

Mr Vítor Manuel da SILVA CALDEIRA
President of the European Court
of Auditors
EUROPEAN COURT OF AUDITORS
12, rue Alcide De Gasperi
L-1615 LUXEMBOURG

Subject: *Final annual accounts for the financial year 2010*

1. This representation letter is provided in connection with the Court of Auditors audit of the Final annual accounts of the SESAR Joint Undertaking hereafter the SJU consisting of the financial statements¹ and the reports on implementation of the budget for the financial year ended 31 December 2010 for the purpose of expressing an opinion as to whether these present fairly, in all material respects, the financial position of SJU as of 31 December 2010 and of the results of its operations and its cash flows for the year then ended.

2. In accordance with the Financial Rules of the SJU, the " Final annual accounts " for the financial year 2010 are prepared on the basis of accounting rules adopted² by the Commission's Accounting Officer which adapt accruals based accounting principles to the specific environment of the European Union, while the "Reports on the implementation of the budget" continue to be primarily based on movements of cash.

3. In line with Article 43 of the Financial Rules of the SJU, the accounting systems laid down by the Accounting Officer and where appropriate systems laid down by the Authorising Officer and his delegates to supply and justify accounting information have been validated.

4. All the information necessary for the production of the accounts of SJU which give a true and fair view of the assets and liabilities and of the budgetary implementation has been obtained from the Authorising Officer and his delegates.

5. Based on the information provided by the Authorising Officer and his delegates and without prejudice to their responsibilities as provided for in the Financial Regulation of SJU, we confirm, to the best of our knowledge and belief, the following representations:

Financial Statements

6. The "Final annual accounts of SJU" for the financial year ended 31 December 2010 referred to above are presented in accordance with its Financial Rules, its implementing rules and the accounting rules and methods established by the Accounting Officer of the Commission.

¹ The " financial statements " comprise the balance sheet, the economic outturn account, the cash flow table, statement of changes in net assets and a summary of significant accounting policies and other explanatory notes.

² The accounting rules adopted are derived from International Public Sector Accounting Standards (IPSAS) issued by the International Federation of Accountants or, in their absence, International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board.



7. No other sufficiently material issues requiring a reservation have been brought to our attention.
8. Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.
9. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the accounting rules.
10. All events subsequent to the date of the financial statements and for which the accounting rules require adjustment or disclosure have been adjusted or disclosed.
11. The effects of known uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the known uncorrected misstatements is attached to the representation letter.
12. There are no known plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements. The carrying value of receivables which are potentially irrecoverable has been corrected, where necessary.
13. The SJU has satisfactory title to all assets and there are no liens or encumbrances on the assets.
14. All liabilities, both actual and contingent, have been recorded or disclosed, as appropriate, and all guarantees that have been given to third parties have been disclosed in the Notes to the financial statements.
15. All claims against the SJU are reflected in the accounts as a provision or, where relevant, as a contingent liability.
16. There are no formal or informal compensating balance arrangements with any of our cash and investment accounts. There are no lines of credit arrangements.

Information Provided


17. We have provided the auditors with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - Additional information that the auditors have requested for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom the auditors determined it necessary to obtain audit evidence.
18. All transactions have been recorded in the accounting records and are reflected in the financial statements.
19. We have disclosed to the auditor the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
20. We have disclosed to the auditors all information available or made available to us in relation to fraud or suspected fraud and that affects SJU and involves:

- Management;
- Employees who have significant roles in internal control; or
- Others, where the fraud could have a material effect on the financial statements.

21. We have disclosed to the auditors all information in relation to allegations of fraud, or suspected fraud, affecting SJU financial statements made available to us by employees, former employees, analysts, regulators or others.


22. We have disclosed to the auditors the identity of the SJU related parties and all the related party relationships and transactions of which we are aware.

23. We have disclosed to the auditors all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.



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Carlo M. Borghini
Director Administration and Finance
Accounting Officer
of the SESAR Joint Undertaking



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Patrick Ky
Executive Director
of the SESAR Joint Undertaking