaten durch den angemessenen Abzug der Beiträge der Vertragsmitgliedstaaten des Protokolls über die vorläufige Anwendung.

2. Der vorliegende Haushaltsentwurf enthält keine Anpassung des für den Haushalt für den Zeitraum der vorläufigen Anwendung angewendeten Verteilungsschlüssels.
3. Das Ergebnis in Bezug auf die Beträge ist Anhang 3 zu entnehmen. Anhang 3 wird aktualisiert, sobald die relevanten Daten nach Artikel 37 Absatz 3 des Übereinkommens (die von den Mitgliedstaaten nach Inkrafttreten des Übereinkommens vorzulegen sind) verfügbar sind, und die Beträge werden nach dem aktualisierten Beitragsschlüssel neu berechnet.

III. STELLENPLAN DES EPG INSGESAMT

IV. ZENTRALE FINANZIELLE SCHÄTZUNGEN FÜR DIE FOLGENDEN VIER JAHRE (2024 bis 2027)

V. JAHRESABSCHLÜSSE (*Artikel 23 Absatz 3 Buchstabe c der Finanzordnung des EPG*)

## Entwurf 1 BESCHLUSSES DES HAUSHALTSAUSSCHUSSES

vom 9 Februar 2023

über die Annahme des Haushalts des Einheitlichen Patentgerichts für den ersten Rechnungslegungszeitraum.

DER HAUSHALTSAUSSCHUSS DES EINHEITLICHEN PATENTGERICHTS,  
gestützt auf das Übereinkommen über ein einheitliches Patentgericht, insbesondere auf Artikel 36  
und 37,

gestützt auf die Satzung des Einheitlichen Patentgerichts, insbesondere auf Artikel 26,

in der Erwägung, dass der Zeitraum für die vorläufige Anwendung am 31. Mai 2023 um 24.00 Uhr  
endet und das Übereinkommen somit in Kraft tritt,

in der Erwägung, dass das Einheitliche Patentgericht seine Verpflichtungen für den entsprechenden  
Zeitraum zum Zeitpunkt des Inkrafttretens des EPG-Übereinkommens erfüllen muss,

angesichts der Dringlichkeit, dem Einheitlichen Patentgericht einen Haushalt und die entsprechen-  
den Finanzmittel zur Verfügung zu stellen,

HAT FOLGENDEN BESCHLUSS ERLASSEN:

Gemäß Artikel 21 bis 29 des Beschlusses des Verwaltungsausschusses des Einheitlichen Patentge-  
richts über die Finanzverwaltung des Gerichts

wird Folgendes

1. angenommen:

der Haushalt für den ersten Rechnungslegungszeitraum des Einheitlichen Patentgerichts in Höhe von  
insgesamt 9 742 654 EUR, einschließlich Mittel für die Renten- und Sozialversicherungssysteme in  
Höhe von insgesamt 1 020 266 EUR;

2. genehmigt:

der vorläufige Beitragsschlüssel gemäß Anhang 3;

Dieser Beschluss tritt am 9 Februar 2023 in Kraft.

Geschehen zu Luxemburg am 9 Februar 2023

Für den Haushaltsausschuss

Der Vorsitzende Bruno LÉBOULLENGER



## **Annex 2: BUDGET OF THE UNIFIED PATENT COURT**

### **Annex 2.1: budget of the Unified Patent Court: appropriations**



Section	Title	Total FAP
<b>3</b>	<b>Operating and Financial Expenditure</b>	<b>€ 9 452 154</b>
<b>31</b>	<b>Salaries</b>	<b>€ 2 983 010</b>
311	Court of Appeal	€ 401 831
312	Court of first instance	€ 1 917 946
313	Registrar & deputy registrar	€ 275 941
314	Other staff directly employed by the Court	€ 387 292
<b>32</b>	<b>Pension and social security contributions</b>	<b>€ 683 894</b>
321	Court of Appeal	€ 94 746
322	Court of first instance	€ 442 684
323	Registrar & deputy registrar	€ 65 519
324	Other staff directly employed by the Court	€ 80 946
325	Pension and social security contributions to national systems	€ -
<b>33</b>	<b>General operating expenses</b>	<b>€ 2 951 604</b>
331	IT Operating Expenditure, databases and eLibrary	€ 445 100
332	Meetings of the Committees	€ 9 660
333	Translation, publication & communication costs	€ 425 400
334	Training centre	€ 760 758
335	Mediation and arbitration centre	€ 143 750
336	Duty travel	€ 313 494
337	Consultancy and audit	€ 562 667
338	Charges for Cases and Applications	€ 220 776
339	Others	€ 70 000
<b>34</b>	<b>Working Capital Fund</b>	<b>€ 2 410 637</b>
341	Working Capital Fund	€ 2 410 637
<b>35</b>	<b>Repayments to MS</b>	<b>€ 100 000</b>
351	Asset-related repayments	€ -
352	Other repayments	€ 100 000
<b>36</b>	<b>Legal aid and reimbursement to third parties</b>	<b>€ 317 500</b>
361	Legal aid	€ 87 500
362	Reimbursements to third parties	€ 230 000
<b>37</b>	<b>Other general operating expenses</b>	<b>€ 5 508</b>
371	Non-refundable taxes & public levies	€ -
374	Foreign currency losses	€ -
375	Damages/internal appeals Damages, internal appeals	€ -
376	Bank charges	€ 5 508
<b>38</b>	<b>Depreciation and amortization expense</b>	<b>€ -</b>
381	Depreciation of fixed assets	€ -
382	Amortisation of intangible assets	€ -
<b>39</b>	<b>Financial expenses</b>	<b>€ -</b>
<b>4</b>	<b>Capital expenditure</b>	<b>€ 290 500</b>
<b>41</b>	<b>IT Capital expenditure</b>	<b>€ 290 500</b>
411	IT Capital expenditure	€ 290 500
<b>5</b>	<b>Revenue</b>	<b>€ 9 742 654</b>
<b>51</b>	<b>Revenue from court fees</b>	<b>€ 1 050 000</b>
511	Court fees	€ 1 050 000
512	Income from mediation centre	€ -
513	Income from arbitration centre	€ -
<b>52</b>	<b>Contributions by participating Member States</b>	<b>€ 8 059 015</b>
<b>53</b>	<b>Other operating income</b>	<b>€ 633 638</b>
531	Other court fees	€ -
532	Income from training centre	€ -
533	Internal tax	€ 633 638
535	Foreign currency gains	€ -
<b>54</b>	<b>Work performed and capitalised</b>	<b>€ -</b>
541	Work performed and capitalised	€ -
<b>55</b>	<b>Financial income</b>	<b>€ -</b>
551	Financial income	€ -
<b>6</b>	<b>PSSS Expenditure</b>	<b>€ 1 020 266</b>
610	Payments from Social Security Schemes	€ 1 020 266
<b>7</b>	<b>PSSS Income</b>	<b>€ 1 020 266</b>
710	Income Social Security Schemes	€ 1 020 266



## Annex 2.2 : Working Capital Fund

### Working Capital Fund

	PAP Budget	FAP Budget
Working Capital Fund contribution	€ 1 000 000	€ 2 410 637
./. Approved Expenditure	€ -	€ -
<b>Final amount</b>	<b>€ 1 000 000</b>	<b>€ 2 410 637</b>

Main expected purposes and possible triggers of the Working Capital Fund:

-meet any potential short-term liquidity problems in case of pending receipt of the budgetary assessed contributions. The FAP short-term liquidity has been valued at an amount that covers 2 months of the budgeted salaries, pension and social security contribution and general expenditure.

-meet any unavoidable expenses that could not be foreseen or could not be accurately estimated at the time of adoption of the budget. For instance and inter alia, the following expenses can be mentioned as possibly triggering the use of Working Capital Fund during FAP: additional training, translations (related to judicial activities), duty travel reimbursements, IT support for users (helpdesk for CMS), etc. These FAP expenses have been globally valued at 10% of the total budgeted general operating expenses;

- increase of working time of part time appointed judges to address ramp up of cases over assumptions;

- appointment of additional judges (from reserve list or beyond).

## Annex 2.3: preliminary assumptions for the next four years

Section	Title	Total FAP	assumptions 2024	assumptions 2025	assumptions 2026	assumptions 2027
<b>3</b>	<b>Operating and Financial Expenditure</b>	€ 9 452 154	€ 19 274 011	€ 25 895 680	€ 31 587 380	€ 38 365 967
31	<b>Salaries</b>	€ 2 983 010	€ 8 150 654	€ 11 141 599	€ 13 673 809	€ 16 699 082
311	Court of Appeal	€ 401 831	€ 2 532 854	€ 3 256 628	€ 4 001 902	€ 5 000 601
312	Court of first instance	€ 1 917 946	€ 4 532 257	€ 6 799 428	€ 8 586 364	€ 10 612 918
313	Registrar & deputy registrar	€ 275 941	€ 473 042	€ 473 042	€ 473 042	€ 473 042
314	Other staff directly employed by the Court	€ 387 292	€ 612 501	€ 612 501	€ 612 501	€ 612 501
32	<b>Pension and social security contributions</b>	€ 683 694	€ 1 912 427	€ 2 622 168	€ 3 225 395	€ 3 940 942
321	Court of Appeal	€ 94 746	€ 593 579	€ 770 766	€ 947 954	€ 1 184 204
322	Court of first instance	€ 442 684	€ 1 067 766	€ 1 600 318	€ 2 026 359	€ 2 505 656
323	Registrar & deputy registrar	€ 65 519	€ 112 318	€ 112 318	€ 112 318	€ 112 318
324	Other staff directly employed by the Court	€ 80 946	€ 138 764	€ 138 764	€ 138 764	€ 138 764
325	Pension and social security contributions to national systems	€ -	€ -	€ -	€ -	€ -
33	<b>General operating expenses</b>	€ 2 951 604	€ 4 042 100	€ 4 959 981	€ 6 083 978	€ 7 239 241
331	IT Operating Expenditure, databases and eLibrary	€ 445 100	€ 981 000	€ 1 103 500	€ 1 176 500	€ 1 315 000
332	Meetings of the Committees	€ 9 660	€ 8 505	€ 9 135	€ 9 765	€ 10 395
333	Translation, publication & communication costs	€ 425 400	€ 713 000	€ 807 000	€ 901 000	€ 997 000
334	Training centre	€ 760 758	€ 970 935	€ 1 149 580	€ 1 377 102	€ 1 570 645
335	Mediation and arbitration centre	€ 143 750	€ 110 733	€ 116 906	€ 123 552	€ 130 708
336	Duty travel	€ 313 494	€ 607 101	€ 1 117 761	€ 1 831 781	€ 2 545 801
337	Consultancy and audit	€ 562 667	€ 427 592	€ 432 650	€ 437 818	€ 443 100
338	Charges for Cases and Applications	€ 220 776	€ 151 234	€ 151 450	€ 154 460	€ 154 592
339	Others	€ 70 000	€ 72 000	€ 72 000	€ 72 000	€ 72 000
34	<b>Working Capital Fund</b>	€ 2 410 637	€ 3 786 674	€ 4 529 451	€ 4 711 276	€ 5 523 555
341	Working Capital Fund	€ 2 410 637	€ 3 786 674	€ 4 529 451	€ 4 711 276	€ 5 523 555
35	<b>Repayments to MS</b>	€ 100 000	€ -	€ -	€ -	€ -
351	Asset-related repayments	€ -	€ -	€ -	€ -	€ -
352	Other repayments	€ 100 000	€ -	€ -	€ -	€ -
36	<b>Legal aid and reimbursement to third parties</b>	€ 317 500	€ 1 380 000	€ 2 640 000	€ 3 890 000	€ 4 960 000
361	Legal aid	€ 87 500	€ 150 000	€ 150 000	€ 300 000	€ 300 000
362	Reimbursements to third parties	€ 230 000	€ 1 230 000	€ 2 490 000	€ 3 590 000	€ 4 660 000
37	<b>Other general operating expenses</b>	€ 5 508	€ 2 156	€ 2 483	€ 2 921	€ 3 167
371	Non-refundable taxes & public levies	€ -	€ -	€ -	€ -	€ -
374	Foreign currency losses	€ -	€ -	€ -	€ -	€ -
375	Damages/internal appeals Damages, internal appeals	€ -	€ -	€ -	€ -	€ -
376	Bank charges	€ 5 508	€ 2 156	€ 2 483	€ 2 921	€ 3 167
38	<b>Depreciation and amortization expense</b>	€ -	€ -	€ -	€ -	€ -
381	Depreciation of fixed assets	€ -	€ -	€ -	€ -	€ -
382	Amortisation of intangible assets	€ -	€ -	€ -	€ -	€ -
39	<b>Financial expenses</b>	€ -	€ -	€ -	€ -	€ -
<b>4</b>	<b>Capital expenditure</b>	€ 290 500	€ 440 000	€ 544 000	€ 653 000	€ 757 000
41	<b>IT Capital expenditure</b>	€ 290 500	€ 440 000	€ 544 000	€ 653 000	€ 757 000
411	IT Capital expenditure	€ 290 500	€ 440 000	€ 544 000	€ 653 000	€ 757 000
<b>5</b>	<b>Revenue</b>	€ 9 742 654	€ 19 714 011	€ 26 439 680	€ 32 240 380	€ 39 122 967
51	<b>Revenue from court fees</b>	€ 1 050 000	€ 5 750 000	€ 11 680 000	€ 16 780 000	€ 21 750 000
511	Court fees	€ 1 050 000	€ 5 750 000	€ 11 680 000	€ 16 780 000	€ 21 750 000
512	Income from mediation centre	€ -	€ -	€ -	€ -	€ -
513	Income from arbitration centre	€ -	€ -	€ -	€ -	€ -
52	<b>Contributions by participating Member States</b>	€ 8 059 015	€ 12 134 886	€ 12 229 118	€ 12 332 403	€ 13 535 123
53	<b>Other operating income</b>	€ 633 638	€ 1 829 125	€ 2 530 562	€ 3 127 977	€ 3 837 844
531	Other court fees	€ -	€ -	€ -	€ -	€ -
532	Income from training centre	€ -	€ -	€ -	€ -	€ -
533	Internal tax	€ 633 638	€ 1 829 125	€ 2 530 562	€ 3 127 977	€ 3 837 844
535	Foreign currency gains	€ -	€ -	€ -	€ -	€ -
54	<b>Work performed and capitalised</b>	€ -	€ -	€ -	€ -	€ -
541	Work performed and capitalised	€ -	€ -	€ -	€ -	€ -
55	<b>Financial income</b>	€ -	€ -	€ -	€ -	€ -
551	Financial income	€ -	€ -	€ -	€ -	€ -
<b>6</b>	<b>PSSS Expenditure</b>	€ 1 020 266	€ 2 853 050	€ 3 911 873	€ 4 811 799	€ 5 879 286
610	Payments from Social Security Schemes	€ 1 020 266	€ 2 853 050	€ 3 911 873	€ 4 811 799	€ 5 879 286
<b>7</b>	<b>PSSS Income</b>	€ 1 020 266	€ 2 853 050	€ 3 911 873	€ 4 811 799	€ 5 879 286
710	Income Social Security Schemes	€ 1 020 266	€ 2 853 050	€ 3 911 873	€ 4 811 799	€ 5 879 286

## Annex 3: Provisional contribution key and Member States contributions

### 3.1 Contribution due by the contracting Member States for the first Accounting Period (7 months)

Number of accessing states			17	
Member State	Contribution key (PC/02/041114)	Ratification Yes=1, No=0	Distribution key for accessing states	Total contribution due for FAP
AT	2.66	1.00	3.22	€ 259 120
BE	3.39	1.00	4.10	€ 330 232
BG	0.14	1.00	0.17	€ 13 638
CY	0.24	0.00	0.00	€ -
CZ	0.50	0.00	0.00	€ -
DE	38.77	1.00	46.86	€ 3 776 720
DK	1.62	1.00	1.96	€ 157 810
EE	0.11	1.00	0.13	€ 10 715
FI	1.07	1.00	1.29	€ 104 232
FR	17.02	1.00	20.57	€ 1 657 977
GR	0.85	0.00	0.00	€ -
HU	0.60	0.00	0.00	€ -
IE	1.18	0.00	0.00	€ -
IT	6.44	1.00	7.78	€ 627 343
LT	0.10	1.00	0.12	€ 9 741
LU	0.63	1.00	0.76	€ 61 370
LV	0.04	1.00	0.05	€ 3 897
MT	0.01	1.00	0.01	€ 974
NL	6.66	1.00	8.05	€ 648 774
PL	1.05	0.00	0.00	€ -
PT	1.04	1.00	1.26	€ 101 310
RO	0.38	0.00	0.00	€ -
SE	2.83	1.00	3.42	€ 275 680
SI	0.20	1.00	0.24	€ 19 483
SK	0.26	0.00	0.00	€ -
UK	12.12	0.00	0.00	€ -
	<b>99.91</b>	<b>82.73</b>	<b>100.00</b>	<b>€ 8 059 015</b>

This table presents the sole contributions legally due for the first accounting period, including contribution to the working capital fund, before taking into account payments received and reimbursements to be made.



### 3.2 Contributions to be called by the Chair of the Budget Committee

From contributions due to contribution called									
Member State	Gross contribution due for PAP (e)	Total contribution due for FAP (f)	Contribution received in 2022 for PAP (h)	Reimbursement of advances by deduction to FAP contribution (i)	Net 3rd amended PAP to be called =e-h (j)	Net FAP Contribution to be called = f-i (k)	Total net contribution to be called (PAP+ FAP) =j+k (L)	Net PAP+ FAP due 3 months before entry into force UPCA	Total due by 4 weeks after entry into force UPCA (4 MS non PAP)
AT	€ 317 961	€ 259 120	€ 199 396		€ 118 565	€ 259 120	€ 377 685	€ 377 685	€ -
BE	€ 405 221	€ 330 232	€ 254 117	€ 224 000	€ 151 104	€ 106 232	€ 257 335	€ 257 335	€ -
BG	€ 16 735	€ 13 638	€ 10 495		€ 6 240	€ 13 638	€ 19 878	€ 19 878	€ -
CY	€ -	€ -	€ -		€ -	€ -	€ -	€ -	€ -
CZ	€ -	€ -	€ -		€ -	€ -	€ -	€ -	€ -
DE	€ 4 634 340	€ 3 776 720	€ 2 906 232	€ 713 112	€ 1 728 109	€ 3 063 608	€ 4 791 716	€ 4 791 716	€ -
DK	€ 193 645	€ 157 810	€ 121 437		€ 72 209	€ 157 810	€ 230 019	€ 230 019	€ -
EE	€ 13 149	€ 10 715	€ 8 246		€ 4 903	€ 10 715	€ 15 619	€ 15 619	€ -
FI	€ 127 902	€ 104 232	€ 80 208		€ 47 693	€ 104 232	€ 151 926	€ 151 926	€ -
FR	€ 2 034 472	€ 1 657 977	€ 1 275 833	€ 609 411	€ 758 638	€ 1 048 566	€ 1 807 204	€ 1 807 204	€ -
GR	€ -	€ -	€ -		€ -	€ -	€ -	€ -	€ -
HU	€ -	€ -	€ -		€ -	€ -	€ -	€ -	€ -
IE	€ -	€ -	€ -		€ -	€ -	€ -	€ -	€ -
IT	€ 769 800	€ 627 343	€ 482 748	€ 230 000	€ 287 052	€ 397 343	€ 684 395	€ 684 395	€ -
LT	€ 11 953	€ 9 741	€ -		€ 11 953	€ 9 741	€ 21 695		€ 21 695
LU	€ 75 307	€ 61 370	€ 47 225		€ 28 081	€ 61 370	€ 89 452	€ 89 452	€ -
LV	€ 4 781	€ 3 897	€ -		€ 4 781	€ 3 897	€ 8 678		€ 8 678
MT	€ 1 195	€ 974	€ -		€ 1 195	€ 974	€ 2 169		€ 2 169
NL	€ 796 098	€ 648 774	€ 499 239	€ 180 000	€ 296 858	€ 468 774	€ 765 632	€ 765 632	€ -
PL	€ -	€ -	€ -		€ -	€ -	€ -	€ -	€ -
PT	€ 124 316	€ 101 310	€ -		€ 124 316	€ 101 310	€ 225 626		€ 225 626
RO	€ -	€ -	€ -		€ -	€ -	€ -	€ -	€ -
SE	€ 338 282	€ 275 680	€ 212 139	€ 136 492	€ 126 143	€ 139 188	€ 265 331	€ 265 331	€ -
SI	€ 23 907	€ 19 483	€ 14 992		€ 8 915	€ 19 483	€ 28 397	€ 28 397	€ -
SK	€ -	€ -	€ -		€ -	€ -	€ -	€ -	€ -
UK	€ -	€ -	€ -		€ -	€ -	€ -	€ -	€ -
	<b>€ 9 889 063</b>	<b>€ 8 059 015</b>	<b>€ 6 112 307</b>	<b>€ 2 093 015</b>	<b>€ 3 776 756</b>	<b>€ 5 966 000</b>	<b>€ 9 742 757</b>	<b>€ 9 484 589</b>	<b>€ 258 168</b>

This Table aims to present a clear picture of contribution to be called upon, according to the present draft budget calculations, taking into account the contributions received for PAP period and of reimbursements to six advancing Member States.

It reflects the two different legal deadlines mentioned by the financial rules of the UPC for contracting Member States, whether they are contracting parties or not to the PAP Protocol.



## Annex 4: Table of posts for the UPC (1)

### Chapter 31: Salaries

#### 1°) Amount of salaries

Period	FAP 1	FAP 2	FAP 3	FAP 4	FAP 5	FAP 6	FAP 7	Total
President Court of Appeal	€ 21 711	€ 21 711	€ 21 711	€ 21 711	€ 21 711	€ 21 711	€ 21 711	€ 151 977
Court of Appeal - Judges	€ 38 694	€ 35 194	€ 35 194	€ 35 194	€ 35 194	€ 35 194	€ 35 194	€ 249 855
President Court of First Instance	€ 19 628	€ 19 628	€ 19 628	€ 19 628	€ 19 628	€ 19 628	€ 19 628	€ 137 394
Court of First Instance - Judges	€ 298 079	€ 247 079	€ 247 079	€ 247 079	€ 247 079	€ 247 079	€ 247 079	€ 1 780 551
Registrar	€ 20 702	€ 20 702	€ 20 702	€ 20 702	€ 20 702	€ 20 702	€ 20 702	€ 144 914
Deputy Registrar	€ 18 718	€ 18 718	€ 18 718	€ 18 718	€ 18 718	€ 18 718	€ 18 718	€ 131 027
<i>Total judges and registrars</i>	€ 417 531	€ 363 031	€ 363 031	€ 363 031	€ 363 031	€ 363 031	€ 363 031	€ 2 595 718
Director Arbitration Centre	€ 16 179	€ 11 179	€ 11 179	€ 11 179	€ 11 179	€ 11 179	€ 11 179	€ 83 253
Director Training Centre	€ 11 179	€ 11 179	€ 11 179	€ 11 179	€ 11 179	€ 11 179	€ 11 179	€ 78 253
Secretary Arbitration Centre	€ 21 474	€ 11 474	€ 11 474	€ 11 474	€ 11 474	€ 11 474	€ 11 474	€ 90 315
Secretary Training Centre	€ 10 737	€ 5 737	€ 5 737	€ 5 737	€ 5 737	€ 5 737	€ 5 737	€ 45 157
IT engineers	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Case managers	€ 21 474	€ 11 474	€ 11 474	€ 11 474	€ 11 474	€ 11 474	€ 11 474	€ 90 315
Clerks	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Secretaries	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Accountants	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
<b>Total salaries: EUR 2 983 010</b>	<b>€ 498 573</b>	<b>€ 414 073</b>	<b>€ 414 073</b>	<b>€ 414 073</b>	<b>€ 414 073</b>	<b>€ 414 073</b>	<b>€ 414 073</b>	<b>€ 2 983 010</b>

#### 2°) Number of staff (Full time equivalents)

Period	FAP 1	FAP 2	FAP 3	FAP 4	FAP 5	FAP 6	FAP 7
President Court of Appeal	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Court of Appeal - Judges	1.7	1.7	1.7	1.7	1.7	1.7	1.7
President Court of First Instance	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Court of First Instance - Judges	13.2	13.2	13.2	13.2	13.2	13.2	13.2
Registrar	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Deputy Registrar	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<i>Total judges and registrars</i>	<i>18.9</i>	<i>18.9</i>	<i>18.9</i>	<i>18.9</i>	<i>18.9</i>	<i>18.9</i>	<i>18.9</i>
Director Arbitration Centre	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director Training Centre	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Secretary Arbitration Centre	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Secretary Training Centre	1.0	1.0	1.0	1.0	1.0	1.0	1.0
IT engineers	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Case managers	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Clerks	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Secretaries	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accountants	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total no. of staff (FTE)</b>	<b>25.9</b>	<b>25.9</b>	<b>25.9</b>	<b>25.9</b>	<b>25.9</b>	<b>25.9</b>	<b>25.9</b>



## Annex 4: Table of posts for the UPC 2 (income tax & recruitment)

### 3°) INCOME TAX

*(unchanged since BC decision of 07/09/2022) :*

Tax rate

monthly	from	to	%
Tax 1	€ 127	€ 2 234	8.0%
Tax 2	€ 2 234	€ 3 077	10.0%
Tax 3	€ 3 077	€ 3 526	12.5%
Tax 4	€ 3 526	€ 4 004	15.0%
Tax 5	€ 4 004	€ 4 453	17.5%
Tax 6	€ 4 453	€ 4 889	20.0%
Tax 7	€ 4 889	€ 5 338	22.5%
Tax 8	€ 5 338	€ 5 774	25.0%
Tax 9	€ 5 774	€ 6 223	27.5%
Tax 10	€ 6 223	€ 6 659	30.0%
Tax 11	€ 6 659	€ 7 108	32.5%
Tax 12	€ 7 108	€ 7 544	35.0%
Tax 13	€ 7 544	€ 7 993	40.0%
Tax 14	€ 7 993	€ -	45.0%

### 4°) Recruitment plan

The present draft Budget reflects the recruitments schedule anticipated during the First Accounting Period and the measures taken to adapt such a plan in the context of uncertainties regarding the case workflow volume during the same period, combined with the necessity for the Court to be capable of taking on all cases in a timely manner.

Compared to the former budgets for the Provisional Application Period (PAP) adopted by the Budget committee, the present draft budget presents a high increase in the budget section devoted to salaries. This is because the PAP budget only provided funds for salaries for the Presidium, the Registrar and Deputy Registrar and director of Training and Mediation Centres. On the entry into force of the UPCA, all appointed Judges (85 in total) become salaried employees of the UPC. The draft budget also takes in account the set-up of the Mediation and Arbitration Centre (salary of the Director and four officers (two for each premise)).

Regarding the need of reactivity in Human Resources Management, the draft budget also contains margins to allow the Presidium to upgrade, if necessary, the amount of time devoted to the Court by part time judges, legally qualified and technically qualified judges likewise.

The draft budget contains funds to carry out additional recruitment processes if necessary (including meetings of the advisory committee). The reserve list of 45 judges will be used as required.

If necessary, the working capital fund will be applied, in compliance with the rules governing the use of such fund including information of the Budget Committee.

## Annex 4: Table of posts for the UPC 3 (salary & PMSSP)

### 5°) Salary payments

The calculation of salaries is based on the Regulations Governing the Conditions of Service of Judges, the Registrar and the Deputy-Registrar of the Unified Patent Court and the Staff Regulations of the Unified Patent Court and the internal tax of the abovementioned regulation (see rates in Annex 4.3). Net salaries were calculated taking into account updated internal tax, social security contributions and average allowances.

### 6°) Chapter 32 Pension and Social security schemes

#### Pension Plan

The present FAP budget is built on the principles and rates recorded for the first amending budget according to the decisions of the Administrative Committee meeting held on 8 July 2022.

In the absence of an updated actuarial study, it is noted that the Pension Plan expenses do not consider the potential impact of change from the actuarial assumptions and their impact on any additional required pension costs. An update of the pension cost will be taken into account in the 2024 budget including any retrospective impact.

#### Medical and social scheme

The present FAP budget includes the approved proposal for a medical and social scheme, with parameters identical to those recorded in the 2<sup>nd</sup> amended budget. The detailed rates included in the Budget are:

- 3,80% for medical and social coverage, 1/3 from the salary (1,73%) and 2/3 (2,37%) paid by the Court.
- 0,3% for management fee, borne in full by the UPC applying the general principle that management costs are borne by the employer.
- 35% discount for entitled part time judges (50%) who are encouraged to rely on their national scheme for primary coverage.
- 5,5% for invalidity/death risk, applied to all UPC staff and borne in full by the Court.

Scheme	Staff Contribution	UPC Contribution %
Pension	10.80%	16.20%
Health	1.27%	2.83%
Invalidity/Death	0.00%	5.50%
Long-term care	0.00%	0.00%

All contributions are calculated on the gross salary.

## Annex 4: Table of posts for the UPC 4 (operating expenditures)

### 7°) Chapter 33: General operating expenditure

#### *IT operating expenditure:*

The FAP budget accounts for the updated IT operating expenditure needs with an amount of € 445k (reminder: 3<sup>rd</sup> amended PAP was € 679k). This reduction reflects the expected shift from expenses arising in the establishment of the three critical IT systems (Case Management, Human Resources, Finances) to operational expenses once everything is up and running.

#### *Training*

The amended Budget takes into consideration the continuing need of training expenses during the FAP for the different categories of relevant stakeholders and employees of the UPC. The present Budget confirms the strong scheduled training program for judges and staff after entry into force.

Same as for the PAP amended budget, expenditure for the training centre represents the full training costs for the appointed judges (including travel cost and daily allowance for the trainees).

It is to be noted that additional training requirements beyond the assumptions made to build this draft budget may become necessary in the general context of set up requirements during the first accounting period. Such needs may in particular be related to adapting skills of UPC judges and clerks in using the Case Management System after experiencing the first actual litigation cases. An exchange of views will be held soon after the entry into force to provide feedback for the purposes of knowledge and decision making in this regard.

It is foreseen in the future that the training centre will generate revenue to the UPC by providing seminars and trainings to external users. As these revenue are negligible the first years, they are no included in the current Budget.

#### *Mediation and arbitration centre (Centre)*

The Centre shall provide facilities for mediation and arbitration of patent disputes falling within the scope of the Agreement on the UPC.

The Centre's budget is part of the budget of the UPC. However, the director of the Centre shall prepare the draft annual budget for approval by the Budget Committee of the UPC.

As the director of the centre has not been appointed yet, the operating costs of the Centre have been included in the present Budget

## Annex 4: Table of posts for the UPC 5 (duty travels & opt out)

### *Duty Travel*

The present draft budget shows a strong increase of expenses associated with duty travel. This reflects the incoming additional needs according to the judicial activity of the Court as required by the Agreement. The attention of Member State delegates is called to the uncertainty regarding the actual needs of such duty travels and thus to the reimbursements that may be requested by the judges accordingly.

Same as for PAP amended budget, and pursuant to the UPC Agreement (art 37.1) the present draft budget takes into account only the costs to be borne by the Court: duty travels of the Presidium, the Judges, the members of the Advisory Committee, the registrar and, as appropriate, deputy registrar and the training centre director and salaries of the arbitration and remediation centre director.

Duty travel costs of Member States delegates and of UPC staff provided by the Member States pursuant to the Agreement for the transition period are still borne by Member States.

The current draft budget presents amounts calculated to implement the duty travel rules adopted by the Administrative Committee on 8 July 2022. It includes a margin resulting of the first return of experience (an average factor of 1,5 has been applied to the time of duty event in order to calculate the actual full time requested and entitlement to reimbursement according to the rules). This factor will have to be monitored and if necessary updated to reflect actual experience.

Additional external factors such as travelling and accommodation costs are currently subject to strong inflationary pressures that affect the duty travel costs, when compared to the rules and previous budget assumptions.

Considering the impact of both those uncertainties on actual costs and the crucial need to provide a fair scheme for reimbursing the duty travel costs for Judges of the Court, while a reasonable cost control; the Presidium would like to draw the attention of the delegates to the need for a regular review of the duty travel rules.

### **9°) Opt out and other Case Management operations**

Case management operation will trigger operational unitary fees pursuant to the applicable contract between the UPC and the service provider signed before the PAP. The present budget reflects these costs, based in particular on the assumed number of "Opt out" requests following the cessation of the Sunrise period. The same budget line is used for payment of fees for managing the Opt Out and other Case Management operations.

## Annex 4: Table of posts for the UPC 6 (chapters 34, 39, 51)

### 10°) Chapter 34: Working Capital Fund (see also comments in Annex 2.2)

The present draft budget increases the amount of the Working Capital Funds from EUR 1 million initially established by the Amended PAP budget to € 2 410 K. The calculation of such amount is based on standard ratios.

Specifically regarding the UPC, the Working Capital Fund aims in particular to:

- meet unavoidable and legitimate expenses that cannot be accurately estimated at the time of adopting the Budget
- provide funds for unexpected needs of increasing budget lines without requiring additional contributions from Member States, based on decisions of the Presidium pursuant to the financial rules.

### 11°) Chapter 39: Financial Expenses

This line had increased during time of negative interests that no longer occur. It reflects mainly the managing costs of payments and incomes by the Bank.

### 12°) Chapter 41: IT Capital Expenditure

IT investments recorded in the FAP budget for EUR 290 k are anticipated to cover the completion and update of the UPC IT systems after the entry into force. It has been reduced compared to the considered figures in the PAP period due to the maturity of the investment programs for the IT infrastructures of the UPC.

The attention of delegates is directed to the uncertainty regarding the status of the assets recorded in the former and present budget when related to the period before PAP. The UPC is currently performing a detailed review of the related expenses and counterparts pursuant to IPSAS rules. An update of these records, including a reclassification of these former expenses as operational expenses (OPEX) will be submitted to the relevant governing bodies in due course.

CMS	€	91 000
Corporate Web site	€	35 000
Central Mail & Document Sharing	€	21 000
Other	€	70 000
Corporate Functions modules	€	73 500
<b>Total</b>	<b>€</b>	<b>290 500</b>

## Annex 4: Table of posts for the UPC 7 (Court fees & MS contributions)

### 13°) Chapter 51 Court Fees

The present draft budget has adopted a prudent approach regarding the expected incomes related to Court fees, considering the uncertainties in the ramp up of the activity, and the nature of the first cases. The resulting calculation is amounted to € 1050k but the net income after expected deductions (budgeted as liabilities to third parties) is € 820 k.

#### Court fees

	FAP Budget	assumptions 2024	2025	2026	2027
Procedural fees	€ 1 050 000	€ 5 750 000	€ 11 680 000	€ 16 780 000	€ 21 750 000
./. SME reductions	-€ 50 000	-€ 300 000	-€ 680 000	-€ 980 000	-€ 1 250 000
./. Single-judge reimbursements	-€ 30 000	-€ 100 000	-€ 130 000	-€ 230 000	-€ 330 000
./. Early-settlement reimbursements	-€ 150 000	-€ 830 000	-€ 1 680 000	-€ 2 380 000	-€ 3 080 000
<b>Total court fees</b>	<b>€ 820 000</b>	<b>€ 4 520 000</b>	<b>€ 9 190 000</b>	<b>€ 13 190 000</b>	<b>€ 17 090 000</b>

### 14°) Chapter 52 Contribution from Member States

The present draft budget relies on the provisional contribution key as for initial and amended PAP budgets, notwithstanding the update of the contribution key to be carried out in parallel after gathering the relevant data from the years 2020, 2021 and 2022. These contributions are calculated pursuant to art 6.1 a to d of the financial rules for the provisional application period

The contributions due and their payment take into account the differences of status, for instance initial financial contribution period are due for all Contracting Member States, but only those applying the PAP protocol were called to pay the PAP contribution at the opening of PAP. The contracting Member States non-applying PAP protocol will be called on for their contribution (including initial financial contribution to the PAP) according to the decision of the Budget Committee regarding the present FAP budget. The amount paid during PAP by Contracting Member States will be deducted from the amount called for both PAP and FAP. Member States entitled to reimbursement of their advances, as recorded in PAP budget, and who have chosen to be paid by deduction to their contribution to the first accounting period, will see their contribution deducted accordingly.

On the other hand, no incoming contracting Member State has been recorded at the date of presenting this draft budget and the present draft budget does not include any change in this regard.

Preliminary Assumptions regarding evolution of the contributions from Contracting Member States for the year 2024 to 2027 have to be considered as theoretical at this stage. It is recalled that adopting the present draft budget does no commit neither UPC nor Member States regarding those preliminary assumptions.

Considering the complexity of the latter, the presentation of the contributions due by contracting Member States is split up into different tables in Annex 3 (3.1. & 3.2).

All these contributions will be revised in due time according to the updated contribution key and implemented at the accurate accounting period (likely budget for year 2024).



## Annex 4: Table of posts for the UPC (Other Operating incomes)

### **15°) Chapter 53: Other Operating Income**

#### *Internal Tax*

Income from internal tax is scheduled for the FAP recording income tax to be paid by UPC staff actually recruited and paid during FAP a minimum of 85.

### **16°) Chapter 61: PSSS Expenditure and incomes**

The budget reflects PSSS Expenditure, which is for planning purposes considered equivalent to the Contributions of the Court and the Staff (assumption that expenditure is equivalent to income).

The budget reflects PSSS Income, which is equivalent to the Contributions of the Court and the Staff.

## Annex 5: Financial Statements of the Court

The accrual financial statements of the UPC will be essential to provide information relevant to assess the long-term sustainability of the UPC. According to the Financial Regulations of the UPC, the International Public Sector Accounting Standards (IPSAS) are the general accepted accounting principles referred to in article 26, paragraph 1 and article 33, paragraph 2 (d) of the Statute. IPSAS is used to assess accountability through an evaluation of the UPC's financial performance and position aiming to aid decision making and enforcement of accountability. The plan statement of financial performance (5.3.) and plan statement of financial position (5.4.) of the FAP budget are estimates and are for illustrative purpose only. Further significant work from the UPC will be needed to implement IPSAS. In particular, information about the Defined Benefit Obligation projections is pending and impairments of assets for IT investments made prior to the PAP and during the PAP will have to be assessed.

The following tables presenting the Plan statement of Resources (5.1), the plan statement of Estimated Income (5.2), the statement of financial performance (5.3) and the statement of financial position and of the Court (5.4) pursuant to the articles of the financial regulation of the Unified Patent Court are recorded at the date of 31 May 2023, equivalent to a period of 16 months.

## 5.1. Plan statement of Resources

### Plan Statement of Resources

First Accounting Period: 01/06/2023-31/12/2023

in EUR

	Cash in EUR	Transition to Accrual in EUR	Accrual in EUR
<b>31 Salaries</b>	<b>2 983 010</b>	<b>- 934 700</b>	<b>2 048 310</b>
(i) salaries of			
the President of the Court of Appeal,	151 977	- 53 683	98 293
the President of the Court of First Instance,	137 394	- 46 954	90 440
the other judges,	2 030 406	- 666 726	1 363 680
the Registrar and the Deputy Registrar	275 941	- 94 440	181 501
any other staff directly employed by the Court	387 292	- 72 897	314 395
<b>32 Pension and social security contributions</b>	<b>683 894</b>	<b>301 062</b>	<b>984 956</b>
(ii) pension and social security contributions of			
the President of the Court of Appeal,	36 176	- 23 888	12 288
the President of the Court of First Instance,	32 619	- 21 539	11 080
the other judges,	468 635	- 309 452	159 183
the Registrar and the Deputy Registrar	65 519	- 43 264	22 255
any other staff directly employed by the Court	80 946	- 53 451	27 495
Current service costs (Defined Benefit Obligations)	-	752 655	752 655
<b>33 General operating expenses</b>	<b>2 951 604</b>	<b>156 000</b>	<b>3 107 604</b>
(iii) costs incurred by the Committees of the Court including cost of meetings, as well as translation and communication costs;	435 060	-	435 060
(iv) costs incurred for setting up the Court, the Training Centre for Judges and the Patent Mediation and Arbitration Centre, in particular the initial assets of the Court;	2 516 544	156 000	2 672 544
<b>34 Working Capital Fund</b>	<b>2 410 637</b>	<b>2 410 637</b>	<b>-</b>
(v) resources to be allocated to the Working Capital Fund.	2 410 637	- 2 410 637	-
<b>35 Repayments to MS</b>	<b>100 000</b>	<b>100 000</b>	<b>-</b>
<b>36 Legal aid and reimbursement to thlr parties</b>	<b>317 500</b>	<b>230 000</b>	<b>87 500</b>
<b>37 Other general operating expenses</b>	<b>5 508</b>	<b>-</b>	<b>5 508</b>
<b>38 Depreciation and amortization expense</b>	<b>-</b>	<b>126 213</b>	<b>126 213</b>
<b>39 Financial expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>41 IT Capital Expenditure</b>	<b>290 500</b>	<b>290 500</b>	<b>-</b>
<b>SUBTOTAL Court</b>	<b>9 742 654</b>	<b>- 3 382 563</b>	<b>6 360 090</b>
<b>61 Payments from Social Security Schemes</b>	<b>1 020 266</b>	<b>1 020 266</b>	<b>-</b>
<b>SUBTOTAL PSSS</b>	<b>1 020 266</b>	<b>1 020 266</b>	<b>-</b>
<b>TOTAL Court + PSSS</b>	<b>10 762 920</b>	<b>4 402 829</b>	<b>6 360 090</b>

## 5.2. Plan statement of Estimated Income

First Accounting Period: 01/06/2023-31/12/2023

in EUR	Cash in EUR	Transition to Accrual in EUR	Accrual in EUR
51 Revenue from court fees	1 050 000	- 1 050 000	-
52 Contributions by participating Member States	8 059 015	- 2 410 637	5 648 378
(i) contribution to Operating expenses	5 648 378	-	5 648 378
(ii) contributions to the Working Capital	2 410 637	- 2 410 637	-
53 Other operating income	633 638	- 633 638	-
(iv) any other income of the Court	633 638	- 633 638	-
54 Work performed and capitalised	-	-	-
55 Financial income	-	-	-
<b>SUBTOTAL Court</b>	<b>9 742 654</b>	<b>- 4 094 276</b>	<b>5 648 378</b>
71 Income Social Security Schemes	1 020 266	- 1 020 266	-
<b>SUBTOTAL PSSS</b>	<b>1 020 266</b>	<b>- 1 020 266</b>	<b>-</b>
<b>TOTAL Court + PSSS</b>	<b>10 762 920</b>	<b>- 5 114 542</b>	<b>5 648 378</b>

## 5.3. Statement of Financial Performance

Statement of Financial Performance

in EUR

	Entry into PAP 19/01/2022	End of PAP 19/01/2022- 31/05/2023 (16 Months)	End of FAP 01/06/2023- 31/12/2023 (7 Months)	2024	2025	2026	2027
	in EUR	in EUR	in EUR	in EUR	in EUR	in EUR	in EUR
<b>5 Revenue</b>							
51 Revenue from court fees	-	-	-	1 050 000	5 750 000	11 680 000	16 780 000
52 Contributions by participating Member States	-	8 889 063	5 648 378	8 348 212	7 699 667	7 621 127	8 011 568
<b>Total revenue</b>	-	<b>8 889 063</b>	<b>5 648 378</b>	<b>9 398 212</b>	<b>13 449 667</b>	<b>19 301 127</b>	<b>24 791 568</b>
<b>3 Expenses</b>							
31+32 Employee benefits	-	1 085 859	3 033 266	8 233 956	11 233 203	13 771 228	16 802 160
33 General operating expenses	2 432 502	4 028 119	3 107 604	4 112 100	5 031 981	6 162 978	7 320 241
36 Legal aid and reimbursement to third parties	-	-	87 500	380 000	1 380 000	2 790 000	3 890 000
37 Other general operating expenses	-	3 063	5 508	2 156	2 483	2 921	3 167
38 Depreciation and amortization expense	-	52 381	126 213	254 060	309 658	395 262	518 354
39 Financial expenses	-	13 000	-	-	-	-	-
<b>Total expenses</b>	<b>2 432 502</b>	<b>5 182 422</b>	<b>6 360 090</b>	<b>12 982 273</b>	<b>17 957 325</b>	<b>23 122 388</b>	<b>28 533 922</b>
<b>Net surplus/(deficit) for the period</b>	<b>- 2 432 502</b>	<b>3 706 642</b>	<b>- 711 713</b>	<b>- 3 584 060</b>	<b>- 4 507 658</b>	<b>- 3 821 262</b>	<b>- 3 742 354</b>

## 5.4. Statement of Financial Position

### Statement of Financial Position in EUR

	Entry into PAP 19/01/2022	End of PAP 31/05/2023 (16 Months)	End of FAP 31/12/2023 (7 Months)	2024	2025	2026	2027
	in EUR	In EUR	in EUR	in EUR	In EUR	in EUR	in EUR
<b>1 Assets</b>							
<b>11 Non-current assets</b>							
112 Intangible assets	848 188	1 274 140	1 382 427	1 498 367	1 660 709	1 839 447	1 997 093
114 Other non-current assets (financial and non-financial)	-	271 130	1 023 786	3 128 495	6 014 303	9 563 991	13 901 169
<b>Total non-current assets</b>	<b>848 188</b>	<b>1 545 270</b>	<b>2 406 213</b>	<b>4 626 861</b>	<b>7 675 012</b>	<b>11 403 438</b>	<b>15 898 262</b>
<b>12 Current assets</b>							
121 Cash and cash equivalents	-	1 544 613	3 410 637	7 197 311	11 726 762	16 438 038	21 961 594
<b>Total current assets</b>	<b>-</b>	<b>1 544 613</b>	<b>3 410 637</b>	<b>7 197 311</b>	<b>11 726 762</b>	<b>16 438 038</b>	<b>21 961 594</b>
<b>Total assets</b>	<b>848 188</b>	<b>3 089 883</b>	<b>5 816 850</b>	<b>11 824 172</b>	<b>19 401 774</b>	<b>27 841 476</b>	<b>37 859 856</b>
<b>2 Liabilities and equity</b>							
<b>21 Non-current liabilities</b>							
211 Liability towards Member States and others States	-	1 000 000	3 410 637	7 197 311	11 726 762	16 438 038	21 961 594
212 Defined Benefit Obligations	-	271 130	1 023 786	3 128 495	6 014 303	9 563 991	13 901 169
<b>Total non-current liabilities</b>	<b>-</b>	<b>1 271 130</b>	<b>4 434 423</b>	<b>10 325 806</b>	<b>17 741 065</b>	<b>26 002 029</b>	<b>35 862 763</b>
<b>22 Current liabilities</b>							
221 Payables	3 280 689	544 613	-	-	-	-	-
226 Prepaid Fees (current)	-	-	820 000	4 520 000	9 190 000	13 190 000	17 090 000
<b>227 Other current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total current liabilities</b>	<b>3 280 689</b>	<b>544 613</b>	<b>820 000</b>	<b>4 520 000</b>	<b>9 190 000</b>	<b>13 190 000</b>	<b>17 090 000</b>
<b>Total liabilities</b>	<b>3 280 689</b>	<b>1 815 743</b>	<b>5 254 423</b>	<b>14 845 806</b>	<b>26 931 065</b>	<b>39 192 029</b>	<b>52 952 763</b>
<b>23 Net Assets / Equity Attributable to the Member States</b>							
232 Other reserves	-	-2 432 502	-2 432 502	-2 432 502	-2 432 502	-2 432 502	-2 432 502
233 Accumulated surplus/(deficit)	-2 432 502	3 706 642	2 994 929	-589 131	-5 096 789	-8 918 051	-12 660 405
<b>Total net assets/equity</b>	<b>- 2 432 502</b>	<b>1 274 140</b>	<b>562 427</b>	<b>- 3 021 633</b>	<b>- 7 529 291</b>	<b>- 11 350 553</b>	<b>- 15 092 907</b>

## 5.5. Forecasted Cash flow Statement

### Direct Method Cash Flow Statement in EUR

	End of PAP 31/05/2023 (16 Months)	End of FAP 31/12/2023 (7 Months)	2024	2025	2026	2027
<b>Cash flows from operating activities</b>						
Cash receipts from Court	€ -	€ 1 050 000	€ 5 750 000	€ 11 680 000	€ 16 780 000	€ 21 750 000
Cash receipts from Member States	€ 8 889 063	€ 5 648 378	€ 8 348 212	€ 7 699 667	€ 7 621 127	€ 8 011 568
<b>Total operating cash receipts</b>	<b>€ 8 889 063</b>	<b>€ 6 698 378</b>	<b>€ 14 098 212</b>	<b>€ 19 379 667</b>	<b>€ 24 401 127</b>	<b>€ 29 761 568</b>
Payments of Employees benefits	-€ 1 085 859	-€ 3 033 266	-€ 8 233 956	-€ 11 233 203	-€ 13 771 228	-€ 16 802 160
Payments to suppliers of goods and services	-€ 4 044 181	-€ 3 430 612	-€ 5 494 256	-€ 7 674 464	-€ 10 055 899	-€ 12 283 408
<b>Total operating cash payments</b>	<b>-€ 5 130 040</b>	<b>-€ 6 463 878</b>	<b>-€ 13 728 212</b>	<b>-€ 18 907 667</b>	<b>-€ 23 827 127</b>	<b>-€ 29 085 568</b>
<b>Cash Flow from operating activities</b>	<b>€ 3 759 023</b>	<b>€ 234 500</b>	<b>€ 370 000</b>	<b>€ 472 000</b>	<b>€ 574 000</b>	<b>€ 676 000</b>
<b>Cash flows from investing activities</b>						
Acquisition of tangible and intangible assets	-€ 478 334	-€ 234 500	-€ 370 000	-€ 472 000	-€ 574 000	-€ 676 000
<b>Cash flow from investing activities</b>	<b>-€ 478 334</b>	<b>-€ 234 500</b>	<b>-€ 370 000</b>	<b>-€ 472 000</b>	<b>-€ 574 000</b>	<b>-€ 676 000</b>
<b>Cash flows from financing activities</b>						
Cash receipts from Member States	€ 1 000 000	€ 2 410 637	€ 3 786 674	€ 4 529 451	€ 4 711 276	€ 5 523 555
Payments to Member States	-€ 2 736 076	-€ 544 613	€ -	€ -	€ -	€ -
<b>Cash flow from financing activities</b>	<b>-€ 1 736 076</b>	<b>€ 1 866 024</b>	<b>€ 3 786 674</b>	<b>€ 4 529 451</b>	<b>€ 4 711 276</b>	<b>€ 5 523 555</b>
<b>Net increase/(decrease) in cash and cash equivalent</b>	<b>€ 1 544 613</b>	<b>€ 1 866 024</b>	<b>€ 3 786 674</b>	<b>€ 4 529 451</b>	<b>€ 4 711 276</b>	<b>€ 5 523 555</b>
<b>Cash and cash equivalents net at the beginning of the Period</b>	<b>€ -</b>	<b>€ 1 544 613</b>	<b>€ 3 410 637</b>	<b>€ 7 197 311</b>	<b>€ 11 726 762</b>	<b>€ 16 438 038</b>
<b>Cash and cash equivalents net at the end of the Period</b>	<b>€ 1 544 613</b>	<b>€ 3 410 637</b>	<b>€ 7 197 311</b>	<b>€ 11 726 762</b>	<b>€ 16 438 038</b>	<b>€ 21 961 594</b>

## 5.6 Financial Statements explanatory note

In the present budget approach, the contributions due by all contracting Member States are covering all the financial needs of the Court and it is assumed, for simplification purpose, that the expenses budgeted are implemented and paid during the same budget year.

### **Intangible assets:**

Intangible assets are stated at historical cost less accumulated amortization and any impairment losses.

Amortization is provided over the estimated useful life using the straight-line method.

The estimated useful life for intangible asset classes is as follows:

- SAGE (Accounting Software) 5 years;
- CMS (Case Management System) CMS 7 years.

The attention of delegates is called upon the uncertainty regarding the status of the assets recorded in the former and present budget when related to the period before PAP amounting to EUR 2.9 million. A first assessment of these assets led to the conclusion that EUR 2.09 million should likely be reclassified as OPEX. An update of these records will be submitted to the relevant governing bodies in due time with the PAP audited financial statements.

### **Defined Benefit Obligation**

UPC makes pension contributions on behalf of its employee in accordance with Annex II to the Service and Staff Regulations (Pension Plan of the Court) AC/09/08072022. The contributions are treated as payments to a defined benefit pension plan.

The attention of delegates is called upon the fact that in the present absence of an actuary valuation study and of a current pension investments strategy, the expected costs of the pension benefits are valued at the current pension contributions made by the UPC and its employee and does not reflect the real benefit plan obligations. An update of these cost will be submitted to the relevant governing bodies in due time.

### **Non-Current Liability-Liability towards Member States and others States:**

These are the advances made by the contracting member states to the working capital fund as stipulated in Art 63 of the Financial regulation.

### **Current Liability-Payable**

The UK's advances in relation the Pre-PAP will be dealt with in a separate decision and is expected to be realized by the end of the FAP.

### **Current Liability-Prepaid Fees:**

Prepaid Fees are liabilities in relation to the payments received for the court services for which no service has yet been performed. The estimated prepaid fees consist of the FAP judicial income estimates. It is assumed that the duration of the court proceeding and therefore the performance of the court service obligation is around one year.