

EISCAT Scientific Association
Registered as a Swedish non-profit organisation
Organisation number: 897300-2549

Annual financial report for the year 2021-01-01 – 2021-12-31

The EISCAT Council and the Director for the Association submits herewith the annual report for 2021.

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ADMINISTRATION REPORT

Ownership, organisation and objective

The EISCAT Scientific Association was established in 1975 through an agreement between six European organisations. Japan joined in 1996 and the People's Republic of China in 2007.

The EISCAT Associates at 2021-12-31 are: China Research Institute of Radiowave Propagation (People's Republic of China), National Institute of Polar Research (Japan), Norges forskningsråd (Norway), Suomen Akatemia (Finland), UK Research and Innovation (United Kingdom of Great Britain and Northern Ireland) and Vetenskapsrådet (Sweden).

The now-running EISCAT Agreement came into force 2017-06-20, with all Associates making long term funding commitments to the Association. The Association has its formal seat in Kiruna, Sweden, and is registered as a non-profit organisation.

The aim of the Association is to make significant progress in the understanding of physical processes in geospace, in the high latitude atmosphere, and in the coupling between the high and low latitudes and altitudes. For this purpose, the Association has developed, constructed, and now operates, a number of radar facilities at high latitudes. At present, these comprise a system of stations at Tromsø (Norway), Kiruna (Sweden), Sodankylä (Finland), and Longyearbyen (Svalbard). The new system, EISCAT_3D, is currently being constructed.

The Association is fully funded by the Associates, but additional operations may also be funded by short term additional contributions from both Associate and non-Associate bodies. Depending on the available funding, scientific priorities and operational targets are adjusted on an annual basis.

The EISCAT Council is charged with the overall administration and supervision of the Association's activities. The Council appoints a Director, who is responsible for the daily management and operation of the facilities of the Association.

Operation and scientific development

The EISCAT Radars systems operated reliably throughout the year and 1 938 hours were accounted in 2021 (1 918 hours in 2020).

Common Programmes amounted to 39% (49%) of the operations. Special Programmes amounted to 56% (44%) and other operations amounted to 5% (7%) of the total hours.

DLR-SO (Germany), IRA-NASU (Ukraine), JHUAPL (USA), KASI (South Korea), KOPRI (South Korea) and METI (Int.) have Affiliate agreements and totally 24 hours (52 hours) were accounted to the affiliates. METI joined and CNRS-IRAP (France) left the Association during 2021. The Peer-Review Programme made it possible for user groups from P. R of China, Finland, Germany, Japan and Russia to run experiments, at no cost, on the systems. Peer-Review time amounted to 86 accounted hours (72 hours).

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Future operation and scientific development

The current EISCAT systems are ready for users. These include the EISCAT Svalbard Radar, Heating and the UHF and VHF radars with the possibility to run the VHF in tristatic mode by using the antennas in Kiruna and Sodankylä for reception.

The new EISCAT_3D radar system is being constructed. EISCAT_3D will replace the current UHF and VHF radar systems. The new system comprises three phased arrays working together. These will be built in Finland, Norway and Sweden. The construction of EISCAT_3D progress is slower than planned due to COVID-19 effects; components shortages and travel restrictions meaning that completion date will slip into 2023. The old UHF and VHF radar systems will be decommissioned after the new system has been taken in full use.

Project activities

The European Commission funded project EOSC-hub ended during the year. The two new Commission funded projects started, EGI-ACE and PITHIA-NRF, and ENVRI-FAIR continued throughout the year. Two other minor projects started too.

EISCAT_3D project

The ongoing EISCAT_3D Stage 1 (E3DS1) construction project continued throughout the year. All major industry contracts are in place and mass-production of the sub-systems have started. Deliveries of some parts are though on-hold due to electronic component shortages. The planned delivery and installation in 2021 of the antenna units from P. R. China could not be done due to COVID-19 travel restrictions. The Chinese contractor plan now to deliver the units in summer 2022. The electronics to be delivered by other contractors can hopefully be finalised late 2022.

A contract for the site buildings was agreed upon in the beginning of 2021 and both the Norwegian and Finnish sites now have buildings being constructed. The groundworks at the Swedish could not be completed in time before winter came in 2021. The work will be completed in 2022 and the buildings will thereafter be constructed.

The work of the Council and its committees

Due to COVID-19 all Council and Committee meetings were held digitally. Council met in spring and autumn and the meetings were chaired by the new Chairperson for 2021, Prof. Anita Aikio. In addition to regular matters, Council finalised the process of hiring the next Director to join in 2023. The new Director will be Dr. Axel Steuwer. He joins the Association in May 2022 starting as Director Designate. The present Director, Dr. Craig Heinselman, continues until the end of 2022.

The regular Council committees, the Administrative and Finance Committee (AFC) and the Scientific Advisory Committee (SAC) both had two digital meetings each during the year.

Budget development during the year

The 2021 operations ended below the budgeted target. This was much due to users travel restrictions. Likewise, the same restrictions meant almost no travel by EISCAT staff resulting in a cost reduction.

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The budgeted income ended overall close to target, though Associate contributions were lower than planned. Further income from Affiliates and financial management plus a partial insurance coverage of the water leak from 2020 compensated.

In summary, the year ended in a small net profit.

The long-term budget plan

The long-term budget plan remains on a challenging but feasible level. The operating cost implications for the *new EISCAT*, with EISCAT_3D as the main system on the mainland, are well understood and with the doubling of the annual contribution from at least the Nordic countries, mean that the first years in the five-year plan can be balanced, though with less operations than optimal. Additional income via grants or other revenues will be needed to better utilise the new investments.

The result for 2021 and profit/loss handling

The year ended in a net profit of 25 kSEK, which will be added to the designated surplus fund for use in subsequent years.

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PROFIT AND LOSS ACCOUNTS

in thousands of Swedish Crowns

	Note 1	2021	2020
Income from operations			
Grants received	Note 2	152 331	93 961
Revenue from operations	Note 3	0	0
Other income from operations	Note 4	460	81
		<u>152 791</u>	<u>94 042</u>
Expenses from operations			
Operation costs	Note 5	-6 448	-7 797
Administration costs		-17 314	-2 711
Personnel costs	Note 6	-26 671	-26 021
Depreciation of fixed assets		-8 677	-8 799
		<u>-59 110</u>	<u>-45 328</u>
Operating profit/loss		93 681	48 714
Financial items			
Interest income		16	203
Other financial income and cost		13 380	-7 520
		<u>13 396</u>	<u>-7 317</u>
Other items			
Income from sold inventory		35	2 462
Net profit/loss for the year		107 113	43 859
Changes in designated funds	Note 7		
Net profit/loss for the year		107 113	43 859
Use of designated investment funds		-74 091	-43 087
Use of other designated funds		-93	-216
Allocation of unused designated investment and other funds		-32 904	2 562
Net profit/loss for the year after redistributions		25	3 118

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BALANCE SHEET

in thousands of Swedish Crowns

		2021	2020
ASSETS			
<i>Fixed assets</i>			
Tangible fixed assets	Note 8		
Buildings		74 115	55 223
Radar systems		204 742	149 536
Equipment and tools		2 109	2 115
		<u>280 966</u>	<u>206 874</u>
Current assets			
Receivables		1 969	37 479
Prepayments and accrued income	Note 9	3 008	3 179
Cash at bank and in hand	Note 10	328 314	313 546
		<u>333 291</u>	<u>354 203</u>
Total assets		614 257	561 078
CAPITAL AND LIABILITIES			
Capital			
Funds invested	Note 11	280 966	206 874
Designated funds	Note 12	69 376	44 682
Net income for the year after redistribution		25	3 118
		<u>350 366</u>	<u>254 674</u>
Current liabilities			
Accounts payable, trade		23 883	22 362
EISCAT_3D build grants received but not used	Note 13	231 882	279 303
External project grants received but not used	Note 14	6 224	3 777
Other liabilities		1 901	961
		<u>263 891</u>	<u>306 404</u>
Total capital and liabilities		614 257	561 078

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STATEMENT OF CASH FLOWS

in thousands of Swedish Crowns

	2021	2020
Operating activities		
Operating result before financial items	93 681	48 714
Transfer from funds invested	8 677	8 799
Interest received	16	203
Financial income and cost	13 380	-7 520
Other income and cost	35	2 462
Increase/decrease of receivables	35 510	-28 894
Increase/decrease of prepayments and accrued income	171	-978
Increase/decrease of creditors and liabilities	-42 513	89 638
Adjustment for items not included in cash flow	-11 421	6 329
Cash flow from operations	97 536	118 754
Investment activities		
Investments in tangible assets	-82 768	-51 886
Cash flow from investment activities	-82 768	-51 886
Cash flow for the year	14 767	66 868
Liquid assets at the beginning of the year	313 546	246 678
Liquid assets at the end of the year	328 314	313 546



NOTES	2021	2020	2021	2020
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Note 1 Accounting principles

The accounting and valuation principles applied are consistent with the provisions of the Swedish Annual Accounts Act and generally accepted accounting principles (for 2017 onwards, bokföringsnämnden allmänna råd och vägledningar, BFNAR 2012:1 K3).

All amounts are in thousands of Swedish kronor (SEK) unless otherwise stated.

Income

Received grants are reported as income in the period when they were claimed or received. Conditional grants are recognised as income when the associated conditions have been met. Income and revenue from operations, which include own-account funds, are reported as income when they were claimed or received. Grants and other income in foreign currencies have been accounted in the amounts estimated to be received, based on individual assessment.

Employee benefits

Ongoing remuneration to employees, either direct employed or provided via host agreements, in the form of salaries, social security, contributions to pension schemes and staff related insurances are accounted as personnel costs. Other remunerations, in cash, like travel subsistences or as benefits in-kind, like clothing, training and health care are also accounted as personnel costs. Overhead cost on host provided personnel is considered as external services accounted as administration cost.

Financial income

Dividends and interest income are accounted when credited the account.

Receivables

Receivables are stated at the amounts estimated to be received, based on individual assessment.

Receivables and payables in foreign currencies

Receivables and payables in foreign currencies are valued at the closing day rate. Where hedging measures have been used, such as forwarding contracts, the agreed exchange rate is applied. Gains and losses relating to operations are accounted for under other financial income and cost.

Bank accounts in foreign currencies

Bank balances in foreign currencies are valued at the closing day rate.

Fixed assets

Tangible fixed assets are stated at their original acquisition values after deduction of depreciation according to plan. Assets are depreciated systematically over their estimated useful lives. The following periods of depreciation are applied: Buildings 5 - 50 years, Radar systems 3 - 30 years and Equipment and tools 1 - 5 years.

Note 2 Grants received

The Associates contributed to the operation during the year in accordance with the EISCAT agreement and later additions. The Affiliates contributed according to agreed annual commitments. Income from European Commission (EC) funded projects were also accounted as received grants. The E3DS1 project started 2017-09-01 and the resulting projects costs were covered by the Associates (see Note 13) and other funds. Received project grants from the Associates are first accounted as prefinancing. Project costs are thereafter covered by withdrawals from prefinancing and at that time accounted as income from operations.

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Associates	33 764	24 328
Affiliates	1 891	904
Project grants, EC	3 114	2 401
Project grant, E3DS1	113 562	66 328
	<u>152 331</u>	<u>93 961</u>

Accumulated Associate contributions status as of 2021-12-31

Annual contributions included and for 2021, Finland, Japan (in cash and in-kind), Norway and Sweden were credited for providing E3DS1 project-related funds. These sums are used for EISCATs ownership and time-share calculation

Associate P. R. of China	53 337	49 434
Associate Finland	146 056	132 376
Associate Japan	117 118	100 595
Associate Norway	330 028	251 539
Associate Sweden	295 373	262 717
Associate UK	317 806	315 284
Previous Associates	382 168	382 168
	<u>1 641 886</u>	<u>1 494 113</u>

Note 3 Revenue from operations

The Association can, at rates related to the costs involved and as available, sell observation hours to Associates, Affiliates and other parties. Income from such selling of time are considered to be revenue. In 2021, no time-buyers used the systems.

Income from time-buyers	0	0
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Note 4 Other income from operations

The Association supports visiting users by offering site accommodation and equipment hosting for either campaign brought instruments or for longer deployments. Educational support is done by providing teachers and/or other resources (like laboratory support). For 2021, the insurance company covered costs resulting from a water leak on Svalbard that happened in 2020.

Accommodation	4	44
Instrument hosting agreements	21	21
Educational support	18	16
Other income	416	-0
	<u>460</u>	<u>81</u>

Note 5 Operations

The annual operating target for all systems together is about 2 500 active (high power mode) hours. For 2021, the budget assumed 2 495 hours and the outcome became 1 903 hours. Passive hours come in addition. Such hours have a minimal effect on cost since the systems do not draw more electricity than in an off mode. Accounted hours are usually lower than the sum of operating hours since some systems have a charge rate that is less than 1-to-1.

Active hours (high-power), per system	Hours	Hours
EISCAT Svalbard Radar	745	700
UHF system	774	743
VHF system	330	330
Heating system	55	91
	<u>1 903</u>	<u>1 863</u>
Passive hours (receive only)		
Kiruna receiver system	117	134
Sodankylä receiver system	117	134
	<u>233</u>	<u>268</u>

	2021	2020		2021	2020
<i>Accounted hours</i>	<i>Hours</i>	<i>Hours</i>	<i>Salaries and emoluments and average number of staff per country</i>		
Common programmes	751	946	Finland		
Special programmes	1 078	848	Salaries and emoluments	686	704
Other hours	110	125	Average number of staff - men and women	1 + 0	1 + 0
	<u>1 938</u>	<u>1 918</u>	Norway (including Svalbard)		
<i>Distribution of special programme hours between Associates:</i>			Salaries and emoluments	4 725	4 605
Associate P. R. of China	0	0	Average number of staff - men and women	7 + 0	8 + 0
Associate Finland	165	131	Sweden		
Associate Japan	115	132	Salaries and emoluments	13 281	12 693
Associate Norway	240	111	Average number of staff - men and women	14 + 3	15 + 2
Associate Sweden	240	180	<i>Members of the board and Directors at year-end - men and women</i>		
Associate UK	218	205	The board consist of delegations from every Associate country each having a Delegate (formal member) and up to two Representatives.		
All Associates, AA-runs	100	91	Board members (EISCAT Council)	11 + 3	10 + 4
	<u>1 078</u>	<u>848</u>	Directors	1 + 0	1 + 0
<i>Distribution, other hours</i>			Note 7 Changes in designated funds		
Affiliates	24	52	Positive numbers - use of designated funds. Negative - transfer to the designated reserves or funds for later use.		
EISCAT staff and tests	0	0	Net profit/loss for the year	107 113	43 859
Peer-reviewed campaigns	86	73	EISCAT_3D financial gains/losses taken in project finances	-11 420	6 329
Timebuyers	0	0	Changes to capital operating reserve	-97	74
	<u>110</u>	<u>125</u>	Changes to decommissioning fund	-2 623	-1 651

Note 6 Personnel costs and average number of employees

The Association employs directly Headquarters and most project staff, currently about 17 positions, including the Director. Of these, seven are on shorter-term project employments. The Headquarters is located in Kiruna, Sweden. The personnel working at the Kiruna (Sweden), Sodankylä (Finland), Svalbard and Tromsø (Norway) sites are normally not employed by the Association. Instead, the personnel are provided via site contracts by the Swedish Institute of Space Physics (Kiruna site staff but currently none), Oulu University (Sodankylä staff) and the Arctic University of Norway (Tromsø and Svalbard staff). The Association refunds all expenses related to the provided staff, as well as an additional overhead.

Personnel costs in total

Salaries and emoluments paid to the Director	2 153	2 087
Other personnel, employed and provided via site contracts	16 539	15 915
Social security contributions amounted to of which for pension costs	7 863	7 843
	<u>3 748</u>	<u>3 943</u>
Other personnel costs	115	177

The Director, Dr. Craig Heinselman, started his employment 2013-01-01. His employment contract ends 2022-12-31. The next Director following after Dr. Heinselman has been recruited.

Of the pension costs, 373 kSEK (380 kSEK) relates to the Director. He and all other directly employed staff are included in ITP like occupational pension plans. For the personnel provided via site contracts, the pension plans are handled by their respective employer.

The members of the board (EISCAT Council) and members of committees, who represents Associates and Affiliates, do not receive remunerations from the Association. Travel expenses in connection with Council and committee meetings are normally covered by the Associates and Affiliates. The Association reimburses though the travel costs for Committee Chairpersons and external members.

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Note 8 Tangible fixed assets

Changes in tangible fixed assets.

Buildings		
Opening acquisition value	96 400	94 576
Acquisitions during the year	19 383	2 456
Disposals during the year	0	-632
Closing acquisition value	115 783	96 400
Opening accumulated depreciation	-41 177	-41 313
Depreciations during the year	-492	-495
Disposals during the year	0	632
Closing accumulated depreciation	-41 668	-41 177
Closing residual value	74 115	55 223
Radar systems		
Opening acquisition value	414 152	365 705
Acquisitions during the year	62 420	48 455
Disposals during the year	0	-8
Closing acquisition value	476 572	414 152
Opening accumulated depreciation	-264 616	-257 417
Depreciations during the year	-7 213	-7 206
Disposals during the year	0	8
Closing accumulated depreciation	-271 830	-264 616
Closing residual value	204 742	149 536

	2021	2020
Equipment and tools		
Opening acquisition value	36 306	36 345
Acquisitions during the year	965	975
Disposals during the year	-715	1 014
Closing acquisition value	36 557	36 306
Opening accumulated depreciation	-34 191	-34 087
Depreciations during the year	-972	-1 097
Disposals during the year	715	993
Closing accumulated depreciation	-34 448	-34 191
Closing residual value	2 109	2 115
Sum tangible fixed assets	280 966	206 874

Note 9 Prepayments and accrued income

Resources in staff and direct costs spent in ongoing externally funded projects are covered by accrued income until settled by submission of periodic report claims. In 2021, ENRVI-FAIR continued and four new projects started, whereof two, EGI-ACE and PITHIA-NRF, are EC funded. The EOSC-hub project ended 31 March 2021.

Prepaid rents	9	9
Prepaid insurances	852	789
Accrued income, previous projects	0	1 672
Accrued income, EGI-ACE project	459	0
Accrued income, ENRVI-FAIR project	0	638
Accrued income, PITHIA-NRF project	1 459	0
Accrued income, other projects	10	0
Other items	219	70
	<u>3 008</u>	<u>3 179</u>

Note 10 Bank balances status

Nordea	328 314	313 546
Cash in hand	0	0
	<u>328 314</u>	<u>313 546</u>

Note 11 Funds invested status

Buildings	74 115	55 223
Radar Systems	204 742	149 536
Equipment and Tools	2 109	2 115
	<u>280 966</u>	<u>206 874</u>

Note 12 Designated funds

The designated funds are divided into funds and reserves. The five-year operating reserve is new for 2021. It is used for budget transfers between periods in the five years plan. The other funds are earmarked for specific purposes.

Capital operating reserve	3 154	3 057
E3D construction reserve	11 786	8 425
Decommissioning fund	9 198	6 576
Equipment repair fund	754	754
Five-year operating reserve	15 500	0
Investment fund	7 753	7 753
Restructuring reserve	4 101	4 101
Spare parts reserve	80	84
Surplus fund	17 050	13 931
	<u>69 376</u>	<u>44 682</u>

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Note 13 EISCAT_3D build grants received but not used

The construction project, E3DS1, started 2017-09-01 and its first phase, Stage 1, will be completed in 2022. Most Associates have now committed to its realisation. E3DS1 specific funding payments from Japan and Finland were received in 2021. Associate funds are kept as prefinancing until used in the project. Funds spent are deducted from the different funding sources in accordance with the agreed funding plan. United Kingdom contributed to the construction project during 2017-2018 and the funds were also used during that period. Sweden made an additional contribution in 2021 to cover for local taxes on costs in Sweden.

Changes in EISCAT_3D build grants received but not used

Associate Finland		
Opening balance	42 948	20 555
Received during the year	25 749	36 817
Used during the year	-6 131	-14 424
Closing balance	62 567	42 948

Associate Japan		
Opening balance	23 765	0
Received during the year	6 898	23 765
Used during the year	-14 297	0
Closing balance	16 367	23 765

Associate Norway		
Opening balance	176 580	121 470
Received during the year	0	78 398
Used during the year	-66 148	-23 288
Closing balance	110 432	176 580

Associate Sweden		
Opening balance	37 870	56 379
Received during the year	0	0
Used during the year	-26 986	-18 509
Closing balance	10 884	37 870

E3DS1 project finances, gains/losses		
Opening balance	-1 861	4 469
Changes during the year	11 420	-6 329
Closing balance	9 560	-1 861

Local taxes Sweden contribution		
Opening balance	0	0
Received during the year	26 000	0
Used during the year	-3 927	0
Closing balance	22 073	0

Sum EISCAT_3D received build grants	231 882	279 303
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Note 14 External project grants received but not used

Most externally funded projects work with prefinancing. For European Commission projects, these are in EUR's. The prefinancing is used to cover reported and approved costs. EOSC-hub was financially concluded during 2021.

EGI-ACE H2020 prefinancing	480	0
ENRVI-FAIR H2020 prefinancing	2 725	2 667
EOSC-hub prefinancing	0	1 110
PITHIA-NRF H2020 prefinancing	3 019	0
	<u>6 224</u>	<u>3 777</u>

EISCAT, 2022-04-27

Dr. Tomas Andersson

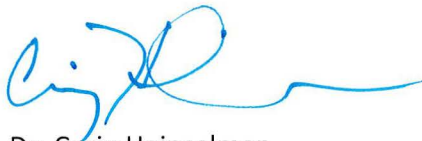
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EISCAT, 2022-04-27

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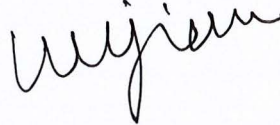
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Our audit report was issued on 2022-06-07.
Öhrlings PricewaterhouseCoopers AB



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Mr. Jonas Åkerlund
Authorised Public Accountant



Auditor's report

To the council of EISCAT Scientific Association, corporate identity number 897300-2549

Report on the annual accounts

Opinions

We have audited the annual accounts of EISCAT Scientific Association for the year 2021.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of EISCAT Scientific Association as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of EISCAT Scientific Association in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the council and the director

The council and the director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The council and the director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the council and the director are responsible for the assessment of the association's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the council and the director intends to liquidate the association, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

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As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the association's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council and the director.
- Conclude on the appropriateness of the councils' and the director's use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the council, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the council and the director of EISCAT Scientific Association for the year 2021. The council and the director have not acted in contravention of the statutes.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of EISCAT Scientific Association in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Council and the director

The council and the director are responsible for the association's organization and the administration of the association's affairs.

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Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the council or the director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the association, or
- in any other way has acted in contravention of the Annual Accounts Act or the statutes.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the association.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the association's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion.

Gävle, 7 June 2022

Öhrlings PricewaterhouseCoopers AB

A handwritten signature in blue ink, appearing to read 'Annika Wedin'.

Annika Wedin
Authorised Public Accountant

A handwritten signature in blue ink, appearing to read 'Jonas Åkerlund'.

Jonas Åkerlund
Authorised Public Accountant