

Body of European Regulators
for Electronic Communications

BEREC
OFFICE

Annual accounts of the
Agency for Support for
BEREC

(the BEREC Office)

Financial year 2021

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CERTIFICATION OF THE ACCOUNTS

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the Agency for Support for BEREC (the BEREC Office) in accordance with Article 102 of the Framework Financial Regulation ('FFR')¹ and I hereby certify that the annual accounts of the BEREC Office for the year 2021 have been prepared in accordance with the 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 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.

Rosa ALDEA BUSQUETS

**Accounting Officer of the
Agency for Support for BEREC**

¹ 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 (EU) 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 provides all necessary professional and administrative support for the work of BEREC, including financial, organisational and ICT services, and contributes to BEREC's regulatory work for the benefit of people in Europe.

Main operational activities

In order to fulfil the 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;
- To carry out other tasks assigned to it by this Regulation or by other legal acts of the Union.

Governance

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

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 (including EFTA and candidate countries) contributions in accordance with the signed working arrangements.

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)². As per this regulation, the annual accounts are prepared in accordance with the rules adopted by the Accounting Officer of the Commission (EU Accounting Rules, EAR), which are based on internationally accepted accounting standards for the public sector (IPSAS).

Accounting Officer

In accordance with the FFR, the BEREC Office Management Board appoints the Accounting Officer who is, amongst other tasks, responsible for preparation of the annual accounts, which are consolidated in those of the EU.

Following the decision MC/2016/03 of the Management Board of 26 February 2016, the Accounting Officer of the Commission, was appointed as of 18 April 2016 as the Accounting Officer of 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 are transmitted, by 1 March of the following year, to the European Court of Auditors (ECA) and to the audit company selected by the entity. 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 Court of Auditors, the European Parliament and the Council by 1 July of the following financial year. The ECA scrutinises the final annual accounts and includes any findings in the annual report for the European Parliament and the Council.

It falls to the Council to recommend, and then to the European Parliament to decide, whether to grant discharge to the Director in respect of the implementation of the budget for a given financial year. Amongst other elements, this decision is also based on a review of the accounts and the annual report of the ECA.

² COMMISSION DELEGATED REGULATION (EU) 2019/715 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

3. Operational highlights

Achievements of the year

In 2021, the BEREC Office has effectively delivered its Annual Work Programme 2021³, irrespective of the continuing spread of the COVID-19 pandemic and the restrictions on travel and physical events. This resulted in predominantly online work of staff and organisation of most of the meetings and events in support to BEREC through audio-video conference (AVC), live streaming and by making use of other ICT tools reflecting the specificities of some meetings.

As a consequence, to ensure the availability of secure and user-friendly ICT tools, applications and services, in 2021 the Agency continued its efforts to strengthen the ICT infrastructure deployed by the BEREC Office, predominantly for BEREC's needs.

Thanks to the extended and improved ICT infrastructure, almost all BEREC Working Group (WG) meetings and events could be held via AVC. This led to a higher number of meetings and events organised by the BEREC Office for BEREC and, consequently, to a higher number of experts' participation from the National Regulatory Authorities.

In total, there were 479 AVC WG meetings and Sustainability Experts Networking Group (ENG), including meetings related to three phase II cases under Articles 32/33 of the European Electronic Communications Code (EECC). In addition, in 2021 the Working Groups (WGs) organised nine online workshops with external stakeholders.

Special emphasis was put on environmental aspects of the activity of BEREC and the BEREC Office. After its creation in late 2020, the ad-hoc WG on sustainability worked at full speed in dealing with the environmental issues of the telecom sector; the BEREC Office Sustainability ENG looked into the environmental impact of the BEREC and the BEREC Office operations.

The BEREC Office played a crucial role in the work of the ENG in raising awareness on this area, that was until 2021 outside the core regulatory scope of BEREC, but which is important for its future operation. In this regard, the BEREC Office has concluded a framework contract (FWC) for the provision of evaluation and impact assessment services on the effect of electronic communications on the environment, to understand and consider the most effective and efficient way of managing operations.

The BEREC Office delivered two studies for BEREC, namely:

- Study on consumer behaviour and attitudes towards digital platforms as a means of communication;
- Study on post-COVID measures to close the digital divide.

Moreover, through FWCs the BEREC Office continued its support to the implementation of the BEREC Work Programme and NRR capacity building in the following areas:

- Provision of training to BEREC and NRA experts;
- Subscription to the regulatory intelligence services related to telecommunications and digital economy;
- Provision of financial software and historical data sets for the calculation of certain parameters underlying the weighted average cost of capital (WACC) and other financial parameters;
- Provision and maintenance of the Information Sharing Portal;
- Provision and maintenance of the General Authorisation Database;
- Provision of an online public consultation portal and launching new public consultations throughout the year;
- Provision of language services for translation and/or proofreading of BEREC documents;

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https://berec.europa.eu/eng/document_register/subject_matter/berec_office/office_annual_work_programmes/9776-single-programming-document-of-the-activities-of-the-agency-for-support-for-berec-berec-office-for-the-period-2021-2023

- Reimbursement of travel and accommodation expenses to experts participating in BEREC WG meetings/events.

As a consequence of the COVID-19 pandemic and related restrictions within Europe, the BEREC WGs held only two physical meetings in 2021. Thus, the BEREC Office expenditure for reimbursement of travel expenses to participating experts remained very limited. The resources planned for reimbursement of travel expenses for WG meetings were saved and redirected to support other BEREC Office activities.

To ensure safe and secure digital environment in 2021, the BEREC Office spent a significant part of its budget on improving and upgrading the ICT infrastructure, as follows:

- The first phase of the renewal of the BEREC web site for the development of a state-of-the-art back-end was finalised in November 2021.
- The second phase of this project for the development of the new BEREC web design kicked off in December 2021.
- In June 2021, new AVC infrastructure was installed at the BEREC Office premises.
- Two assessments related to the security and data protection of four AVC systems and the Information Technology Security Plan were finalised.

Another major achievement was the organisation of three BEREC high level stakeholder events: two virtual, in April and May 2021⁴ and one physical, in October 2021. The physical forum was extremely well received by the audience and stakeholders and introduced for the first time a new tool, the so-called 'Meet&Greet', which allowed stakeholders to have direct contact with BEREC WG chairs.

Finally and importantly, the organisation of the first hybrid Contact Network and BEREC ordinary meetings after more than 1.5 years has to be mentioned as another achievement of the BEREC Office.

Budget and budgetary implementation

The BEREC Office Budget 2021 (revenue and expenditure), as adopted by the Management Board, amounted to EUR 7,341,357 (2020 – EUR 7,233,653). The revenue in the voted budget consisted of the following sources: EUR 7,282,800 via EU subsidy and EUR 58,557 via third country contributions. In 2021, the BEREC Office cashed 100% of the revenue. In addition, in 2021 the BEREC Office cashed EUR 15,542 as third country contributions were carried over from previous years and EUR 5,698 as administrative operations and miscellaneous income were cashed.

The expenditure of the BEREC Office in 2021 was distributed in three titles, as follows:

- Title 1 – Staff, used for staff expenditure such as salaries, training and costs associated to recruitment procedures, external services related to staff and staff welfare;
- Title 2 – Buildings, equipment and miscellaneous operations, used for ensuring the functioning of the BEREC Office and included expenditure for rent of offices, development and maintenance of ICT infrastructure and security, non-operational communication activities and other administrative expenditure;
- Title 3 – Operational expenses, used for financing the BEREC Office operational activities in support to BEREC.

In 2021, EUR 7,338,814 of the available financial resources were committed from the final adopted budget (99.97% of the appropriations available for commitments from the final adopted budget) and EUR 5,089,799 were paid (69.33% of the appropriations available for payments from the final adopted budget).

⁴ Jointly with the IIC telecommunications and Media Forum

Overview of budget implementation over the last 5 years

Year	Total budget	Commitment implementation	%	Payment implementation	%
2021	7,341,357	7,338,814	99.97%	5,089,799	69.33%
2020	7,233,653	7,166,596	99.07%	4,422,494	61.14%
2019	5,701,000	5,696,940	99.93%	4,674,264	81.99%
2018	4,331,000	4,324,759	99.86%	3,580,804	82.68%
2017	4,246,000	4,243,465	99.94%	3,690,674	86.92%

The budget implementation of commitments in 2021 is the highest for the last 5 years (99.97%) and is within the threshold established by the Management Board for budget implementation, namely above 95% of the appropriations available for commitments.

In term of payments, the payment rate is higher than the previous year (69.33% compared to 61.14% in 2020); however, it is lower than the results in years 2017 to 2019. The main reason for this is the relatively high amount of carry-overs to 2022 (31% of total established commitments) due to the launch of a high number of specific projects, which will be finalised in 2022. Detailed reasons for this are explained in comments below regarding carry-overs.

Cancellation and carry-over of appropriations

Amounts that were neither committed by the end of 2021 nor carried over to 2022 are to be returned to the EU Budget. The BEREC Office committed EUR 7 338 814 (99.97%) of its fund source C1 (final adopted budget), meaning that EUR 2 543 (0.03%) is to be returned to the EU Budget.

The carry-over of payment appropriations from 2021 to 2022 (EUR 2 253 429) relates to:

Title 1: Staff related costs, such as:

- Expenses for missions of staff in support to BEREC that took place in Q4 2021 and will be paid in 2022;
- Staff trainings which took place in 2021 and are to be invoiced in 2022 and trainings for which contracts were signed in 2021 that will take place in Q1 2022;
- Liabilities under contracts for provision of interim workers' services concluded in 2021, for which the service provisions will continue in 2022; and
- Other services for staff, which were delivered in 2021, for which invoices and/or final services are to be received in 2022 (laissez-passer fees, production of EC staff badges, year-end event).

Title 2: Building, equipment and miscellaneous operating expenditure:

- Invoices for services and supplies delivered in 2021 (mainly in December 2021) for running costs, such as rent, utilities, security services, consumables, postal and telecommunications services, that will be received in 2022;
- Purchases of ICT goods and services and purchase of furniture for which contracts were signed in 2021 and for which services / goods will be delivered in 2022; and
- Expenditure for on-going projects and activities which will be finalised in 2022 (intranet development, further development of the Activity-based budget management tool, independent audit of the 2021 annual accounts, consultancy for best practices in project management, subscription to international press).

Title 3: Operational expenditure in support to BEREC:

- Expenses for reimbursement of participation in BEREC meetings and events held in the last quarter of 2021 which will be paid in the beginning of 2022 (such as: expert networking groups(ad-hoc WG on sustainability), 4th Contact Network, 49th BEREC ordinary meetings and the BEREC stakeholder forum);
- Expenses for services ordered in 2021, for which invoices will be received in 2022, such as subscription to regulatory intelligence services related to telecommunications and digital

economy, datasets and financial software for the calculation of the weighted average cost of capital (WACC);

- Liabilities under contracts for provision of ICT services and purchases of specialised software and/or hardware for the needs of BEREC in 2021, for which the invoices will be received in 2022 (ICT support to BEREC, fees for licenses and other ICT infrastructure and services); and
- Expenses for other year-specific projects in support to BEREC, launched in 2021 for which the delivery of the service will be finalised in 2022, such as conceptualisation of the new website design, consultancy for communication activities and visual identity, evaluation and impact assessment services on the effect of electronic communications on the environment, data protection impact assessment and security risk assessment of Office365.

The total automatic carry-over of payment appropriations from 2020 to 2021 (C8/2021) was EUR 2 744 102 (38% of total commitments established in 2020). Of this carry-over, EUR 31 229 (1.14%) were cancelled during 2021.

During 2021, the BEREC Office Director/Authorising Officer carried out four transfers of appropriations allowed by the BEREC Office Financial Regulation⁵ in order to ensure the best use of the financial resources available to the BEREC Office.

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 of expenses from kEUR 5 864 in 2020 to kEUR 7 005 in 2021 relates to a higher number of activities organised by the BEREC Office in 2021 albeit in on-line mode. An increase has been noted in all major areas of expenses; operating costs grew by 33% (see note **3.2**), staff costs by 15% (see note **3.3**) and other administrative expenses by 13% (see note **3.4**). The increase under this heading is related to the implementation of additional activities of BEREC Office resulting from establishing the European Electronic Communications Code (EECC) that became applicable to the Member States from 21 December 2020.
- Increase of non-current assets from kEUR 119 to kEUR 385 as a result of improvements made to the ICT and AVC infrastructure of the BEREC Office which were necessary in order to be able to provide the necessary support to BEREC in on-line mode (see note **2.1** and **2.2**).
- Decrease of exchange receivables and non-exchange recoverables from kEUR 3 034 in 2020 to kEUR 2 579 in 2021, mainly due to the central treasury liaison accounts included under this heading. The liaison accounts decreased by kEUR 511 as a result of higher payments done in 2021 order to support the increased activities of the BEREC Office while there was only a slight increase in the funding from the Commission (see note **2.3**).
- Decrease of accrued charges from kEUR 777 to kEUR 422 that reflects a better split of activities across the year (see note **2.5**).

⁵ The BEREC Office Financial Regulations in force in 2019 were as follows: from 1 January to 30 June 2019 - MC Decision MC/2014/1 on the financial regulation applicable to the BEREC Office in conformity with the Framework Financial Regulation for the bodies referred to in Article 208 of Council Regulation (EU, Euratom) No 966/2012 on the Financial Regulation applicable to the general budget of the EU, https://bereg.europa.eu/eng/document_register/subject_matter/bereg_office/decisions_of_the_management_board/3976-decision-of-the-bereg-office-mc-on-the-financial-regulation-applicable-to-the-bereg-office-in-conformity-with-the-framework-financial-regulation-for-the-bodies-referred-to-in-article-208-of-council-regulation-eu-euratom-no-9662012-on-the-financial-regulation-applicable-to-the-general-budget-of-the-european-union-hereinafter-the-general-financial-regulation, and from 1 July to 31 December 2019 - MB Decision No MB/2019/13 on the financial regulation applicable to the BEREC Office, https://bereg.europa.eu/eng/document_register/subject_matter/bereg_office/decisions_of_the_management_board/8699-decision-no-mb201913-of-the-management-board-of-the-bereg-office-on-the-financial-regulation-applicable-to-the-bereg-office

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.

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BALANCE SHEET

EUR '000

	Note	31.12.2021	31.12.2020
NON-CURRENT ASSETS			
Computer Software	2.1	169	0
Property, plant and equipment	2.2	215	119
		385	119
CURRENT ASSETS			
Exchange receivables and non-exchange recoverables	2.3	2 579	3 034
		2 579	3 034
TOTAL ASSETS		2 964	3 153
CURRENT LIABILITIES			
Payables	2.4	(55)	(188)
Accrued charges	2.5	(422)	(777)
		(477)	(965)
TOTAL LIABILITIES		(477)	(965)
NET ASSETS			
		2 487	2 188
Accumulated surplus		2 188	908
Economic result of the year		299	1 280
NET ASSETS		2 487	2 188

STATEMENT OF FINANCIAL PERFORMANCE

	Note	2021	2020
<i>EUR '000</i>			
REVENUE			
Revenue from non-exchange transactions	3.1		
<i>Subsidy from the Commission</i>		7 233	7 050
<i>Revenue contributions from third countries</i>		59	93
		7 292	7 143
Revenue from exchange transactions			
<i>Other</i>		12	1
		12	1
Total revenue		7 303	7 143
EXPENSES			
<i>Operating costs</i>	3.2	(2 123)	(1 599)
<i>Staff costs</i>	3.3	(2 792)	(2 417)
<i>Other expenses</i>	3.4	(2 090)	(1 848)
Total expenses		(7 005)	(5 864)
ECONOMIC RESULT OF THE YEAR		299	1 280

CASHFLOW STATEMENT⁶

	<i>EUR '000</i>	
	2021	2020
<i>Economic result of the year</i>	299	1 280
Operating activities		
<i>Depreciation and amortization</i>	94	62
<i>(Increase)/decrease in exchange receivables and non-exchange recoverables</i>	455	(1 869)
<i>Increase/(decrease) in payables</i>	(133)	139
<i>Increase/(decrease) in accrued charges</i>	(355)	437
Investing activities		
<i>(Increase)/decrease in intangible assets and property, plant and equipment</i>	(359)	(49)
NET CASHFLOW	-	-

⁶ Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of the BEREC Office, the treasury of BEREC Office was 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
BALANCE AS AT 31.12.2019	744	164	908
<i>Allocation 2019 economic result</i>	164	(164)	-
<i>Economic result of the year</i>	-	1 280	1 280
BALANCE AS AT 31.12.2020	908	1 280	2 188
<i>Allocation 2020 economic result</i>	1 280	(1 280)	-
<i>Economic result of the year</i>	-	299	299
BALANCE AS AT 31.12.2021	2 188	299	2 487

NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. ACCOUNTING PRINCIPLES

The objective of financial statements is to provide information about the financial position, performance and 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.

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	31.12.2021	31.12.2020	Currency	31.12.2021	31.12.2020
BGN	1.9558	1.9558	PLN	4.5969	4.5597
CZK	26.8580	26.2420	RON	4.9490	4.8683
DKK	7.4364	7.4409	SEK	10.2503	10.0343
GBP	0.84028	0.8990	CHF	1.0331	1.0802
HRK	7.5156	7.5519	JPY	130.3800	126.4900
HUF	369.1900	363.8900	USD	1.1326	1.2271

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, accrued and deferred revenue and charges, provisions, financial risk on accounts receivable, contingent assets and liabilities, and degree of impairment of assets. Actual results could differ from those estimates.

Reasonable estimates are an essential part of the preparation of financial statements and do not undermine their reliability. An estimate may need revision if changes occur in the circumstances on which the estimate was based or as a result of new information or more experience. By its nature, the revision

of an estimate does not relate to prior periods and is not the correction of an error. The effect of a change in accounting estimate shall be recognised in the surplus or deficit in the periods in which it becomes known.

1.2.4. Application of new and revised European Union Accounting Rules (EAR)

Revised EAR which is effective for annual periods beginning on or after 1 January 2021

In 2020, the Accounting Officer adopted the revised EAR 11 'Financial Instruments', which is mandatorily effective as of 1 January 2021. The revised EAR 11 is based on the new IPSAS 41 'Financial Instruments', the amended IPSAS 28 'Financial Instruments: Presentation' and the amended IPSAS 30 'Financial Instruments: Disclosures' which were issued in August 2018. It establishes the financial reporting principles for financial assets and financial liabilities. In accordance with the transition provisions of the revised EAR 11, the entity accounts for any changes from the initial application, on 1 January 2021. The revised EAR 11 does not require the restatement of prior periods.

Changes from the application of the revised EAR 11

The only financial instruments of the entity, are the receivables from exchange transactions. In accordance with the revised EAR 11 requirements, the entity has classified these receivables as 'financial assets at amortised cost' ('loans and receivables' in prior periods). The entity has applied the impairment requirements of the revised EAR 11 to the receivables, but no recognition of loss allowance in the accumulated surplus or deficit on 1 January 2021 was needed.

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
<i>Buildings</i>	4 % to 10 %
<i>Plant and equipment</i>	10 % to 25 %
<i>Furniture and vehicles</i>	10 % to 25 %
<i>Computer hardware</i>	25 % to 33 %
<i>Other</i>	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. Impairment of non-financial assets

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

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

1.3.3. 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.

1.3.4. Payables

Included under accounts payable are both amounts related to exchange transactions such as the purchase of goods and services, and to non-exchange transactions e.g. to cost claims from beneficiaries, grants or other EU funding, or pre-financing received (see note **1.4.1**).

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.

1.3.5. 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 and receivable by the entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Depending on the nature of the underlying transactions in the statement of financial performance, revenue is distinguished between:

(i) Revenue from non-exchange transactions

Revenue from non-exchange transactions are taxes and transfers, because the transferor provides resources to the recipient entity, without the recipient entity providing approximately equal value directly in exchange. Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes. For the EU entities, transfers mostly comprise funds received from the Commission (e.g. balancing subsidy to the traditional agencies, operating subsidy for the delegation agreements).

The entity shall recognise an asset in respect of transfers when the entity controls the resources as a result of a past event (the transfer) and expects to receive future economic benefits or service potential from those resources, and when the fair value can be reliably measured. An inflow of resources from a non-exchange transaction recognised as an asset (i.e. cash) is also recognised as revenue, except to the extent that the entity has a present obligation in respect of that transfer (condition), which needs to be satisfied before the revenue can be recognised. Until the condition is met the revenue is deferred and recognised as a liability.

(ii) Revenue from exchange transactions

Revenue from the sale of goods and services is recognised when the significant risk and rewards of ownership of the goods are transferred to the purchaser. Revenue associated with a transaction involving the provision of services is recognised by reference to the stage of completion of the transaction at the reporting date.

1.4.2. Expenses

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or the incurring of liabilities that result in decreases in net assets. They include both the expenses from exchange transactions and expenses from non-exchange transactions.

Expenses from exchange transactions arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by the entity. They are valued at the original invoice amount. Furthermore, at the balance sheet date expenses related to the service delivered during the period for which an invoice has not yet been received or accepted are recognised in the statement of financial performance.

Expenses from non-exchange transactions relate to transfers to beneficiaries and can be of three types: entitlements, transfers under agreement and discretionary grants, contributions and donations. Transfers are recognised as expenses in the period during which the events giving rise to the transfer occurred, as long as the nature of the transfer is allowed by regulation or an agreement has been signed authorising the transfer; any eligibility criteria have been met by the beneficiary; and a reasonable estimate of the amount can be made.

When a request for payment or cost claim is received and meets the recognition criteria, it is recognised as an expense for the eligible amount. At year-end, incurred eligible expenses due to the beneficiaries but not yet reported are estimated and recorded as accrued expense.

1.5. CONTINGENT ASSETS AND LIABILITIES

1.5.1. Contingent assets

A contingent asset is a possible asset that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

1.5.2. Contingent liabilities

A contingent liability is either a possible obligation of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation where it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation.

A contingent liability also arises in the rare circumstances where a present obligation exists but cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the accounts. They are disclosed unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

1.6. CONSOLIDATION

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

2. NOTES TO THE BALANCE SHEET

ASSETS

2.1. INTANGIBLE ASSETS

	EUR '000
	TOTAL
Gross carrying amount at 31.12.2020	2
Additions	177
Gross carrying amount at 31.12.2021	178
Accumulated amortisation at 31.12.2020	(1)
Amortisation charge for the year	(7)
Accumulated amortisation at 31.12.2021	(9)
NET CARRYING AMOUNT AT 31.12.2021	169
NET CARRYING AMOUNT AT 31.12.2020	0

Included under this heading is software with a depreciation rate of 25%.

The substantial increase under this heading relates to acquisition of ICT tools, applications and services so as to be able to support BEREC in on-line mode.

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				TOTAL
	Plant and equipment	Furniture and vehicles	Computer hardware	Other	
Gross carrying amount at 31.12.2020	1	42	203	107	353
Additions	-	4	169	9	182
Disposals	-	-	-	(1)	(1)
Gross carrying amount at 31.12.2021	1	45	372	116	534
Accumulated depreciation at 31.12.2020	(1)	(18)	(125)	(90)	(234)
Depreciation charge for the year	-	(5)	(69)	(13)	(86)
Disposals	-	-	-	1	1
Accumulated depreciation at 31.12.2021	(1)	(22)	(194)	(102)	(319)
NET CARRYING AMOUNT AT 31.12.2021	-	23	178	14	215
NET CARRYING AMOUNT AT 31.12.2020	-	24	77	17	119

The substantial increase under this heading relates mainly to new AVC equipment acquired so as to be able to support adequately the increasing number of events (e.g. working group meetings, workshop) that take place in on-line mode.

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. 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 31.12.2021 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	
	31.12.2021	31.12.2020
Recoverables from non-exchange transactions		
<i>Member States</i>	204	218
<i>Third states</i>	-	16
	204	233
Receivables from exchange transactions		
<i>Central treasury liaison accounts</i>	2 100	2 611
<i>Deferred charges relating to exchange transactions</i>	273	177
<i>Customers</i>	-	3
<i>Others</i>	2	9
	2 375	2 800
Total	2 579	3 034

The heading recoverables 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 Latvia⁷ and the protocol on privileges and immunities of the European Union, the BEREC Office was entitled to VAT reimbursements.

Following the appointment of the Accounting Officer of the Commission as the Accounting Officer of BEREC Office, the treasury of BEREC Office was 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 central treasury liaison accounts decreased by kEUR 511 due to higher payments done in 2021 order to support the increased activities of the BEREC Office. The implementation of payment appropriations has increased from 61.14% in 2020 to 69.33% in 2021 while there has been only a slight increase in the received funding.

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).

⁷ 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.

EUR '000

	31.12.2021	31.12.2020
<i>Pre-financing received from EC - balancing subsidy</i>	50	91
<i>Other payables</i>	5	97
Total	55	188

The prefinancing liability for balancing subsidy comprises unused amounts of the 2021 balancing subsidy that is to be reimbursed by the BEREC Office to the Commission in 2022.

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 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

	31.12.2021	31.12.2020
<i>Accrued charges</i>	422	777

The heading includes estimated operating expenses of kEUR 19, administrative expenses of kEUR 339 and staff expenses of kEUR 65. The accrued administrative expenses are mainly composed of non-IT services (kEUR 252), IT services (kEUR 69) and office maintenance and supplies (kEUR 18). The accrued staff expenses include accrued charges for untaken leave of kEUR 65.

The decrease under this heading can be explained by the fact that in 2020 a high number of projects started very late in the year because of restrictions imposed by the COVID-19 pandemic. As no invoices were received for those projects, the underlying expenses had to be accrued in the last year's financial statements. On contrary, in 2021 the implementation of activities has been spread across the whole year therefore there were less expenses to accrue at the year end.

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 amounts included under this heading correspond mainly to the amounts of the Commission subsidy used during the current year and recoveries of operational expenses from beneficiaries issued during the year.

	<i>EUR '000</i>	
	2021	2020
<i>Commission subsidy</i>	7 233	7 050
<i>Revenue contribution from third countries</i>	59	93
Total	7 292	7 143

In 2021 the BEREC Office received the Commission subsidy of kEUR 7 282 in one single financial transfer. The amounts included under this heading correspond to the amounts of the Commission subsidy used during 2021. Unused amount of kEUR 50 is recorded under accounts payable (see note 2.4).

EXPENSES

3.2. OPERATING COSTS

	<i>EUR '000</i>	
	2021	2020
<i>Operating costs</i>	2 123	1 599

Operating costs are costs incurred by the BEREC Office in relation its mission in support of BEREC (mainly organisation of BEREC events, including travel costs of the experts participating, ICT support to BEREC, communication activities and studies).

The increase under this heading is related to the implementation of additional activities of the BEREC Office resulting from establishing the European Electronic Communications Code (EECC) on 21 December 2020.

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 Commission, the calculations of staff-related costs is carried out by the Commission's Office for Administration and Payment of Individual Entitlements (also known as the Paymaster's Office - PMO). The pensions of the 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 Commission's 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	
	2021	2020
<i>Staff costs</i>	2 792	2 417

The increase under this heading is due to the engagement of new staff in 2021 and the increase in the salary correction coefficient in July 2021.

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.

	EUR '000	
	2021	2020
<i>External non IT services</i>	1 212	1 016
<i>External IT services</i>	360	322
<i>Property, plant and equipment related expenses</i>	175	146
<i>Operating leasing expenses</i>	121	109
<i>Communications & publications</i>	26	72
<i>Office supplies and maintenance</i>	67	60
<i>Training costs</i>	71	59
<i>Missions</i>	53	40
<i>Other</i>	3	22
Total	2 090	1 848

The increase of other administrative cost is mainly stemming from the increase in tuition for school year 2021/2022 that has been included under the external non IT services.

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, etc.) for these premises. The future amounts to be paid under these contract are as follows:

	EUR '000			
	Future amounts to be paid			
	< 1 year	1- 5 years	> 5 years	Total
<i>Buildings</i>	98	383	144	626

4. OTHER SIGNIFICANT DISCLOSURES

4.1. OUTSTANDING COMMITMENTS NOT YET EXPENSED

EUR '000

	31.12.2021	31.12.2020
<i>Outstanding commitments not yet expensed</i>	1 891	2 118

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.

4.2. SERVICES IN-KIND

In accordance with the Seat Agreement and the Memorandum of Understanding between the BEREC Office and the Government of the Republic of Latvia and the Headquarters Agreement between the BEREC Office and the Government of the Republic of Latvia, which replaced the previous two acts as of 16 June 2021, the Latvian Government charges the rent for the BEREC Office premises at the price established in accordance with the provisions of the Regulations of the Cabinet of Ministers of the Republic of Latvia on state and local government property leasing agreements, methodology for calculation of rental expenses/lease expenses and terms for standard lease. From 01.01.2021 until 31.12.2021 for 1195.8 m² (1st floor premises, 2nd floor premises, 3.5 premises and the garage) the BEREC Office has paid monthly a total of 8 210.66 EUR, thus 6.87 EUR/m². According to a study published, in 2021 the average rental price of office space in Riga was between 17 - 18 EUR/m².

4.3. KEY MANAGEMENT ENTITLMENTS

	31.12.2021	31.12.2020
<i>Director</i>	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.

4.5. EVENTS AFTER REPORTING DATE

In accordance with EU accounting rule 19, Events after Reporting Date, the war in Ukraine, that began in February 2022 is a non-adjusting event, thus not requiring any adjustments to the figures reported in these financial statements at 31 December 2021. For subsequent reporting periods, the war may affect the recognition and measurement of some assets and liabilities on the balance sheet and also of some revenue and expenses recognised in the statement of financial performance. Based on the facts and circumstances at the time of preparation of these financial statements, in particular the evolving situation, the financial effect of the war in Ukraine on the BEREC office cannot be reliably estimated.

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 the risk that an EU entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

5.2. CURRENCY RISKS

At the end of the year, the financial assets are composed of exchange receivables. The financial liabilities are composed of accounts payable. Their ending balances are 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 comprise exchange receivables that are not past due for more than 30 days. As no credit loss is expected during the life time of those receivables the entity is not exposed to any significant credit risk.

5.4. LIQUIDITY RISK

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

THE BUDGET IMPLEMENTATION REPORTS AND EXPLANATORY NOTES

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

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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 11 of Council Regulation (EC) No 1211/2009⁸ establishing the BEREC Office, the revenues and resources of the Office shall consist, in particular, of:

- A subsidy from the Union, entered under the appropriate headings of the general budget of the European Union (Commission Section), as decided by the budgetary authority and in accordance with Point 47 of the IIA of 17 May 2006;
- Financial contributions from Member States or from their NRAs made on a voluntary basis in accordance with Article 5(2). These contributions shall be used to finance specific items of operational expenditure as defined in the agreement to be concluded between the Office and the Member States or their NRAs pursuant to Article 19(1)(b) of Commission Regulation (EC, Euratom) No 2343/2002 of 19 November 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities.

The budget of the BEREC Office is distributed in three Titles. 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 corresponds to the organisation's operational activities.

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.

⁸ OJ L 337, 18.12.2009, p. 1

2. RESULT OF THE IMPLEMENTATION OF THE BUDGET

		<i>EUR '000</i>	
	Title	2021	2020
Revenue		7 363	7 222
of which:			
European Union subsidy	2	7 283	7 140
Third countries contribution (including EFTA and candidates)	3	74	78
Administrative operations and miscellaneous income	5	6	4
Expenditure		(5 094)	(4 422)
of which:			
Staff expenditure	1	(3 594)	(3 205)
Administrative expenditure	2	(636)	(721)
Operational expenditure	3	(864)	(497)
Payment appropriat. carried over to the following year		(2 249)	(2 744)
of which:			
Staff expenditure	1	(215)	(194)
Administrative expenditure	2	(572)	(466)
Operational expenditure	3	(1 462)	(2 084)
Cancellation of unused appropr. carried over from year n-1		31	39
Evolution of assigned revenue (B)-(A)		(1)	(4)
Unused appropriations at the end of current year (A)		4	4
Unused appropriations at the end of previous year (B)		4	-
Exchange rate differences		0	(0)
Budget result		50	91

3. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

EUR '000

	2021	2020
ECONOMIC RESULT OF THE YEAR	299	1 280
Adjustment for accrual items (items not in the budgetary result but included in the economic result)	2 342	1 507
<i>Adjustments for accrual cut-off (net)</i>	(485)	452
<i>Depreciation, amortization and impairment of intangible and tangible assets</i>	94	61
<i>Recovery orders issued in the year and not yet cashed</i>	-	19
<i>Payments made from carry-over of payment appropriations</i>	2,713	983
<i>Other individually immaterial</i>	20	(8)
Adjustment for budgetary items (item included in the budgetary result but not in the economic result)	(2 591)	(2 696)
<i>Members' cash contributions collected in the year</i>	(59)	(78)
<i>Asset acquisitions (less unpaid amounts)</i>	(360)	(4)
<i>New pre-financing received in the year and remaining open as at 31 December</i>	50	91
<i>Payment appropriations carried over to next year</i>	(2 253)	(2 744)
<i>Cancellation of unused carried over payment appropriations from previous year</i>	31	39
BUDGET RESULT OF THE YEAR	50	91

4. IMPLEMENTATION OF BUDGET REVENUE

4.1. Implementation of budget revenue – Title 2

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	
2000 European Union subsidy	7 283	7 283	7 283	-	7 283	7 283	-	7 283	100 %	-
Total Chapter 20	7 283	7 283	7 283	-	7 283	7 283	-	7 283	100 %	-
Total Title 2	7 283	7 283	7 283	-	7 283	7 283	-	7 283	100 %	-

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	
3000 Third countries contribution (including EFTA and candidates)	59	59	59	16	74	59	16	74	127 %	-
Total Chapter 30	59	59	59	16	74	59	16	74	127 %	-
Total Title 3	59	59	59	16	74	59	16	74	127 %	-

4.3. 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	
5000 Administrative operations and miscellaneous income	0	0	3	3	6	3	3	6	-	-
Total Chapter 50	0	0	3	3	6	3	3	6	-	-
Total Title 5	0	0	3	3	6	3	3	6	-	-
GRAND TOTAL	7 341	7 341	7 344	19	7 363	7 344	19	7 363	100 %	-

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	
1100 Temporary Agents' salaries and allowances and employer's social security contributions	1 525	-	(77)	1 448	-	-	-	1 448
1111 Contract staff and Seconded National Experts (SNE)	1 387	-	(45)	1 342	-	-	-	1 342
Total Chapter 11	2 912	-	(122)	2 790	-	-	-	2 790
1200 Recruitment expenses	20	-	(19)	1	-	-	-	1
Total Chapter 12	20	-	(19)	1	-	-	-	1
1300 Mission expenses, duty travel expenses and other ancillary expenditure	60	-	(10)	50	-	3	3	53
Total Chapter 13	60	-	(10)	50	-	3	3	53
1400 Medical expenditure	11	-	(3)	8	-	-	-	8
Total Chapter 14	11	-	(3)	8	-	-	-	8
1500 Training	83	-	(5)	78	-	-	-	78
Total Chapter 15	83	-	(5)	78	-	-	-	78
1600 External services	600	-	262	862	-	6	6	868
Total Chapter 16	600	-	262	862	-	6	6	868
1700 Representation, receptions and events, and miscellaneous staff expenses	25	-	(10)	15	-	-	-	15
Total Chapter 17	25	-	(10)	15	-	-	-	15
Total Title 1	3 711	-	94	3 804	-	9	9	3 814

5.1.2. Breakdown & changes in commitment appropriations – Title 2

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	
2000 Rental of buildings and associated costs	222	-	(5)	217	-	-	-	217
Total Chapter 20	222	-	(5)	217	-	-	-	217
2100 Data processing and telecommunications	435	-	163	598	-	0	0	598
Total Chapter 21	435	-	163	598	-	0	0	598
2200 Movable property and associated expenditure	48	-	52	99	-	-	-	99
Total Chapter 22	48	-	52	99	-	-	-	99
2300 Legal and other operating services	221	-	7	228	-	-	-	228
Total Chapter 23	221	-	7	228	-	-	-	228
2400 Non-operational media and public relations, publications and subscriptions	171	-	(105)	66	-	-	-	66
Total Chapter 24	171	-	(105)	66	-	-	-	66
2500 Non-operational meetings	3	-	(3)	0	-	-	-	0
Total Chapter 25	3	-	(3)	0	-	-	-	0
Total Title 2	1 100	-	109	1 209	-	0	0	1 209

5.1.3. Breakdown & changes in commitment appropriations – Title 3

EUR '000

Item	Budget appropriations			Final adopted budget	Additional appropriations			Total	Total approp. available
	Initial adopted budget	Amending budgets	Transfers		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	483	-	(96)	387	-	-	-	387	
Total Chapter 30	483	-	(96)	387	-	-	-	387	
3101 Operation and Strategic Support to BEREC	2 048	-	(106)	1 941	-	-	-	1 941	
Total Chapter 31	2 048	-	(106)	1 941	-	-	-	1 941	
Total Title 3	2 531	-	(203)	2 328	-	-	-	2 328	
GRAND TOTAL	7 341	-	-	7 341	-	9	9	7 350	

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 appropriations 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 Temporary Agents' salaries and allowances and employer's social security contributions	1 525	-	(77)	1 448	-	-	-	1 448
1111 Contract staff and Seconded National Experts (SNE)	1 387	-	(45)	1 342	-	-	-	1 342
Total Chapter 11	2 912	-	(122)	2 790	-	-	-	2 790
1200 Recruitment expenses	20	-	(19)	1	0	-	0	1
Total Chapter 12	20	-	(19)	1	0	-	0	1
1300 Mission expenses, duty travel expenses and other ancillary expenditure	60	-	(10)	50	-	3	3	53
Total Chapter 13	60	-	(10)	50	-	3	3	53
1400 Medical expenditure	11	-	(3)	8	-	-	-	8
Total Chapter 14	11	-	(3)	8	-	-	-	8
1500 Training	83	-	(5)	78	3	-	3	81
Total Chapter 15	83	-	(5)	78	3	-	3	81
1600 External services	600	-	262	862	187	6	193	1 055
Total Chapter 16	600	-	262	862	187	6	193	1 055
1700 Representation, receptions and events, and miscellaneous staff expenses	25	-	(10)	15	4	-	4	19
Total Chapter 17	25	-	(10)	15	4	-	4	19
Total Title 1	3 711	-	94	3 804	194	9	203	4 008

5.2.2. Breakdown & changes in payment appropriations – Title 2

EUR '000

Item	Initial adopted budget	Budget appropriations		Final adopted budget	Additional appropriations			Total approp. available
		Amending budgets	Transfers		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	222	-	(5)	217	29	-	29	247
Total Chapter 20	222	-	(5)	217	29	-	29	247
2100 Data processing and telecommunications	435	-	163	598	174	0	174	772
Total Chapter 21	435	-	163	598	174	0	174	772
2200 Movable property and associated expenditure	48	-	52	99	4	-	4	104
Total Chapter 22	48	-	52	99	4	-	4	104
2300 Legal and other operating services	221	-	7	228	252	-	252	480
Total Chapter 23	221	-	7	228	252	-	252	480
2400 Non-operational media and public relations, publications and subscriptions	171	-	(105)	66	7	-	7	72
Total Chapter 24	171	-	(105)	66	7	-	7	72
2500 Non-operational meetings	3	-	(3)	0	-	-	-	0
Total Chapter 25	3	-	(3)	0	-	-	-	0
Total Title 2	1 100	-	109	1 209	466	0	466	1 675

5.2.3. Breakdown & changes in payment appropriations – Title 3

EUR '000

Item	Initial adopted budget	Budget appropriations		Final adopted budget	Additional appropriations			Total approp. available
		Amending budgets	Transfers		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	483	-	(96)	387	311	-	311	698
Total Chapter 30	483	-	(96)	387	311	-	311	698
3101 Operation and Strategic Support to BEREC	2 048	-	(106)	1 941	1 773	-	1 773	3 714
Total Chapter 31	2 048	-	(106)	1 941	1 773	-	1 773	3 714
Total Title 3	2 531	-	(203)	2 328	2 084	-	2 084	4 412
GRAND TOTAL	7 341	-	-	7 341	2 744	9	2 753	10 095

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 2022			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 Temporary Agents' salaries and allowances and employer's social security contributions	1 448	1 448	-	-	1 448	100 %	-	-	-	-	-	0	-
1111 Contract staff and Seconded National Experts (SNE)	1 342	1 342	-	-	1 342	100 %	-	-	-	0	-	0	0
Total Chapter 11	2 790	2 790	-	-	2 790	100 %	-	-	-	0	-	0	0
1200 Recruitment expenses	1	1	-	-	1	100 %	-	-	-	-	-	0	-
Total Chapter 12	1	1	-	-	1	100 %	-	-	-	-	-	0	-
1300 Mission expenses, duty travel expenses and other ancillary expenditure	53	50	-	3	53	100 %	-	-	-	-	-	0	-
Total Chapter 13	53	50	-	3	53	100 %	-	-	-	-	-	0	-
1400 Medical expenditure	8	8	-	-	8	100 %	-	-	-	-	-	0	-
Total Chapter 14	8	8	-	-	8	100 %	-	-	-	-	-	0	-
1500 Training	78	78	-	-	78	100 %	-	-	-	-	-	0	-
Total Chapter 15	78	78	-	-	78	100 %	-	-	-	-	-	0	-
1600 External services	868	862	-	6	868	100 %	-	-	-	-	-	0	0
Total Chapter 16	868	862	-	6	868	100 %	-	-	-	-	-	0	0
1700 Representation, receptions and events, and miscellaneous staff expenses	15	15	-	-	15	100 %	-	-	-	-	-	0	-
Total Chapter 17	15	15	-	-	15	100 %	-	-	-	-	-	0	-
Total Title 1	3 814	3 804	-	9	3 813	100 %	-	-	-	0	-	0	0

5.3.2. Implementation of commitment appropriations - Title 2

EUR '000

Item	Total approp. available	Commitments made						Appropriations carried over to 2022			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	
2000 Rental of buildings and associated costs	217	217	-	-	217	100 %	-	-	-	-	-	0	-	
Total Chapter 20	217	217	-	-	217	100 %	-	-	-	-	-	0	-	
2100 Data processing and telecommunications	598	598	-	-	598	100 %	0	-	0	0	-	0	0	
Total Chapter 21	598	598	-	-	598	100 %	0	-	0	0	-	0	0	
2200 Movable property and associated expenditure	99	99	-	-	99	100 %	-	-	-	-	-	0	-	
Total Chapter 22	99	99	-	-	99	100 %	-	-	-	-	-	0	-	
2300 Legal and other operating services	228	228	-	-	228	100 %	-	-	-	-	-	0	-	
Total Chapter 23	228	228	-	-	228	100 %	-	-	-	-	-	0	-	
2400 Non-operational media and public relations, publications and subscriptions	66	66	-	-	66	100 %	-	-	-	-	-	0	-	
Total Chapter 24	66	66	-	-	66	100 %	-	-	-	-	-	0	-	
2500 Non-operational meetings	0	0	-	-	0	100 %	-	-	-	-	-	0	-	
Total Chapter 25	0	0	-	-	0	100 %	-	-	-	-	-	0	-	
Total Title 2	1 209	1 208	-	-	1 208	100 %	0	-	0	0	-	0	0	

5.3.3. Implementation of commitment appropriations - Title 3

EUR '000

Item	Total approp. available	Commitments made					Appropriations carried over to 2022			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
3001 BEREC Programme Management Support	387	387	-	-	387	100 %	-	-	-	-	-	0	-
Total Chapter 30	387	387	-	-	387	100 %	-	-	-	-	-	0	-
3101 Operation and Strategic Support to BEREC	1 941	1 939	-	-	1 939	100 %	-	-	-	2	-	0	2
Total Chapter 31	1 941	1 939	-	-	1 939	100 %	-	-	-	2	-	0	2
Total Title 3	2 328	2 326	-	-	2 326	100 %	-	-	-	2	-	0	2
GRAND TOTAL	7 350	7 339	-	9	7 348	100 %	0	-	0	3	-	0	3

5.4. Implementation of payment appropriations

5.4.1. Implementation of payment appropriations - Title 1

EUR '000

Item	Total approp. availab.	Payments made					Appropriations carried over to 2022					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	
1100 Temporary Agents' salaries and allowances and employer's social security contributions	1 448	1 448	-	-	1 448	100 %	-	-	-	-	-	-	-	-	
1111 Contract staff and Seconded National Experts (SNE)	1 342	1 342	-	-	1 342	100 %	-	-	-	-	0	-	-	0	
Total Chapter 11	2 790	2 790	-	-	2 790	100 %	-	-	-	-	0	-	-	0	
1200 Recruitment expenses	1	1	0	-	1	100 %	-	-	-	-	-	-	-	-	
Total Chapter 12	1	1	0	-	1	100 %	-	-	-	-	-	-	-	-	
1300 Mission expenses, duty travel expenses and other ancillary expenditure	53	42	-	2	45	84 %	8	-	1	8	-	-	-	-	
Total Chapter 13	53	42	-	2	45	84 %	8	-	1	8	-	-	-	-	
1400 Medical expenditure	8	8	-	-	8	100 %	-	-	-	-	-	-	-	-	
Total Chapter 14	8	8	-	-	8	100 %	-	-	-	-	-	-	-	-	
1500 Training	81	66	3	-	69	85 %	12	-	-	12	-	-	-	-	
Total Chapter 15	81	66	3	-	69	85 %	12	-	-	12	-	-	-	-	
1600 External services	1 055	681	181	2	865	82 %	181	-	4	185	-	6	0	6	
Total Chapter 16	1 055	681	181	2	865	82 %	181	-	4	185	-	6	0	6	

Annual accounts of the Agency for Support for BEREC for 2021

EUR '000

Item	Total approp. availab.	Payments made					Appropriations carried over to 2022				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
1700 Representation, receptions and events, and miscellaneous staff expenses	19	1	4	-	5	25 %	14	-	-	14	-	-	-	-
Total Chapter 17	19	1	4	-	5	25 %	14	-	-	14	-	-	-	-
Total Title 1	4 008	3 590	188	4	3 782	94 %	215	-	4	219	0	6	0	6

5.4.2. Implementation of payment appropriations - Title 2

EUR '000

Item	Total approp. availab.	Payments made					Appropriations carried over to 2022					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	
2000 Rental of buildings and associated costs	247	168	29	-	197	80 %	49	-	-	49	-	0	-	0	
Total Chapter 20	247	168	29	-	197	80 %	49	-	-	49	-	0	-	0	
2100 Data processing and telecommunications	772	312	171	-	483	63 %	286	-	0	286	0	3	-	3	
Total Chapter 21	772	312	171	-	483	63 %	286	-	0	286	0	3	-	3	
2200 Movable property and associated expenditure	104	21	4	-	25	24 %	79	-	-	79	-	0	-	0	
Total Chapter 22	104	21	4	-	25	24 %	79	-	-	79	-	0	-	0	
2300 Legal and other operating services	480	132	252	-	384	80 %	95	-	-	95	-	-	-	-	
Total Chapter 23	480	132	252	-	384	80 %	95	-	-	95	-	-	-	-	
2400 Non-operational media and public relations, publications and subscriptions	72	3	6	-	9	13 %	63	-	-	63	-	0	-	0	
Total Chapter 24	72	3	6	-	9	13 %	63	-	-	63	-	0	-	0	
2500 Non-operational meetings	0	0	-	-	0	100 %	-	-	-	-	-	-	-	-	
Total Chapter 25	0	0	-	-	0	100 %	-	-	-	-	-	-	-	-	
Total Title 2	1 675	636	463	-	1 099	66 %	572	-	0	572	0	3	-	3	

5.4.3. Implementation of payment appropriations - Title 3

EUR '000

Item	Total approp. availab.	Payments made					Appropriations carried over to 2022					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	698	253	311	-	564	81 %	135	-	-	135	-	-	-	-	
Total Chapter 30	698	253	311	-	564	81 %	135	-	-	135	-	-	-	-	
3101 Operation and Strategic Support to BEREC	3 714	611	1 751	-	2 362	64 %	1 328	-	-	1 328	2	22	-	25	
Total Chapter 31	3 714	611	1 751	-	2 362	64 %	1 328	-	-	1 328	2	22	-	25	
Total Title 3	4 412	864	2 062	-	2 925	66 %	1 462	-	-	1 462	2	22	-	25	
GRAND TOTAL	10 095	5 090	2 713	4	7 807	77 %	2 249	-	4	2 253	3	31	0	34	

6. OUTSTANDING COMMITMENTS

6.1. Outstanding commitments – Title 1

EUR '000

Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	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	
1100 Temporary Agents' salaries and allowances and employer's social security contributions	-	-	-	-	1 448	1 448	-	-	-
1111 Contract staff and Seconded National Experts (SNE)	-	-	-	-	1 342	1 342	-	-	-
Total Chapter 11	-	-	-	-	2 790	2 790	-	-	-
1200 Recruitment expenses	0	-	0	-	1	1	-	-	-
Total Chapter 12	0	-	0	-	1	1	-	-	-
1300 Mission expenses, duty travel expenses and other ancillary expenditure	-	-	-	-	53	45	-	8	8
Total Chapter 13	-	-	-	-	53	45	-	8	8
1400 Medical expenditure	-	-	-	-	8	8	-	-	-
Total Chapter 14	-	-	-	-	8	8	-	-	-
1500 Training	3	-	3	-	78	66	-	12	12
Total Chapter 15	3	-	3	-	78	66	-	12	12
1600 External services	187	(6)	181	-	868	683	-	185	185
Total Chapter 16	187	(6)	181	-	868	683	-	185	185
1700 Representation, receptions and events, and miscellaneous staff expenses	4	-	4	-	15	1	-	14	14
Total Chapter 17	4	-	4	-	15	1	-	14	14
Total Title 1	194	(6)	188	-	3 813	3 594	-	219	219

6.2. Outstanding commitments – Title 2

EUR '000

Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	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	29	(0)	29	-	217	168	-	49	49
Total Chapter 20	29	(0)	29	-	217	168	-	49	49
2100 Data processing and telecommunications	174	(3)	171	-	598	312	-	286	286
Total Chapter 21	174	(3)	171	-	598	312	-	286	286
2200 Movable property and associated expenditure	4	(0)	4	-	99	21	-	79	79
Total Chapter 22	4	(0)	4	-	99	21	-	79	79
2300 Legal and other operating services	252	-	252	-	228	132	-	95	95
Total Chapter 23	252	-	252	-	228	132	-	95	95
2400 Non-operational media and public relations, publications and subscriptions	7	(0)	6	-	66	3	-	63	63
Total Chapter 24	7	(0)	6	-	66	3	-	63	63
2500 Non-operational meetings	-	-	-	-	0	0	-	-	-
Total Chapter 25	-	-	-	-	0	0	-	-	-
Total Title 2	466	(3)	463	-	1 208	636	-	572	572

6.3. Outstanding commitments – Title 3

EUR '000

Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
	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	
3001 BEREC Programme Management Support	311	-	311	-	387	253	-	135	135
Total Chapter 30	311	-	311	-	387	253	-	135	135
3101 Operation and Strategic Support to BEREC	1 773	(22)	1 751	-	1 939	611	-	1 328	1 328
Total Chapter 31	1 773	(22)	1 751	-	1 939	611	-	1 328	1 328
Total Title 3	2 084	(22)	2 062	-	2 326	864	-	1 462	1 462
GRAND TOTAL	2 744	(31)	2 713	-	7 348	5 094	-	2 253	2 253

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.

Grants

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

Lapsing appropriations

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

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

Legal basis / basic act

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

Legal commitment

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

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

Non-differentiated appropriations

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

Operational appropriations

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

Outstanding commitments

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

Payment appropriations

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

RAL (Reste à liquider)

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

Surplus

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

Transfer between budget lines

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