

**Annual accounts**  
**of the Agency for Support for BEREC**  
**(BEREC Office)**

**Financial year 2025**

## CONTENTS

<b>CERTIFICATION OF THE ACCOUNTS.....</b>	<b>2</b>
<b>BACKGROUND INFORMATION NOTE .....</b>	<b>3</b>
<b>FINANCIAL STATEMENTS AND EXPLANATORY NOTES.....</b>	<b>15</b>
BALANCE SHEET .....	17
STATEMENT OF FINANCIAL PERFORMANCE .....	18
CASHFLOW STATEMENT .....	19
STATEMENT OF CHANGES IN NET ASSETS .....	20
NOTES TO THE FINANCIAL STATEMENTS .....	21
<b>THE BUDGET IMPLEMENTATION REPORTS AND EXPLANATORY NOTES .....</b>	<b>45</b>

## CERTIFICATION OF THE ACCOUNTS

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the Agency for Support for BEREC (BEREC Office) in accordance with Article 102 of the Framework Financial Regulation ('FFR')<sup>1</sup> and I hereby certify that the annual accounts of the BEREC Office for the year 2025 have been prepared in accordance with Title IX of the FFR 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 BEREC Office'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 BEREC Office.

*[signed]*

Ioana Balan

**Accounting Officer of the  
BEREC Office**

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<sup>1</sup> COMMISSION DELEGATED REGULATION (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.

## **BACKGROUND INFORMATION NOTE**

### **1. General background on the entity**

#### **Establishment**

The Agency for Support for the Body of European Regulators for Electronic Communications (BEREC), hereinafter referred to as the BEREC Office, was established by Regulation (EU) No 2018/1971 of the European Parliament and of the Council of 11 December 2018, replacing the previous Regulation (EC) No 1211/2009. The BEREC Office seat is in Riga, Latvia.

#### **Mission**

The BEREC Office is an EU Agency supporting BEREC in the fulfilment of its mission to ensure the consistent implementation of the European regulatory framework for electronic communications. To achieve this, the BEREC Office contributes to BEREC's regulatory work and provides all necessary professional and administrative support, including financial, organisational and Information and Communications Technology services for the benefit of European citizens.

#### **Main operational activities**

In order to fulfil its mission, the BEREC Office has the following tasks:

- To provide professional and administrative support services to BEREC, in particular in fulfilling its regulatory tasks;
- To collect information from the national regulatory authorities (NRAs) and to exchange and transmit information in relation to the regulatory tasks assigned to BEREC;
- To produce, on the basis of the information received from NRAs in relation to the regulatory tasks assigned to BEREC, regular draft reports on specific aspects of developments in the European electronic communications market, such as roaming and benchmarking reports, to be submitted to BEREC;
- To disseminate regulatory best practices among NRAs;
- To assist BEREC in establishing and maintaining registries and databases, in establishing and managing an information and communications system and in conducting public consultations;
- To assist in the preparation of the work and provide other administrative and content-related support to ensure the smooth functioning of the Board of Regulators;

- To assist in setting up working groups, upon the request of the Board of Regulators, contribute to the regulatory work and provide administrative support to ensure the smooth functioning of those groups; and
- To carry out other tasks assigned to it by this Regulation or by other legal acts of the Union.

## **Governance**

The BEREC Office is managed by a Director, who is in charge of the administrative management of the BEREC Office. The Director is appointed by the Management Board, which is responsible for the governance of the BEREC Office.

The Management Board is composed of the persons appointed as members of the Board of Regulators (typically the heads of the Member States' NRAs in charge of telecom market regulation, a member of its collegiate body, or the replacement of either of them) and of one high level representative of the Commission. Each member of the Management Board has the right to vote.

## **Sources of financing**

The main source of the BEREC Office revenue is the subsidy from the EU. Additionally, the BEREC Office collects third countries' contributions (including EEA/EFTA (excl. Switzerland)) and candidate countries) in accordance with the EEA Agreement and signed working arrangements. In line with the Service level agreement signed in 2022, the Government of Latvia started to contribute to the cost for schooling for the children of BEREC Office staff on a voluntary basis.

## 2. Annual accounts

### Basis for preparation

The legal framework and the deadlines for the preparation of the annual accounts are set by the Framework Financial Regulation (FFR)<sup>2</sup>. 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 FFR, the BEREC Office Management Board appoints the Accounting Officer who is, amongst other tasks, responsible for the preparation of the annual accounts, which are consolidated in those of the EU.

Following the decision MB/2023/10 of the Management Board of 5 October 2023, the Accounting Officer was appointed as of 1 November 2023 as the Accounting Officer of the BEREC Office.

### 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 under her own responsibility are transmitted, by 1 March of the following year, to the European Court of Auditors (ECA) and to the audit company selected by the BEREC Office. Following the audit, the Accounting Officer prepares the final annual accounts and submits them to the Management Board for opinion.

The final annual accounts, together with the opinion of the Management Board, are sent to the Accounting Officer of the Commission, the ECA, the European Parliament, and the Council

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<sup>2</sup> COMMISSION DELEGATED REGULATION (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast).

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 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.

### 3. Operational highlights

#### Achievements of the year

In 2025, the BEREC Office effectively allocated its limited human and financial resources, focused on key priorities, and successfully delivered its 2025 Annual Work Programme, achieving all its key objectives and milestones. It met the expectations of its stakeholders, while ensuring a secure and efficient operation of the Agency. The BEREC Office provided the necessary professional and administrative support to BEREC and contributed to promoting full connectivity, supporting sustainable and open digital markets, and empowering end-users by undertaking the following activities:

- **Support to BEREC Working Groups (WGs), Sustainability Experts Networking Group (ENG) and phase II cases:**

In 2025, the BEREC Office organised 382<sup>3</sup> WG meetings and eight third-party meetings. In addition, the BEREC Office organised six external workshops for the WGs to facilitate the engagement of the interested stakeholders in regulatory developments on the following topics:

- submarine cable connectivity,
- end-user rights,
- environmental footprint of satellite constellations,
- competitive effects of strategic fibre networks deployment, including in the context of copper switch-off,
- practical issues preventing number misuse and possible fraudulent activities as a result of impact of new technologies,
- eco-design of digital services for greener networks and ICTs.

The BEREC Office provided support to 198 experts participating in the BEREC WG meetings and events and reimbursed their travel and accommodation expenses in compliance with the applicable rules on experts' reimbursement.

The BEREC Office further contributed to an establishment of an ad-hoc WG following the European Commission (EC) serious doubts letter that opened a Phase II investigation pursuant to Article 32 of Directive (EU) 2018/1972 on Case SE/2024/2555-2556 concerning the markets for wholesale call termination on individual public telephone networks provided at a fixed location (fixed call termination market) and wholesale voice call termination on individual mobile networks (mobile call termination market) in Sweden. The BEREC Office coordinated the work of the WG established for this purpose and ensured the publication of

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<sup>3</sup> 20 physical and 362 virtual meetings of the BEREC WGs



the BEREC Opinion. The WG has held eight meetings to discuss the case and issue its Opinion.

The Agency continued monitoring and reporting on the sustainability key performance indicators (KPIs) within the work of the ENG on Sustainability throughout 2025. The BEREC Office also continued its work towards the EMAS certification with an aim to be certified in 2026.

- **Data Collection**

One important task of the BEREC Office is data collection on electronic communication markets. The Agency not only supported BEREC WGs in data collection exercises throughout the year, but also contributed to the drafting of the following five regular reports:

- Annual Reports;
- International roaming benchmark report and the report on transparency and comparability of international roaming tariffs;
- The intra-EEA communications report,
- BEREC Analysis Monitoring of the Joint Statement agreed between Ukraine and EU Operators (5th Ukraine monitoring report), and
- Report on the Implementation of the Open Internet Regulation.

- **Information gathering and distribution**

During 2025 the Agency supported the BEREC WGs through procuring and delivering several projects, such as:

- providing subscriptions, data sources and maintaining databases;
- procuring necessary reports, datasets, software and licenses to ensure the work of the WGs;
- organising two training courses for BEREC experts on the regulatory framework for electronic communications and other topics related to BEREC activities;
- ensuring availability of the EU Survey platform used for launching public consultations and calls for inputs on different BEREC deliverables. All in all, the Agency assisted in 10 public consultations and processed inputs from stakeholders and interested parties on key draft BEREC documents adopted later;
- providing necessary proof-reading of BEREC documents;
- procuring an external study on data centres.

In addition, the BEREC Office responded to more than 50 queries for information and two requests for access to documents from stakeholders and citizens concerning BEREC activity.

- **High-level meetings**

The BEREC Office played a key role in supporting the governance and coordination of BEREC activities. It successfully organised four meetings of the BEREC Board of Regulators (BoR) and the BEREC Office Management Board (MB), four meetings of the BEREC Contact Network (CN), and four meetings of the BEREC Office Advisory Group (BAG). In addition, the Agency supported twenty meetings of the BEREC Chair and Vice-Chairs (BEREC Mini Board), ensuring a smooth decision-making and strategic alignment.

Beyond internal governance, the BEREC Office provided assistance to high-level representatives participating in thirty external events. These included conferences, workshops, seminars, and international meetings, notably the BEREC Study Trip to the United Kingdom. This engagement strengthened BEREC's visibility and cooperation with stakeholders.

The Agency also supported decision-making processes by managing eighteen electronic voting procedures for the BoR and seven for the MB. These procedures enabled the timely approval of urgent documents, ensuring continuity and responsiveness in BEREC and BEREC Office work.

The BEREC Office contributed to onboarding new participants without voting rights. On 4 March 2025, the BoR and MB established Working Arrangements with ANRCETI, the NRA of the Republic of Moldova. This milestone allowed ANRCETI to participate in the work of BEREC and the BEREC Office, further expanding the network's reach and inclusiveness.

- **BEREC Stakeholder Forum**

The major annual BEREC public event proved to be an excellent opportunity to enhance the dialogue with the interested parties, improve consistency in implementing EU regulatory rules and practices, and exchange views on BEREC's areas of work. In 2025, BEREC continued its tradition of bringing stakeholders together through informal meetings with its WG Co-Chairs and dedicated its annual conference to topics of key importance for the electronic communications sector and end-users. The panellists discussed major challenges facing the digital market and examined how to ensure that end-user rights are upheld amid rapid technological evolution. The invited speakers also explored issues related to competitive markets, with particular emphasis on the draft Digital Networks Act and the future of market-power regulation in this context.

- **BEREC 15<sup>th</sup> Anniversary social media campaign**

In 2025, BEREC celebrated its 15th anniversary by reflecting on its long-term contributions to Europe's digital landscape. Through a dedicated social media campaign featuring short videos, the BEREC Chair, Robert Mourik, the incoming Chair Marko Mismas, the BEREC Office Director Verena Weber together with the Co-Chairs of the BEREC WGs, highlighted the progress made in promoting connectivity, supporting sustainable and open digital markets,

and empowering end users. They also shared a forward-looking perspective — reaffirming BEREC's commitment to remain a future-oriented, independent European expert body that supports a regulatory approach fostering connectivity, competition, open digital ecosystems, and end-user empowerment, while guiding the development of sustainable, secure, and resilient digital networks.

- **Promoting BEREC's work and raising awareness on multiple issues including digital fraud**

Last year, the BEREC Office, in cooperation with the BEREC Communications ENG and the BEREC WGs, launched several major educational and awareness-raising campaigns. Using a variety of tools and communication channels, they promoted BEREC's work in the following topic areas:

- (i) empowering end users, including developments affecting end-user rights, aiming for strong consumer protection as services evolve,
- (ii) the evolution of public and private 5G networks in Europe,
- (iii) the technological advances and challenges for network resilience,
- (iv) the BEREC Guidelines on access to in-building physical infrastructure and the coordination of civil works,
- (v) progress on managing copper network switch-off, and
- (vi) threats posed by digital fraud - including practical tips on how to avoid being scammed.

- **Cybersecurity Regulation Compliance**

All activities under the cybersecurity legal framework were successfully completed within the established deadline, marking a significant achievement in strengthening the Agency's resilience. The efforts encompassed a comprehensive maturity and risk assessment, providing a clear view of the BEREC Office's current security posture and identifying priority areas for improvement. Based on these findings, robust risk mitigation measures were defined to address potential vulnerabilities and ensure alignment with regulatory requirements. Furthermore, a detailed Cybersecurity Plan was developed and formally adopted, outlining strategic objectives, and operational safeguards to maintain compliance and support continuous improvement. This accomplishment not only ensures regulatory adherence but also reinforces the Agency commitment to proactive risk management and long-term security resilience.

### ○ Evaluation of BEREC and the BEREC Office and Digital Networks Act

On 21 January 2026, the European Commission (EC) published its Evaluation of BEREC and the BEREC Office<sup>4</sup>, as required by the provisions of Article 48 of the BEREC Regulation. This document outlines the EC main findings of the evaluation of the performance of BEREC and the BEREC Office in terms of their effectiveness, efficiency, coherence and their added value within the European Union (EU). Simultaneously with the Evaluation, the EC published its proposal for the Digital Networks Act<sup>5</sup> (DNA), whose prior objectives are to modernise the legal framework for connectivity and foster a resilient digital infrastructure in the EU. Among others, the DNA proposal envisages enlarging and strengthening the mandate of the BEREC Office by assigning additional tasks to the Agency as of 2028.

### Budget and budgetary implementation

The BEREC Office budget for 2025 (revenue and expenditure), as adopted by the Management Board (MB), amounted to EUR 8 351 814 (in 2024: EUR 7 932 805).

The main revenue in the 2025 BEREC Office budget was the contribution of EUR 8 125 577 from the European Union (EU), which was fully cashed. Additionally, EUR 253 267 was received as a third countries contribution: EUR 226 237 from the EEA/EFTA countries (excluding Switzerland), EUR 14 143 from the NRA of the Republic of Serbia and EUR 12 887 from the NRA of the Republic of North Macedonia.

In addition, in line with the Service Level Agreement with the Latvian Government, in 2025, the Agency collected EUR 190 666 as a voluntary contribution from the host Member State (Latvia) to the BEREC Office Budget to partially cover the fees for the schooling in Latvia of the children of the BEREC Office staff.

The BEREC Office also collected EUR 3 303 as miscellaneous income from administrative and miscellaneous operations.

The appropriation credits of 2025 were distributed between three titles, as follows:

Title	EUR
<b>Title 1 – Staff expenditure</b>	5 147 906
<b>Title 2 – Buildings, equipment and miscellaneous operating expenditure</b>	1 375 537
<b>Title 3 – Operational expenditure</b>	1 828 371
<b>Total:</b>	<b>8 351 814</b>

<sup>4</sup> <https://digital-strategy.ec.europa.eu/en/library/evaluation-berec-and-berec-office>

<sup>5</sup> <https://digital-strategy.ec.europa.eu/en/policies/digital-networks-act>

In 2025, all of the EUR 8 351 814 available financial resources were committed (100% of the final adopted budget available for commitments) and EUR 7 343 036 were paid (87.92% of the final adopted budget available for payments).

### Overview of budget implementation over the last 5 years

Year	Total adopted budget	Commitment implementation	%	Payment implementation	%
<b>2025</b>	8 351 814	8 351 814	100.00%	7 343 036	87.92%
<b>2024</b>	7 932 805	7 932 805	100.00%	7 067 420	89.09%
<b>2023</b>	7 697 265	7 694 047	99.96%	6 788 710	88.20%
<b>2022</b>	7 428 456	7 427 409	99.99%	6 148 910	82.78%
<b>2021</b>	7 341 357	7 338 814	99.97%	5 089 799	69.33%

### Carry-over of appropriations and cancellations

At the end of 2025, the BEREC Office carried-over EUR 1 008 778 of payment appropriations to 2026.

Additionally, EUR 269 090 of external assigned revenue (R0) and EUR 3 303 of internal assigned revenue (C4) commitment appropriations were also carried-over.

### Title 1 Staff expenditure

Total of EUR 102 004 of payment appropriations were carried over in Title 1, covering:

- Expenses for missions of staff that took place in Q4 2025 and will be paid in 2026, as well as the missions that will take place in 2026 Q1, but have been booked at the end of 2025;
- Staff trainings for which the contracts were signed in 2025 and which will take place in 2026;
- Liabilities under contracts for provision of interim workers' services and other staff-related services concluded in 2025, for which the service provisions will continue in 2026;
- Service contracts for legal advice to staff, for which contracts were signed in 2025, for which the service provisions will continue in 2026;

Additionally, EUR 237 027 of commitment appropriations were carried over as follows:

- Carry-over of EUR 234 936 stemming out from external assigned revenue from the voluntary financial contribution of the host Member State to the schooling costs.
- Carry-over of EUR 2 091 stemming out from internal assigned revenue from miscellaneous income from administrative and miscellaneous operations.

## **Title 2 Building, equipment and miscellaneous operating expenditure**

Total of EUR 176 451 of payment appropriations were carried over in Title 2, covering:

- Invoices for services and supplies delivered in 2025 (mainly in December) for running costs, such as rent, utilities, security services, consumables, parking places, postal and telecommunications services, that will be received in 2026;
- Purchases of ICT goods and services for which contracts were signed in 2025 and for which services / goods will be delivered in 2026;
- Expenditure for independent audit of the 2025 annual accounts which will be finalised in 2026.

Additionally, EUR 1 212 of commitment appropriations were carried stemming out from internal assigned revenue from miscellaneous income from administrative and miscellaneous operations.

## **Title 3: Operational expenditure in support to BEREC:**

Total of EUR 730 323 of payment appropriations were carried over in Title 3, covering:

- Expenses for reimbursement of participation in BEREC meetings and events held in the last quarter of 2025, which will be paid in the beginning of 2026 (such as BEREC Chair and Co-Chairs travel, CN and Plenary meetings), as well as for the meetings and events that will take place early in 2026 (such as: WG support and experts' reimbursement, BEREC International travel);
- Expenses for services ordered in 2025, for which invoices will be received in 2026, (such as organisation of 14<sup>th</sup> BEREC Stakeholder Forum and BEREC social media campaign);
- Liabilities under contracts for provision of ICT services and purchases of specialised software and/or hardware for the needs of BEREC in 2025, for which the invoices will be received in 2026 (ICT support to BEREC and fees for licenses);

Additionally, EUR 34 154 of commitment appropriations were carried-over stemming out from external assigned revenue from financial contribution received from NRAs.

The total amount of carry-over of payment appropriations from 2024 to 2025 (C8/2024) was EUR 869 278 (11% of total commitments established in 2024). Of this amount EUR 10 258 (1.18%) were cancelled during 2025. The cancelation rate is low and associated mainly with amounts which were uncertain at the moment of the establishment of the forecast due to their nature.

During 2025, the BEREC Office carried out four transfers of appropriations allowed by the BEREC Office Financial Regulation in order to ensure the best use of the financial resources available to the BEREC Office, all within the limits of the Director.

### **Impact of the activities on the financial statements**

In the financial statements, the impact of the above-mentioned activities can be noted in the:

- **Increase in the current assets category** mainly due to the exchange receivables and non-exchange recoverables by kEUR 365. This is mainly driven by the increase of the central treasury liaison accounts as result of increase in the annual subsidy and cashing the EEA/EFTA countries (excl. Switzerland) and 3rd countries contributions. Under the same category we observe a decrease of the recoverables from the non-exchange transactions due to the usage of the VAT exemption certificates derogation given by the member state to the BEREC Office.
- **Increase in the operating costs** by kEUR 516 due to the increase of prices, including increases in the IT and communication related costs to address BEREC needs.

THE BEREC OFFICE

FINANCIAL YEAR 2025

# **FINANCIAL STATEMENTS AND EXPLANATORY NOTES**

It should be noted that due to the rounding of figures into thousands of euros (kEUR), some financial data in the tables below may appear not to add up.



## CONTENTS

<b>BALANCE SHEET .....</b>	<b>17</b>
<b>STATEMENT OF FINANCIAL PERFORMANCE .....</b>	<b>18</b>
<b>CASHFLOW STATEMENT .....</b>	<b>19</b>
<b>STATEMENT OF CHANGES IN NET ASSETS .....</b>	<b>20</b>
<b>NOTES TO THE FINANCIAL STATEMENTS.....</b>	<b>21</b>
1.    SIGNIFICANT ACCOUNTING POLICIES .....	22
2.    NOTES TO THE BALANCE SHEETS.....	31
3.    NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE.....	36
4.    OTHER SIGNIFICANT DISCLOSURES .....	42
5.    FINANCIAL RISK MANAGEMENT .....	44

**BALANCE SHEET**

			EUR '000
	Note	2025	2024
<b>NON-CURRENT ASSETS</b>			
<i>Computer Software</i>	2.1	144	240
<i>Property, Plant and Equipment</i>	2.2	383	399
		<b>527</b>	<b>639</b>
<b>CURRENT ASSETS</b>			
<i>Exchange receivables and non-exchange recoverables</i>	2.3	1 845	1 480
		<b>1 845</b>	<b>1 480</b>
<b>TOTAL ASSETS</b>		<b>2 372</b>	<b>2 119</b>
<b>CURRENT LIABILITIES</b>			
<i>Payables</i>	2.4	(10)	(25)
<i>Accrued charges</i>	2.5	(378)	(294)
		<b>(388)</b>	<b>(319)</b>
<b>TOTAL LIABILITIES</b>		<b>(388)</b>	<b>(319)</b>
<b>NET ASSETS</b>		1 983	1 800
<i>Accumulated surplus</i>		1 800	1 432
<i>Economic result of the year</i>		183	368
<b>NET ASSETS</b>		<b>1 983</b>	<b>1 800</b>

## STATEMENT OF FINANCIAL PERFORMANCE

		EUR '000	
	Note	2025	2024
<b>REVENUE</b>			
<b>Revenue from non-exchange transactions</b>	3.1		
<i>Subsidy from the Commission</i>		8 342	7 908
<i>Revenue contribution from Other Entities</i>		225	163
		<b>8 566</b>	<b>8 071</b>
<b>Revenue from exchange transactions</b>			
<i>Other</i>		4	1
		<b>4</b>	<b>1</b>
<b>Total revenue</b>		<b>8 570</b>	<b>8 072</b>
<b>EXPENSES</b>			
<i>Operating costs</i>	3.2	(1 573)	(1 057)
<i>Staff costs</i>	3.3	(4 398)	(4 058)
<i>Other expenses</i>	3.4	(2 416)	(2 590)
<b>Total expenses</b>		<b>(8 387)</b>	<b>(7 704)</b>
<b>Surplus/(Deficit) from ordinary activities</b>		<b>183</b>	<b>368</b>
<b>Surplus/(Deficit) from ordinary activities</b>		<b>183</b>	<b>368</b>
<b>ECONOMIC RESULT OF THE YEAR</b>		<b>183</b>	<b>368</b>

**CASHFLOW STATEMENT<sup>6</sup>**

		EUR'000
	2025	2024
<i>Economic result of the year</i>	183	368
<b>Operating activities</b>		
<i>Depreciation and amortization</i>	241	217
<i>(Increase)/decrease in exchange receivables and non-exchange recoverables</i>	(365)	(168)
<i>Increase/(decrease) in payables</i>	(15)	(69)
<i>Increase/(decrease) in accrued charges</i>	84	(83)
<b>Investing activities</b>		
<i>(Increase)/decrease in intangible assets and property, plant and equipment</i>	(129)	(265)
<b>NET CASHFLOW</b>	-	-
<b>Cash and cash equivalents at year-end</b>	-	-

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<sup>6</sup> Following the Signature in 2023 of the new SLA between the European Commission and the Agency for Support for BEREC, the treasury of BEREC Office is integrated into the Commission's treasury. Because of this, the BEREC Office does not have any bank accounts of its own. All payments and receipts are processed via the Commission's treasury and registered on intercompany accounts which are presented under the heading exchange receivables.

## STATEMENT OF CHANGES IN NET ASSETS

			EUR'000
	Accumulated Surplus/(Deficit)	Economic result of the year	Net Assets
<b>BALANCE AS AT 31.12 2023</b>	<b>1 360</b>	<b>71</b>	<b>1 432</b>
<i>Allocation 2023 economic result</i>	71	(71)	-
<i>Economic result of the year</i>	-	368	368
<b>BALANCE AS AT 31.12.2024</b>	<b>1 432</b>	<b>368</b>	<b>1 800</b>
<i>Allocation 2024 economic result</i>	368	(368)	-
<i>Economic result of the year</i>	-	183	183
<b>BALANCE AS AT 31.12.2025</b>	<b>1 800</b>	<b>183</b>	<b>1 983</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

It should be noted that due to the rounding of figures into thousands of euros (kEUR), some financial data in the tables below may appear not to add up.

# 1. SIGNIFICANT ACCOUNTING POLICIES

## 1.1 ACCOUNTING PRINCIPLES

The objective of financial statements is to provide information about the financial position, performance and cashflows 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 2025. The previous accounting year began on 1 January and ended on 31 December 2024. The current year figures are comparable with the prior year.

### 1.2.2. Currency and basis for conversion

The annual accounts 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	31.12.2025	31.12.2024	Currency	31.12.2025	31.12.2024
BGN	1.9558	1.9558	PLN	4.221	4.275
CZK	24.237	25.185	RON	5.0968	4.9743
DKK	7.4689	7.4578	SEK	10.8215	11.459

Currency	31.12.2025	31.12.2024	Currency	31.12.2025	31.12.2024
<b>GBP</b>	<b>0.8726</b>	0.82918	<b>CHF</b>	<b>0.9314</b>	0.9412
<b>HUF</b>	<b>385.15</b>	411.35	<b>JPY</b>	<b>184.09</b>	163.06
<b>USD</b>	<b>1.175</b>	1.0389			

### 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 amended European Union Accounting Rules (EAR)

#### **New EAR which are effective for annual periods beginning on or after 1 January 2025**

On 12 December 2025 the Accounting Officer of the European Commission (EC) adopted a targeted amendment of EAR 1 'Financial Statements'. The amendment, which is effective for reporting periods beginning on or after 1 January 2025, introduced changes to the guidance on the Segment Report. As the BEREC Office is not obliged to, and does not prepare, a Segment Report, the amendment has no impact on these annual accounts.

#### **New EAR adopted but not yet effective at 31 December 2025**

##### **EAR 8 (revised 2025)**

On 15 April 2025 the EC Accounting Officer adopted the revised EAR 8 'Leases', which is effective for accounting periods beginning on or after 1 January 2027. The revised EAR 8 has been updated in line with IPSAS 43 'Leases' (including the amendment 'Concessionary Leases and Other Arrangements Conveying Rights over Assets'). The main change as



compared to the current EAR 8 is the introduction of a right-of-use recognition and measurement model, which requires lessees to recognise all leases, including concessionary leases, on the balance sheet, unless the short-term or low-value exemption applies. The current distinction of leases as either operating leases or finance leases, with only the latter recognised on the balance sheet, will no longer be applicable. For lessors, the revised EAR 8 largely carries forward the existing accounting requirements, with additional guidance and clarifications. Consequently, the initial application of the revised EAR 8 is expected to result in more leases being recognised on the balance sheet, with a corresponding increase in right-of-use assets and lease liabilities. The impact of the revised EAR 8, including on concessionary leases and other relevant arrangements, will continue to be assessed over the 2026 calendar year prior to the 1 January 2027 effective date.

#### EAR 1 (revised 2025)

On 15 April 2025 the EC Accounting Officer adopted the amended EAR 1 'Financial Statements', which is effective for accounting periods beginning on or after 1 January 2027. The objective of the amendment is to ensure a consistent classification of all borrowings within financing activities. Under the current EAR 1 borrowings related to leases, the acquisition of property, plant and equipment, and back-to-back operations are classified within operating activities. Under the revised EAR 1, financing activities will include all activities that result in changes on the size and composition of borrowings, without the above exceptions. Consequently, the initial application of the revised EAR 1 is expected to result in cash flows relating to the principle portion of lease liabilities [if applicable: and liabilities for buildings bought on credit] to be classified within financing activities rather than operating activities. The impact of the revised EAR 1 will continue to be assessed over the 2026 calendar year prior to the 1 January 2027 effective date.

## 1.3. BALANCE SHEET

### 1.3.1. 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
<b>Buildings</b>	4 % to 10 %
<b>Plant and equipment</b>	10 % to 25 %
<b>Furniture and vehicles</b>	10 % to 25 %
<b>Computer hardware</b>	25 % to 33 %
<b>Other</b>	10 % to 33 %

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.

### 1.3.2. Intangible assets

All intangible assets 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. Assets under construction are not depreciated as these assets are not yet available for use. It should be noted that all intangible assets of the BEREC Office have a useful finite life. 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
Software for personal computers and servers	25%

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.

### 1.3.3. 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.

### **De-recognition**

Financial assets at amortised cost are derecognised either when the rights to receive cash flows from the investments have expired or are waived, or when the entity has transferred substantially all risks and rewards of ownership to another party.

#### **1.3.4. 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.

#### **1.3.5. 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 2.4).

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.

### **1.3.6. 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.

## **1.4. STATEMENT OF FINANCIAL PERFORMANCE**

### **1.4.1. Revenue**

Revenue comprises gross inflows of economic benefits or service potential received 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. CONSOLIDATION**

The accounts of this entity are fully consolidated in the consolidated annual accounts of the EU.

## 2. NOTES TO THE BALANCE SHEETS

### ASSETS

#### 2.1. INTANGIBLE ASSETS

			EUR '000
	Software licences	Total	
Gross carrying amount at 31.12.2024	418	418	
<b>Gross carrying amount at 31.12.2025</b>	<b>418</b>	<b>418</b>	
Accumulated amortisation at 31.12.2024	(178)	(178)	
Amortisation charge for the year	(96)	(96)	
<b>Accumulated amortisation at 31.12.2025</b>	<b>(274)</b>	<b>(274)</b>	
<b>NET CARRYING AMOUNT AT 31.12.2025</b>	<b>144</b>	<b>144</b>	
NET CARRYING AMOUNT AT 31.12.2024			<b>240</b>

Under this heading the Agency has accounted for all its intangible assets, such as: licenses, its website, the e-voting tool, NRA independence tool etc.

Below is a detailed breakdown of the acquired or internally developed computer software and intangible assets at their capitalized cost that presented residual value at year- end:

EUR'000					
Name of the asset	Year of capitalization	Description	Development cost capitalized	Acquired/ Developed internally	Useful life
E-voting tool	2024	Voting tool for Board of Regulators and BEREC Office	9	Developed internally	4 years
ERC tool	2024	Management Board electronic voting procedures	20	Developed internally	4 years



EUR'000

Name of the asset	Year of capitalization	Description	Development cost capitalized	Acquired/ Developed internally	Useful life
		BEREC Office electronic resource commitment tool			
Self-assessment tool on NRA independence	2024	Self-assessment tool on NRA independence	10	Developed internally	4 years
License	2024	License HPE Autoloader CVTL-TapeAssure Adv E-LTU	1	Acquired	4 years
Website 2.1	2024	New BEREC website design M1 (remaining) and M2	94	Acquired	4 years
Website 2.2	2024	New BEREC website design M1	73	Acquired	4 years
Website 2.3	2024	New BEREC website design M2 (1)	25	Acquired	4 years
Website 2.4	2024	New BEREC website design M3	4	Acquired	4 years
Website 2.5	2025	New BEREC website design M2 (2)	3	Acquired	4 years
<b>TOTAL</b>			<b>240</b>		

## 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.

					EUR'000
	Plant and equipment	Furniture and vehicles	Computer hardware	Other	Total
<i>Gross carrying amount at 31.12.2024</i>	1	114	530	407	1052
<i>Additions</i>	11	1	51	66	129
<i>Disposals</i>	-	-	(68)	(3)	(71)
<i>Transfer between asset categories</i>	-	-	(49)	49	-
<b><i>Gross carrying amount at 31.12.2025</i></b>	<b>12</b>	<b>115</b>	<b>464</b>	<b>519</b>	<b>1110</b>
<i>Accumulated depreciation at 31.12.2024</i>	(1)	(52)	(401)	(199)	(653)
<i>Depreciation charge for the year</i>	(1)	(10)	(57)	(76)	(144)
<i>Disposals</i>	-	-	68	3	71
<i>Transfer between asset categories</i>	-	-	42	(42)	-
<b><i>Accumulated depreciation 31.12.2025</i></b>	<b>(2)</b>	<b>(63)</b>	<b>(348)</b>	<b>(314)</b>	<b>(726)</b>
<b>NET CARRYING AMOUNT AT 31.12.2025</b>	<b>10</b>	<b>53</b>	<b>117</b>	<b>204</b>	<b>383</b>
<i>NET CARRYING AMOUNT AT 31.12.2024</i>	-	62	130	208	399

The increase in the Plant and equipment category is due to acquisitions of portable energy storage batteries to be used as a back-up in case of any energy failures.

The increase in the computer hardware category, relates to the acquisition of iPads, laptops, networking components and storage drives. Category Computer Hardware includes also a single licence in amount of kEUR 5 that is used for the management of e-mail distribution groups.

The decrease in the same category is due to a disposal at year end of IT computer hardware, items which were already retired from the inventory due to obsolescence. In addition, a second decrease is due to a recategorization of mobile phones to the category Other fixtures and fittings solely for disclosure purposes.

The increase under the Other category is mainly due to additions purchased during the year, such as: mobile phones, office equipment and switchers for the audio-video facilities of the BEREC Office.

In addition, a second increase is due to the recategorization process of mobile phones from computer hardware category to other fixtures and fittings.

## 2.3. 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.

At 31.12.2025 the BEREC Office did not have any non-current receivables and recoverables. The amounts included under this heading are of a short-term nature and can be broken down as follows:

		EUR '000	
		31.12.2025	31.12.2024
<b>Recoverables from non-exchange transactions</b>			
<i>Member States</i>		17	19
		<b>17</b>	<b>19</b>
<b>Receivables from exchange transactions</b>			
<i>Central treasury liaison accounts</i>		1 271	953
<i>Deferred charges relating to exchange transactions</i>		553	503
<i>Others</i>		3	5
		<b>1 827</b>	<b>1 461</b>
<b>Total</b>		<b>1 845</b>	<b>1 480</b>

The heading recoverable from Member States comprises mainly VAT amounts to be recovered from the Latvian Tax Authorities. In accordance with the Headquarters Agreement between the Agency for Support for the Body of European Regulators for Electronic Communications and the Government of the Republic of Latvia<sup>7</sup> and the protocol on privileges

<sup>7</sup> Headquarters Agreement between the Agency for Support for the Body of European Regulators for Electronic Communications and the Government of the Republic of Latvia signed on 21 December 2020.

and immunities of the European Union, the BEREC Office is entitled to VAT reimbursements. The constant decrease along the years of recoverables under this heading is due to the usage of VAT exemption certificates that the BEREC Office Director is entitled to issue, for purchases of goods and services either from the Latvian market or intra-community.

Following the signature in 2023 of the new Service Level Agreement between the BEREC Office and DG Budget for the provision of treasury services, the treasury of BEREC Office continued to be integrated into the Commission's treasury system. Because of this, BEREC Office 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 Central treasury liaison accounts. The increase of kEUR 318 in the central treasury liaison accounts results from the slight decrease in payment implementations. The implementation of payment appropriations was, in 2025, 87.92% while in 2024 it was 89.09%. In addition, there was an increase in the subsidy and cashing of including EEA/EFTA (excl. Switzerland) and 3rd countries contributions.

The increase in the deferred charges- payments made for goods or services to be received or consumed in future accounting periods refers mainly to the on-boarding Summa fee that the Agency paid in 2025 and accounted pro-rata. Summa is the European Commission's (EC) next-generation corporate financial platform and accounting tool, designed to replace the outdated ABAC system. BEREC Office will start using Summa as of 1 January 2027.

## LIABILITIES

### 2.4. PAYABLES

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).

	EUR '000	
	31.12.2025	31.12.2024
<b>Payables</b>		
<i>Pre-financing received from EC - balancing subsidy</i>	10	25
<b>TOTAL</b>	<b>10</b>	<b>25</b>

The prefinancing liability for the balancing subsidy comprises unused amounts of the 2025 balancing subsidy that are to be reimbursed by the BEREC Office to the Commission in 2026. Due to low cancellations of unused appropriations carried-over from 2024, the 2025 liability of balancing subsidy is considerably lower in the current reporting year.

## 2.5. 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 also 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.

	EUR '000	
	31.12.2025	31.12.2024
Accrued charges	378	294
<b>Total</b>	<b>378</b>	<b>294</b>

Accrued charges include estimated operational expenses of kEUR 179, primarily relating to the expenses for services ordered in 2025 for which invoices will be received in 2026, such as: pending experts' reimbursements at year-end, BEREC ordered study on Data Centers, Bloomberg subscription and different IT and communications support services to BEREC.

Included under this heading are also accrued administrative expenses of kEUR 103 such as staff missions' costs due to the mission performers for the missions performed in 2025, different ongoing financial trainings, cost of interims to support different areas of activity of the Agency and different other costs in the interest of staff (legal advice etc).

In addition, under the administrative title there were a series of other accrued estimations referring to the cost of utilities and physical security services for December 2025, postal and telecommunications services, IT services and costs related to financial audit services.

This heading also includes accrued staff expenses related to untaken leaves for KEUR 96.

## 3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

### REVENUE

#### 3.1. 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 operating expenses. The amounts included under this heading correspond mainly to the amounts of the Commission subsidy used during

the current year and recoveries of operating expenses from beneficiaries issued during the year.

	<i>EUR '000</i>	
	31.12.2025	31.12.2024
<i>Commission subsidy</i>	8 342	7 908
<i>Revenue contribution from Other Entities</i>	225	163
<b>TOTAL</b>	<b>8 566</b>	<b>8 071</b>

In 2025 the BEREC Office received the Commission subsidy of kEUR 8 342, which was fully cashed. The amounts included in this heading correspond to the amounts of the subsidy actually used during 2025. The unused amount of kEUR 10 is recorded under accounts payable (see note 2.4) and will be reimbursed to the Commission in 2026.

In line with the Service Level Agreement with the Latvian Government, in 2025, the BEREC Office collected additional revenue of kEUR 191 as a voluntary contribution from the host Member State to the BEREC Office Budget to cover partially the schooling fees of the children of the BEREC Office staff.

In addition, in 2025, the BEREC Office also cashed contributions from 3<sup>rd</sup> countries based on Working arrangements concerning the participation of the respective NRAs in BEREC and the BEREC Office.

## EXPENSES

### 3.2. OPERATING COSTS

		EUR '000
	2025	2024
Operating costs	1 573	1 057

Operating costs are the costs incurred by the BEREC Office in connection with its mission to support BEREC and to carry out its annual work programme for 2025. They refer to the organisation of BEREC events including travel costs of participating experts, studies and subscriptions needed for BEREC work.

In addition, accounted under this heading are the costs of the communication activities in relations with BEREC work, incl. interim support services, communication related licenses, livestreaming services, training on planning /moderating the work of the Working Groups and Expert Network Groups Co-Chairs, promotional animations and videos of BEREC Working Groups activities etc.

Included also are different IT projects for BEREC, such as: projects with another EU Agency and Latvian State Radio and Television Centre, IT professional support services, licenses, security assessments of the audio-video facilities and charge-back costs from different bodies of the EU (DG DIGIT charge-back).

The increase in 2025 if compared with 2024 is due mainly to the increase in costs for the BEREC events, increase in purchasing IT licenses and IT support services including different IT projects to address the BEREC needs and increase in the communication activities in support to BEREC.

### 3.3. STAFF COSTS

This heading includes the expenses for salaries, allowances and other employment-related benefits. Based on the service level agreement between the entity and the European Commission (EC), the calculations of staff-related costs is carried out by the EC Office for Administration and Payment of Individual Entitlements (also known as the Paymaster's Office - PMO). The pensions of the entity 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 entity staff 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

entity accounts. Similarly, no provision related to the future pension payments is recognised in the annual accounts of the entity, as the obligation falls to the Commission. Consequently, both the annual cost to the EU budget, and the future benefits payable to the entity staff, are accounted for in the Commission's annual accounts as part of its provision for pensions and other post-employment benefits. The pension costs included in the EC Statement of Financial Performance represent current service cost (rights accrued during the year due to service) and interest cost (unwinding of the liability discounting) which have arisen following the year-end actuarial valuation of the employee benefits liabilities.

	EUR '000	
	2025	2024
<i>Staff costs</i>	4 398	4 058

The increase under this heading is due to a temporary increase by 1 post to cover a long sick leave of a member staff, fully occupied Director's position during the reporting year and the annual update of remuneration (increase) with retroactive effect as of 1 July 2025.

### 3.4. 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.

	31.12.2025	31.12.2024
<i>External non-IT services</i>	769	871
<i>External IT services</i>	600	708
<i>Property, plant and equipment related expenses</i>	387	352
<i>Communications &amp; publications</i>	249	250
<i>Operating leasing expenses</i>	158	156
<i>Missions</i>	125	115
<i>Training costs</i>	82	65
<i>Office supplies and maintenance</i>	44	70
<i>Other</i>	3	3
<i>Expenses with other consolidated entities</i>	0	0
<b>Total</b>	<b>2 416</b>	<b>2 590</b>

The most significant increase under this heading is for category Property, plant and equipment related expenses. This is due to one-time 2025 project referring to the audit of the leased premises and increase in the depreciation and amortization.



The second increase is attributed to the training costs such as financial trainings and Anaplan customization, first aid training, all agency training on cybersecurity and training on digital skills.

Increase of the mission expenses follows the last 2 years trend and are a consequence of going back from COVID mode to in-person meetings. Furthermore, the ceiling for daily subsistence and accommodation allowance was increased as of 13 May 2025.

Main decrease is registered for the category of External IT services. This is mainly due to non-renewal of some services provided in 2024 (i.e. BERECNet, GADB, other IT related remote services), decrease in the costs of videoconferencing services, division of some costs related to IT licenses and services invoiced by different bodies of the EU between the administrative and operational titles.

Second decrease is for the category of External non-IT service. This is mainly due to the decrease in the costs of interim personnel used for administrative purposes and one-time projects attributed to financial year 2024 which were not repeated in 2025 (i.e. Anaplan optimization, Internal control assessment strategy etc.).

Third notable decrease is for category of Office supplies and maintenance and is due to economies in purchasing office supplies for the office, in general.

The operating leasing expenses relate to the rental charges of the office building in Riga.

The property, plant and equipment related expenses are service costs (e.g. maintenance, insurance, security etc.) for these premises. The future amounts to be paid under this contract are as follows:

EUR'000				
	Future amounts to be paid			
	< 1 year	1- 5 years	> 5 years	Total
<b>Buildings</b>	139	212	-	351

For the scope of disclosure, under the type of operating lease with costs zero, the BEREC Office recalls also the working agreement between the Agency and the IRG Secretariat in Brussels<sup>8</sup>, where the IRG Secretariat provides meeting facilities and ancillary services for different BEREC meetings and events and BEREC Office provides digital meeting facilities and maintenance for these.

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<sup>8</sup> Internal document available upon request.

Following the signature on the provision of physical security, the estimated future amounts to be paid under this contract are as follows:

<i>EUR'000</i>	
	Future amounts to be paid
<b>Security contract</b>	169

## 4. OTHER SIGNIFICANT DISCLOSURES

### 4.1. 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.

	EUR '000	
	31.12.2025	31.12.2024
<i>Outstanding commitments not yet expensed</i>	833	572

### 4.2. SERVICES IN-KIND

In compliance with the Agreement on Lease of Premises at Zigfrida Annas Meierovica Boulevard 14, Riga No. 3318 of 01 August 2011, concluded between the State joint stock company Valsts Nekustamie ipasumi (hereinafter the Lessor), the BEREC Office (hereinafter the Lessee) and the Ministry of Transport of the Republic of Latvia, the Lessor charges the lease fee from the Lessee at the price stipulated in the above-mentioned Agreement.

The adjustments of the monthly lease fee set in the Agreement has been calculated in accordance with the methodology determined pursuant to the provisions set forth in the Republic of Latvia Cabinet of Ministers Regulations No. 97 dated 20 February 2018, titled "Regulations for Leasing Public Property".

From 1 January until 31 December 2025, for 1.706 m<sup>2</sup> (1st floor premises- part 1A and part 1B, 2nd floor premises, the garage and additional basement facilities), the BEREC Office has paid monthly a total of EUR 11 587.69, thus 6.79 EUR/m<sup>2</sup>.

According to a study published<sup>9</sup>, in Q4 2025 the average rental price of office space in Riga was between 11 - 15 EUR/m<sup>2</sup> demonstrating the current attractive rental fee for the BEREC Office in this comparison.

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<sup>9</sup> [Baltic Real Estate Market Snapshot, Q4 2025](#)

### 4.3. KEY MANAGEMENT ENTITLEMENTS

	31.12.2025	31.12.2024
<b>Director</b>	AD 14	AD 14

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. The highest ranked civil servant of the BEREC Office is the Director, who executes the role of the Authorising Officer.

### 4.4. RELATED PARTIES

The related parties of the entity are the other EU consolidated entities and the key management personnel of these entities. As transactions between the relevant entity and the parties involved take place as part of the normal operations of the entity and on terms and conditions that are normal for such transactions, no specific disclosures are required.

## 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 entity operations will be affected by changes in exchange rates. This risk arises from the change in the price of one currency against another.

(2) *Interest rate risk* is the possibility of a reduction in the value of a security, especially a bond, resulting from an increase in interest rates. In general, higher interest rates will lead to lower prices of fixed rate bonds, 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 arises from the difficulty in selling an asset; for example, the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss or meet an obligation.

### 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 mainly 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 are composed of exchange receivables. The financial liabilities are composed of accounts payable. Their ending balances are mainly quoted in EUR; the entity is thus not exposed to currency risk.

### 5.4. LIQUIDITY RISK

The financial liabilities are composed of accounts payable. All the accounts payable have remaining contractual maturity of less than 1 year.

## **THE BUDGET IMPLEMENTATION REPORTS AND EXPLANATORY NOTES**

It should be noted that due to the rounding of figures into thousands of euros (kEUR), some financial data in the tables below may appear not to add up.

## CONTENTS

1.	BUDGETARY PRINCIPLES AND STRUCTURE .....	47
2.	RESULT OF THE IMPLEMENTATION OF THE BUDGET .....	49
3.	RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT .....	50
4.	IMPLEMENTATION OF BUDGET REVENUE .....	51
5.	IMPLEMENTATION OF BUDGET EXPENDITURE .....	54
6.	OUTSTANDING COMMITMENTS .....	68
7.	GLOSSARY .....	73

# **1. BUDGETARY PRINCIPLES AND STRUCTURE**

## **1.1. BUDGETARY PRINCIPLES**

In Accordance with Title II of the BEREC Office Financial Regulation, the establishment and implementation of the budget of the BEREC Office shall comply with the following principles:

### **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 BEREC Office's budget.

An appropriation must not be entered in the budget if it is not for an item of expenditure that is considered necessary.

No expenditure may be committed or authorised in excess of the appropriations authorised by the budget.

### **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 by title and chapter. The chapters shall be further subdivided into articles and items.

### **Principle of sound financial management**

Budget 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 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 in the Official Journal of the European Union.

## **1.2. STRUCTURE AND PRESENTATION OF THE BUDGET**

In accordance with Article 25 of Regulation (EU) 2018/1971 of the European Parliament and of the Council of 11 December 2018 establishing the Body of European Regulators for Electronic Communications (BEREC) and the Agency for Support for BEREC (BEREC Office, Agency), amending Regulation (EU) 2015/2120 and repealing Regulation (EC) No 1211/2009 (Text with EEA relevance), the BEREC Office's revenue shall comprise:

- (a) a contribution from the Union;
- (b) any voluntary financial contribution from the Member States or the NRAs;
- (c) charges for publications and any other service provided by the BEREC Office;
- (d) any contribution from third countries or the regulatory authorities competent in the field of electronic communications of third countries participating in the work of the BEREC Office, as provided for in Article 35.

The budget of the BEREC Office is distributed in three Titles, as follows:

TITLE 1 - Budget lines relating to staff expenditure such as salaries, training and costs associated to recruitment procedures, external services related to staff and staff welfare.

TITLE 2 - Title 2 covers the costs relating to the functioning of the BEREC Office such as administrative costs on infrastructure, equipment and IT needs.

TITLE 3 - Title 3 corresponds to the organisation's operational activities.

## 2. RESULT OF THE IMPLEMENTATION OF THE BUDGET

		EUR'000	
	Title	2025	2024
<b>Revenue</b>		<b>8 573</b>	<b>8 103</b>
of which:			
European Union subsidy	2	8 126	7 933
Third countries contribution (including EFTA and candidates)	3	253	7
Other contributions (Members States and National Regulatory Authorities)	4	191	163
Administrative operations and miscellaneous income	5	3	0.03
<b>Expenditure</b>		<b>(7 375)</b>	<b>( 7 226)</b>
of which:			
Staff expenditure	1	(5 078)	( 4 913)
Administrative expenditure	2	(1 199)	( 1 415)
Operational expenditure	3	(1 098)	( 898)
<b>Payment appropriat. carried over to the following year</b>		<b>(1 009)</b>	<b>( 865)</b>
of which:			
Staff expenditure	1	( 102)	( 176)
Administrative expenditure	2	( 176)	( 291)
Operational expenditure	3	( 730)	( 399)
<b>Cancellation of unused appropri. carried over from year n-1</b>		<b>6</b>	<b>25</b>
<b>Evolution of assigned revenue (B)-(A)</b>		<b>( 185)</b>	<b>( 12)</b>
Unused appropriations at the end of current year (A)		272	87
Unused appropriations at the end of previous year (B)		87	76
<b>Exchange rate differences</b>		<b>0</b>	<b>0</b>
<b>Budget result</b>		<b>10</b>	<b>25</b>

### 3. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

EUR'000

	2025	2024
<b>ECONOMIC RESULT OF THE YEAR</b>	<b>183</b>	<b>368</b>
<b>Adjustment for accrual items (items not in the budgetary result but included in the economic result)</b>	<b>1 125</b>	<b>787</b>
Adjustments for Accrual Cut-off (net)	21	(310)
Depreciation amortization and impairment of intangible and tangible assets	241	218
Payments made from carried-over payment appropriations	859	880
Other Individually immaterial	4	(1)
<b>Adjustment for budgetary items (items included in the budgetary result but not in the economic result)</b>	<b>(1 297)</b>	<b>(1 130)</b>
Asset acquisitions (less unpaid amounts)	(117)	(311)
New pre-financing received in the year N and remaining open as at 31 December	6	32
Payment appropriations carried over to next year	(1 281)	(953)
Cancellation of unused carried over payment appropriations from previous year	10	25
Payment appropriations carried over to year N - assigned revenue	84	76
<b>BUDGET RESULT OF THE YEAR</b>	<b>10</b>	<b>25</b>

## 4. IMPLEMENTATION OF BUDGET REVENUE

### 4.1. Implementation of budget revenue, Title 2

EUR'000

		Income appropriations		Entitlements established			Revenue				Out-standing
	Item	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
20-0	EU SUBSIDY	0	0	8 126	0	8 126	8 126	0	8 126	-	0
Total Chapter 20-0		0	0	8 126	0	8 126	8 126	0	8 126	-	0
<b>Total Title 20-0</b>		<b>0</b>	<b>0</b>	<b>8 126</b>	<b>0</b>	<b>8 126</b>	<b>8 126</b>	<b>0</b>	<b>8 126</b>	<b>-</b>	<b>0</b>

## 4.2. Implementation of budget revenue, Title 3

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
30-0	THIRD COUNTRY CONTR	0	0	253	0	253	253	0	253	-	0
Total Chapter 30-0		0	0	253	0	253	253	0	253	-	0
<b>Total Title 30-0</b>		<b>0</b>	<b>0</b>	<b>253</b>	<b>0</b>	<b>253</b>	<b>253</b>	<b>0</b>	<b>253</b>	<b>-</b>	<b>0</b>

## 4.3. Implementation of budget revenue, Title 4

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
40-0	OTHER CONTRIBUTIONS	0	0	191	0	191	191	0	191	-	0
Total Chapter 40-0		0	0	191	0	191	191	0	191	-	0
<b>Total Title 40-0</b>		<b>0</b>	<b>0</b>	<b>191</b>	<b>0</b>	<b>191</b>	<b>191</b>	<b>0</b>	<b>191</b>	<b>-</b>	<b>0</b>

#### 4.4. Implementation of budget revenue, Title 5

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
50-0	ADM OP AND MISC INC	0	0	3	0	3	3	0	3	-	0
Total Chapter 50-0		0	0	3	0	3	3	0	3	-	0
<b>Total Title 50-0</b>		<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>-</b>	<b>0</b>
<b>GRAND TOTAL</b>				<b>8 573</b>	<b>0</b>	<b>8 573</b>	<b>8 573</b>	<b>0</b>	<b>8 573</b>	<b>-</b>	<b>0</b>

## 5. IMPLEMENTATION OF BUDGET EXPENDITURE

### 5.1. Breakdown & changes in commitment appropriations

#### 5.1.1. 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	Carry-overs	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
<b>1100</b>	TA Salaries, Allowances	2 415	0	( 137)	2 278	0	0	0	2 278
<b>1111</b>	Contract staff and Seconded National Experts	2 259	0	( 148)	2 111	0	0	0	2 111
<b>1200</b>	Recruitment expenses	3	0	( 1)	2	0	0	0	2
<b>1300</b>	Mission expenses duty travel expenses and other ancillary expenditure	90	0	42	132	0	0	0	132
<b>1400</b>	Medical expenditure	7	0	( 5)	2	0	0	0	2
<b>1500</b>	Training	74	0	4	78	0	0	0	78
<b>1600</b>	External services	467	0	64	531	0	262	262	793
<b>1700</b>	Representation receptions and events and miscellaneous staff expenses	3	0	11	14	0	0	0	14
<b>Total Title 1</b>		<b>5 318</b>	<b>0</b>	<b>( 170)</b>	<b>5 148</b>	<b>0</b>	<b>262</b>	<b>262</b>	<b>5 410</b>

## 5.1.2. Breakdown &amp; changes in commitment appropriations – Title 2

EUR'000

		Budget appropriations				Additional appropriations			Total appopr. available
	Item	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
2000	Rental of buildings and associated costs	285	0	( 56)	228	0	0	0	228
2100	Information and Communication Technology and Security	671	0	208	879	0	1	1	880
2200	Movable property and logistic services	25	0	13	38	0	0	0	38
2300	Legal and other operating services	210	0	1	212	0	0	0	212
2400	Non-operational media and public relations	21	0	( 2)	19	0	0	0	19
2500	Non-operational meetings	2	0	( 1)	0	0	0	0	0
<b>Total Title 2</b>		<b>1 212</b>	<b>0</b>	<b>163</b>	<b>1 376</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1 377</b>

## 5.1.3. Breakdown &amp; changes in commitment appropriations – Title 3

EUR'000

		Budget appropriations				Additional appropriations			Total appopr. available
	Item	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
3001	BEREC Programme Management Support	284	40	17	341	0	0	0	341



	Item	Budget appropriations				Additional appropriations			Total approp. available
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
3101	Operation and Strategic Support to BEREC	1 311	186	( 9)	1 488	0	34	34	1 522
<b>Total Title 3</b>		<b>1 595</b>	<b>226</b>	<b>7</b>	<b>1 828</b>	<b>0</b>	<b>34</b>	<b>34</b>	<b>1 863</b>
<b>GRAND TOTAL</b>		<b>8 126</b>	<b>226</b>	<b>0</b>	<b>8 352</b>	<b>0</b>	<b>298</b>	<b>298</b>	<b>8 649</b>

## 5.2. Breakdown & changes in payment appropriations

### 5.2.1. Breakdown & changes in payment appropriations – Title 1

EUR'000

	Item	Budget appropriations				Additional appropriations			Total approp. available
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
1100	TA Salaries, Allowances	2 415	0	( 137)	2 278	0	0	0	2 278
1111	Contract staff and Seconded National Experts	2 259	0	( 148)	2 111	0	0	0	2 111
1200	Recruitment expenses	3	0	( 1)	2	0	0	0	2
1300	Mission expenses duty travel expenses and other ancillary expenditure	90	0	42	132	7	0	7	139
1400	Medical expenditure	7	0	( 5)	2	0	0	0	2
<b>Total Chapter 14</b>		<b>7</b>	<b>0</b>	<b>( 5)</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>
1500	Training	74	0	4	78	21	0	21	99

		Budget appropriations				Additional appropriations			Total appropri. available
	Item	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
1600	External services	467	0	64	531	152	269	421	952
1700	Representation receptions and events and miscellaneous staff expenses	3	0	11	14	0	0	0	14
<b>Total Title 1</b>		<b>5 318</b>	<b>0</b>	<b>( 170)</b>	<b>5 148</b>	<b>180</b>	<b>269</b>	<b>449</b>	<b>5 597</b>

### 5.2.2. Breakdown & changes in payment appropriations – Title 2

EUR'000

		Budget appropriations				Additional appropriations			Total appropri. available
	Item	Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
2000	Rental of buildings and associated costs	285	0	( 56)	228	38	0	38	267
2100	Information and Communication Technology and Security	671	0	208	879	217	1	218	1 097
2200	Movable property and logistic services	25	0	13	38	12	0	12	50
2300	Legal and other operating services	210	0	1	212	19	0	19	230
2400	Non-operational media and public relations	21	0	( 2)	19	5	0	5	24
2500	Non-operational meetings	2	0	( 1)	0	0	0	0	0
<b>Total Title 2</b>		<b>1 212</b>	<b>0</b>	<b>163</b>	<b>1 376</b>	<b>291</b>	<b>1</b>	<b>292</b>	<b>1 668</b>

### 5.2.3. Breakdown & changes in payment appropriations – Title 3

EUR'000

	Item	Budget appropriations				Additional appropriations			Total appropri. available
		Initial adopted budget	Amending budgets	Transfers	Final adopted budget	Carry-overs	Assigned revenue	Total	
		1	2	3	4=1+2+3	5	6	7=5+6	8=4+7
3001	BEREC Programme Management Support	284	40	17	341	77	0	77	418
3101	Operation and Strategic Support to BEREC	1 311	186	( 9)	1 488	322	34	356	1 844
<b>Total Title 3</b>		<b>1 595</b>	<b>226</b>	<b>7</b>	<b>1 828</b>	<b>399</b>	<b>34</b>	<b>433</b>	<b>2 261</b>
<b>GRAND TOTAL</b>		<b>8 126</b>	<b>226</b>	<b>0</b>	<b>8 352</b>	<b>869</b>	<b>305</b>	<b>1 174</b>	<b>9 526</b>

### 5.3. Implementation of commitment appropriations

#### 5.3.1. Implementation of commitment appropriations – Title 1

EUR'000

	Item	Total approp. available	Commitments made					Appropriations carried over to 2026			Appropriations lapsing			
			from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	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	TA Salaries, Allowances	2 278	2 278	0	0	2 278	100 %	0	0	0	0	0	0	0
1111	Contract staff and Seconded National Experts	2 111	2 111	0	0	2 111	100 %	0	0	0	0	0	0	0
Total Chapter 11		4 389	4 389	0	0	4 389	100 %	0	0	0	0	0	0	0
1200	Recruitment expenses	2	2	0	0	2	100 %	0	0	0	0	0	0	0
Total Chapter 12		2	2	0	0	2	100 %	0	0	0	0	0	0	0
1300	Mission expenses duty travel expenses and other ancillary expenditure	132	132	0	0	132	100 %	0	0	0	0	0	0	0
Total Chapter 13		132	132	0	0	132	100 %	0	0	0	0	0	0	0
1400	Medical expenditure	2	2	0	0	2	100 %	0	0	0	0	0	0	0
Total Chapter 14		2	2	0	0	2	100 %	0	0	0	0	0	0	0
1500	Training	78	78	0	0	78	100 %	0	0	0	0	0	0	0

Annual accounts of the Agency for Support for BEREC for 2025

	Item	Total approp. available	Commitments made					Appropriations carried over to 2026			Appropriations lapsing			
			from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	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
Total Chapter 15		78	78	0	0	78	100 %	0	0	0	0	0	0	0
1600	External services	793	531	0	25	556	70 %	237	0	237	0	0	0	0
Total Chapter 16		793	531	0	25	556	70 %	237	0	237	0	0	0	0
1700	Representation receptions and events and miscellaneous staff expenses	14	14	0	0	14	100 %	0	0	0	0	0	0	0
Total Chapter 17		14	14	0	0	14	100 %	0	0	0	0	0	0	0
<b>Total Title 1</b>		<b>5 410</b>	<b>5 148</b>	<b>0</b>	<b>25</b>	<b>5 173</b>	<b>96 %</b>	<b>237</b>	<b>0</b>	<b>237</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 5.3.2. Implementation of commitment appropriations – Title 2

EUR'000

		Total approp. available	Commitments made					Appropriations carried over to 2026			Appropriations lapsing			
	Item		from final adopt. budget	from carry- overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry- overs	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	Rental of buildings and associated costs	228	228	0	0	228	100 %	0	0	0	0	0	0	0
Total Chapter 20		228	228	0	0	228	100 %	0	0	0	0	0	0	0
2100	Information and Communication Technology and Security	880	879	0	0	879	100 %	1	0	1	0	0	0	0
Total Chapter 21		880	879	0	0	879	100 %	1	0	1	0	0	0	0
2200	Movable property and logistic services	38	38	0	0	38	100 %	0	0	0	0	0	0	0
Total Chapter 22		38	38	0	0	38	100 %	0	0	0	0	0	0	0
2300	Legal and other operating services	212	212	0	0	212	100 %	0	0	0	0	0	0	0
Total Chapter 23		212	212	0	0	212	100 %	0	0	0	0	0	0	0
2400	Non-operational media and public relations	19	19	0	0	19	100 %	0	0	0	0	0	0	0
Total Chapter 24		19	19	0	0	19	100 %	0	0	0	0	0	0	0

		Total approp. available	Commitments made					Appropriations carried over to 2026			Appropriations lapsing			
	Item		from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	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
2500	Non-operational meetings	0	0	0	0	0	100 %	0	0	0	0	0	0	0
Total Chapter 25		0	0	0	0	0	100 %	0	0	0	0	0	0	0
<b>Total Title 2</b>		<b>1 377</b>	<b>1 376</b>	<b>0</b>	<b>0</b>	<b>1 376</b>	<b>100 %</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 5.3.3. Implementation of commitment appropriations – Title 3

EUR'000

		Total approp. available	Commitments made					Appropriations carried over to 2026			Appropriations lapsing			
	Item		from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry-overs	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
3001	BEREC Programme Management Support	341	341	0	0	341	100 %	0	0	0	0	0	0	0
Total Chapter 30		341	341	0	0	341	100 %	0	0	0	0	0	0	0
3101	Operation and Strategic Support to BEREC	1 522	1 488	0	0	1 488	98 %	34	0	34	0	0	0	0
Total Chapter 31		1 522	1 488	0	0	1 488	98 %	34	0	34	0	0	0	0

Annual accounts of the Agency for Support for BEREC for 2025

		Total approp. available	Commitments made					Appropriations carried over to 2026			Appropriations lapsing			
	Item		from final adopt. budget	from carry- overs	from assign. revenue	Total	%	Assign. revenue	By decision	Total	from final adopt. budget	from carry- overs	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
<b>Total Title 3</b>		<b>1 863</b>	<b>1 828</b>	<b>0</b>	<b>0</b>	<b>1 828</b>	<b>98 %</b>	<b>34</b>	<b>0</b>	<b>34</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>		<b>8 649</b>	<b>8 352</b>	<b>0</b>	<b>25</b>	<b>8 377</b>	<b>97 %</b>	<b>272</b>	<b>0</b>	<b>272</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## 5.4. Implementation of payment appropriations

### 5.4.1. Implementation of payment appropriations – Title 1

EUR'000

		Total approp. availab.	Payments made					Appropriations carried over to 2026				Appropriations lapsing			
	Item		from final adopt. budget	from carry- overs	from assign. revenue	Total	%	Autom. carry- overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry- overs	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
1100	TA Salaries, Allowances	2 278	2 278	0	0	2 278	100 %	0	0	0	0	0	0	0	0
1111	Contract staff and Seconded National Experts	2 111	2 111	0	0	2 111	100 %	0	0	0	0	0	0	0	0
Total Chapter 11		4 389	4 389	0	0	4 389	100 %	0	0	0	0	0	0	0	0
1200	Recruitment expenses	2	2	0	0	2	100 %	0	0	0	0	0	0	0	0
Total Chapter 12		2	2	0	0	2	100 %	0	0	0	0	0	0	0	0
1300	Mission expenses duty travel expenses and other ancillary expenditure	139	120	7	0	127	91 %	12	0	0	12	0	0	0	0
Total Chapter 13		139	120	7	0	127	91 %	12	0	0	12	0	0	0	0
1400	Medical expenditure	2	2	0	0	2	100 %	0	0	0	0	0	0	0	0
Total Chapter 14		2	2	0	0	2	100 %	0	0	0	0	0	0	0	0
1500	Training	99	69	21	0	90	91 %	9	0	0	9	0	0	0	0
Total Chapter 15		99	69	21	0	90	91 %	9	0	0	9	0	0	0	0
1600	External services	952	461	149	32	642	67 %	70	0	237	307	0	3	0	3

Annual accounts of the Agency for Support for BEREC for 2025

		Total approp. availab.	Payments made					Appropriations carried over to 2026				Appropriations lapsing			
	Item		from final adopt. budget	from carry- overs	from assign. revenue	Total	%	Autom. carry- overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry- overs	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
Total Chapter 16		952	461	149	32	642	67 %	70	0	237	307	0	3	0	3
1700	Representation receptions and events and miscellaneous staff expenses	14	3	0	0	3	22 %	11	0	0	11	0	0	0	0
Total Chapter 17		14	3	0	0	3	22 %	11	0	0	11	0	0	0	0
Total Title 1		5 597	5 046	177	32	5 255	94 %	102	0	237	339	0	3	0	3

## 5.4.2. Implementation of payment appropriations – Title 2

EUR'000

		Total approp. availab.	Payments made					Appropriations carried over to 2026				Appropriations lapsing			
	Item		from final adopt. budget	from carry- overs	from assign. revenue	Total	%	Autom. carry- overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry- overs	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	Rental of buildings and associated costs	267	178	38	0	217	81 %	50	0	0	50	0	0	0	0
Total Chapter 20		267	178	38	0	217	81 %	50	0	0	50	0	0	0	0
2100	Information and Communication Technology and Security	1 097	781	216	0	997	91 %	98	0	1	99	( 0)	1	0	1
Total Chapter 21		1 097	781	216	0	997	91 %	98	0	1	99	( 0)	1	0	1
2200	Movable property and logistic services	50	22	12	0	34	68 %	16	0	0	16	0	0	0	0
Total Chapter 22		50	22	12	0	34	68 %	16	0	0	16	0	0	0	0
2300	Legal and other operating services	230	199	19	0	218	95 %	12	0	0	12	0	0	0	0
Total Chapter 23		230	199	19	0	218	95 %	12	0	0	12	0	0	0	0
2400	Non-operational media and public relations	24	18	5	0	24	99 %	0	0	0	0	( 0)	0	0	0
Total Chapter 24		24	18	5	0	24	99 %	0	0	0	0	( 0)	0	0	0
2500	Non-operational meetings	0	0	0	0	0	100 %	0	0	0	0	0	0	0	0
Total Chapter 25		0	0	0	0	0	100 %	0	0	0	0	0	0	0	0
<b>Total Title 2</b>		<b>1 668</b>	<b>1 199</b>	<b>290</b>	<b>0</b>	<b>1 489</b>	<b>89 %</b>	<b>176</b>	<b>0</b>	<b>1</b>	<b>178</b>	<b>( 0)</b>	<b>1</b>	<b>0</b>	<b>1</b>

## 5.4.3. Implementation of payment appropriations – Title 3

EUR'000

	Item	Total approp. availab.	Payments made					Appropriations carried over to 2026				Appropriations lapsing			
			from final adopt. budget	from carry-overs	from assign. revenue	Total	%	Autom. carry-overs	By decision	Assigned rev.	Total	from final adopt. budget	from carry-overs	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
3001	BEREC Programme Management Support	418	201	77	0	278	67 %	140	0	0	140	0	0	0	0
Total Chapter 30		418	201	77	0	278	67 %	140	0	0	140	0	0	0	0
3101	Operation and Strategic Support to BEREC	1 844	897	316	0	1 213	66 %	591	0	34	625	0	6	0	6
Total Chapter 31		1 844	897	316	0	1 213	66 %	591	0	34	625	0	6	0	6
<b>Total Title 3</b>		<b>2 261</b>	<b>1 098</b>	<b>393</b>	<b>0</b>	<b>1 491</b>	<b>66 %</b>	<b>730</b>	<b>0</b>	<b>34</b>	<b>764</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>6</b>
<b>GRAND TOTAL</b>		<b>9 526</b>	<b>7 343</b>	<b>859</b>	<b>32</b>	<b>8 234</b>	<b>86 %</b>	<b>1 009</b>	<b>0</b>	<b>272</b>	<b>1 281</b>	<b>( 0)</b>	<b>10</b>	<b>0</b>	<b>10</b>

## 6. OUTSTANDING COMMITMENTS

### 6.1. Outstanding commitments – Title 1

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
1100	TA Salaries, Allowances	0	0	0	0	2 278	2 278	0	0	0
1111	Contract staff and Seconded National Experts	0	0	0	0	2 111	2 111	0	0	0
Total Chapter 11		0	0	0	0	4 389	4 389	0	0	0
1200	Recruitment expenses	0	0	0	0	2	2	0	0	0
Total Chapter 12		0	0	0	0	2	2	0	0	0
1300	Mission expenses duty travel expenses and other ancillary expenditure	7	0	7	0	132	120	0	12	12
Total Chapter 13		7	0	7	0	132	120	0	12	12
1400	Medical expenditure	0	0	0	0	2	2	0	0	0
Total Chapter 14		0	0	0	0	2	2	0	0	0
1500	Training	21	0	21	0	78	69	0	9	9

Annual accounts of the Agency for Support for BEREC for 2025

		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
Total Chapter 15		21	0	21	0	78	69	0	9	9
1600	External services	159	( 3)	156	0	556	486	0	70	70
Total Chapter 16		159	( 3)	156	0	556	486	0	70	70
1700	Representation receptions and events and miscellaneous staff expenses	0	0	0	0	14	3	0	11	11
Total Chapter 17		0	0	0	0	14	3	0	11	11
<b>Total Title 1</b>		<b>186</b>	<b>( 3)</b>	<b>184</b>	<b>0</b>	<b>5 173</b>	<b>5 071</b>	<b>0</b>	<b>102</b>	<b>102</b>

## 6.2. 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 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
2000	Rental of buildings and associated costs	38	0	38	0	228	178	0	50	50
Total Chapter 20		38	0	38	0	228	178	0	50	50
2100	Information and Communication Technology and Security	217	( 1)	216	0	879	781	0	98	98
Total Chapter 21		217	( 1)	216	0	879	781	0	98	98
2200	Movable property and logistic services	12	0	12	0	38	22	0	16	16
Total Chapter 22		12	0	12	0	38	22	0	16	16
2300	Legal and other operating services	19	0	19	0	212	199	0	12	12
Total Chapter 23		19	0	19	0	212	199	0	12	12
2400	Non-operational media and public relations	5	( 0)	5	0	19	18	0	0	0

Annual accounts of the Agency for Support for BEREC for 2025

		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
Total Chapter 24		5	( 0)	5	0	19	18	0	0	0
2500	Non-operational meetings	0	0	0	0	0	0	0	0	0
Total Chapter 25		0	0	0	0	0	0	0	0	0
<b>Total Title 2</b>		<b>291</b>	<b>( 1)</b>	<b>290</b>	<b>0</b>	<b>1 376</b>	<b>1 199</b>	<b>0</b>	<b>176</b>	<b>176</b>



### 6.3. 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
3001	BEREC Programme Management Support	77	( 0)	77	0	341	201	0	140	140
Total Chapter 30		77	( 0)	77	0	341	201	0	140	140
3101	Operation and Strategic Support to BEREC	322	( 6)	316	0	1 488	897	0	591	591
Total Chapter 31		322	( 6)	316	0	1 488	897	0	591	591
<b>Total Title 3</b>		<b>399</b>	<b>( 6)</b>	<b>393</b>	<b>0</b>	<b>1 828</b>	<b>1 098</b>	<b>0</b>	<b>730</b>	<b>730</b>
<b>GRAND TOTAL</b>		<b>876</b>	<b>( 10)</b>	<b>866</b>	<b>0</b>	<b>8 377</b>	<b>7 368</b>	<b>0</b>	<b>1 009</b>	<b>1 009</b>

## 7. 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.

## **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.

## **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.