

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

Financial year 2024

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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 (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 2024 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.

Ioana BALAN

Accounting Officer of the BEREC Office

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) 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).

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' (including EFTA and candidate countries) contributions in accordance with the signed working arrangements. In line with new SLA signed in 2022, the Government of Latvia started to voluntarily contribute to the cost for schooling for the children of BEREC Office staff.

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 the preparation of the annual accounts, which are consolidated in those of the EU.

Following the termination of the appointment of the Commission Accounting Officer as the BEREC Office Accounting Officer, the Management Board appointed a new Accounting Officer in accordance with Decision No MB/2023/10. Following this decision, the new 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

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) 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 2024, despite all the challenges, the BEREC Office effectively allocated its limited human and financial resources, focused on key priorities, and successfully delivered its 2024 Annual Work Programme, achieving all its key objectives and milestones. It met the expectations of its stakeholders, while ensuring the secure and efficient operation of the Agency. The BEREC Office also ensured 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, Sustainability Experts Networking Group and phase II cases**

In 2024, the BEREC Office continued supporting BEREC in the organisation of a total of 24 physical Working Group (WG) meetings, eight third-party meetings and 331 virtual meetings of the WGs. In addition, the BEREC Office organised five external workshops for the WGs, to facilitate the engagement of the interested stakeholders in regulatory developments on the topics such as network resilience, usage of satellite technologies in mobile networks, ex-ante regulatory experience concerning commitments, wholesale-only undertakings and commercial agreements review, end- users' rights and digital networks developments.

In total, the BEREC Office provided support to 238 experts participating in the BEREC WG meetings and events in 2024 and reimbursed their travel and accommodation expenses in compliance with the applicable rules on experts' reimbursement. In accordance with Article 32/33 procedures, the BEREC Office contributed to an establishment of an ad-hoc WG following the European Commission (EC) serious doubts letter that opened Phase II investigation pursuant to Article 32 of Directive (EU) 2018/19723 concerning Case MT/2024/2484 Wholesale physical and virtual infrastructure access market. The BEREC Office coordinated the work of the Working Group established for this purpose and facilitated publication of the BEREC Opinion. The Working Group has held 15 meetings to discuss the case and issue its Opinion.

In addition, towards the end of 2024, another Phase II Case was opened following the EC serious doubts letter concerning case SE/2024/2555-2556 on Wholesale call termination on individual public telephone networks provided at a fixed location in Sweden and on Wholesale voice call termination on individual mobile networks in Sweden. The BEREC Office contributed with the establishment and coordination of the Working Group work, which continues in 2025.

The Agency continued monitoring and reporting on sustainability KPIs within the work of the ENG on Sustainability throughout 2024 and continued its work on development of a Multiannual Greening Action Plan for BEREC and the BEREC Office, including targets and steps for GHG reduction. The Plan was elaborated and adopted in 2024. Furthermore, the

BEREC Office continued its work towards the EMAS certification with the aim to be certified by the end of 2025.

○ **Data Collection**

The BEREC Office covered one of the key tasks in supporting BEREC WGs in data collection and contributed to the drafting of the following five regular draft reports:

- Annual Reports;
- International roaming benchmark report and the report on transparency and comparability of international roaming tariffs;
- The intra-EEA communications report, and
- Report on Implementation of the Open Internet Regulation.

○ **Information gathering and distribution**

During 2024, the Agency supported BEREC WGs through procuring and delivering several projects, such as:

- purchasing subscriptions and maintaining databases;
- purchasing NRAs Independence Tool to serve as a measurement for assessing NRAs independence;
- procuring necessary reports, datasets, software and licenses to ensure the work of the WGs;
- 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 launched 13 public consultations and processed inputs from stakeholders and interested parties on key draft BEREC documents;
- providing necessary proof-reading of BEREC documents from the Service Level Agreement with the EC services;
- finalizing the Study on the trends and policy/regulatory challenges of cloudification, virtualization and softwarisation in telecommunication.

In addition, the BEREC Office responded to 87 different queries for information and one request for access to documents from stakeholders and citizens concerning BEREC's activity. These requests concerned mainly the work of the BEREC WGs on Open Internet, Roaming, Remedies, Benchmarking, Cybersecurity and Databases etc.

- **High-level meetings**

In 2024, the BEREC Office supported the organization of four meetings of the BoR and the Management Board of the Agency (MB), four meetings of the Contact Network (CN), four meetings of the BEREC Office Advisory Group (BAG), and seventeen meetings of the BEREC Chair and Vice-Chairs. In addition, the BEREC Office provided assistance to the high level representatives who were representing BEREC in 42 other events (conferences, workshops, seminars, international meetings – including the BEREC Study Trip to Brazil). In 2024, the Agency supported the management of 13 BoR and 12 MB electronic voting procedures for approval of urgent documents.

- **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 2024, the main topics were the European Commission's policy initiative for tackling Europe's digital infrastructure needs and the increasing importance of security and resilience in the telecom's sector.

- **Completion of the BEREC Website design**

In 2024 the BEREC Office continued the development of the new BEREC website design. In particular, the BEREC Office completed the second development phase, which included around 44% of the total work. After thorough testing and fixing of potential bugs, the new BEREC website design was successfully launched on 22 July 2024. Following that, further improvements were made and issues resolved until the end of the year.

- **Resource commitment tool**

In 2024, the Agency successfully developed and integrated an in-house electronic resource commitment tool into BERECNet+. This new tool is designed to offer a modern and user-friendly experience, ensure consistent data quality, and provide enhanced support from the BEREC Office. It aims to streamline reporting and data collection processes, thereby improving speed and efficiency.

- **Audio-visual conference (AVC) facility Brussels**

The BEREC Office has completed the acquisition of the AVC facility in Brussels, ensuring the maintenance and technical enhancement of the service. This includes the allocation of necessary licenses and the provision of technical support for AVC Brussels services.

- **ICT Strategy**

The BEREC Office, in collaboration with an external consultant, has developed its ICT Strategy for 2025-2028. This strategy outlines a comprehensive roadmap for modernizing and optimizing the ICT landscape of the BEREC Office, with a focus on cybersecurity, technological advancement, a cloud-first approach, and alignment with EU regulations. The strategy aims to enhance service quality, operational efficiency, compliance, collaboration, and future-readiness to effectively support BEREC and its mission.

Budget and budgetary implementation

The BEREC Office's budget for 2024 (revenue and expenditure), as adopted by the Management Board (MB), amounted to EUR 7 932 805 (in 2023: EUR 7 697 265). The main revenue in the 2024 BEREC Office budget was the EU contribution, which was fully cashed. In addition, in line with the Service Level Agreement with the Latvian Government, in 2024 the Agency collected EUR 163 333 as a voluntary contribution from the host Member State (Latvia) to partially cover the schooling fees of the BEREC Office staff's children. Also, EUR 7 125 were received from the national regulatory authority (NRA) of Ukraine (National Commission for the State Regulation of Electronic Communications, Radio Frequency Spectrum and the Provision of Postal Services – NCEC) as third countries' contribution for the participation in BEREC and the BEREC Office meetings. The BEREC Office also collected EUR 33 as Administrative operations and miscellaneous income. The contribution from the Latvian side and the revenue from administrative and miscellaneous operations were assigned to the respective concerned budget lines.

The appropriation credits of 2024 were distributed between three titles, as follows:

Title	EUR
Title 1 – Staff expenditure	4 931 110
Title 2 - Buildings, equipment and miscellaneous operating expenditure	1 705 014
Title 3 – Operational expenditure	1 296 680
Total:	7 932 805³

In 2024, all of the EUR 7 932 805 available financial resources were committed (100% of the final adopted budget available for commitments) and EUR 7 067 420 were paid (89.09% 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	%
2024	7 932 805	7 932 805	100.00%	7 067 420	89.09%
2023	7 697 265	7 694 047	99.96%	6 788 710	88.20%

³ 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.

Year	Total adopted budget	Commitment implementation	%	Payment implementation	%
2022	7 428 456	7 427 409	99.99%	6 148 910	82.78%
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%

The budget implementation rate as compared to the total adopted budget in 2024 in commitments was 100%. The payment implementation rate was 89.09%, which was the highest result in the history of the BEREC Office. Consequently, the amount of payment appropriations carried-over from 2024 to 2025 (EUR 869 276) was reduced compared to the amount of payment appropriations carried-over from 2023 to 2024 (EUR 905 337⁴) and also reached a historically low level.

Cancellation and carry-over of appropriations

At the end of 2024, the BEREC Office carried-forward EUR 869 276 of payment appropriations to 2025, which consisted of: EUR 865 385 from the final adopted budget 2024(C1); EUR 3 890 from internal assigned revenue and recovered expenses (C4, C5).

Additionally, EUR 6 947 of external assigned revenue appropriations (R0) were carried-forward and EUR 76 603 were carried-over.

Title 1: EUR 179 546 Staff related costs:

- Expenses for missions of staff that took place in Q4 2024 and will be paid in 2025, as well as the missions that will take place in 2025 Q1, but have been booked and arrangements done in the end of 2024;
- Staff trainings for which the contracts were signed in 2024 and which will take place in 2025;
- Liabilities under contracts for provision of interim workers' services concluded in 2024, for which the service provisions will continue in 2025;
- Service contracts for legal advice to staff and schooling transport fees, for which contracts were signed in 2024, for which the service provisions will continue in 2025;

⁴ In 2023 EUR 905 337 from the final adopted budget appropriations (C1) were carried-over; additionally, EUR 75 713 of assigned revenue appropriations was carried-forward.

- i. Carry-over of EUR 6 947 and carry-forward of EUR 69 478 of external assigned revenue stemming out from the voluntary financial contribution of the host Member State to the schooling costs.

Title 2: EUR 291 120 Building, equipment and miscellaneous operating expenditure:

- Invoices for services and supplies delivered in 2024 (mainly in December) for running costs, such as rent, utilities, security services, consumables, parking places, postal and telecommunications services, that will be received in 2025;
- Purchases of ICT goods and services for which contracts were signed in 2024 and for which services / goods will be delivered in 2025;
- Expenditure for independent audit of the 2024 annual accounts which will be finalised in 2025.

Title 3: EUR 398 610 Operational expenditure in support to BEREC:

- Expenses for reimbursement of participation in BEREC meetings and events held in the last quarter of 2024, which will be paid in the beginning of 2025 (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 2025 (such as: WG support and experts' reimbursement, BEREC International travel);
- Expenses for services ordered in 2024, for which invoices will be received in 2025, such as organization of the 63rd BEREC Ordinary meeting; organisation of 13th BEREC Stakeholder forum and promotion of BEREC Working Groups;
- Liabilities under contracts for provision of ICT services and purchases of specialised software and/or hardware for the needs of BEREC in 2024, for which the invoices will be received in 2025 (ICT support to BEREC and fees for licenses);
- Carry-forward of EUR 7 125 of external assigned revenue stemming out from the financial contribution received from the national regulatory authority (NRA) of Ukraine.

The total amount of carry-over of payment appropriations from 2023 to 2024 (C8/2024) was EUR 905 337⁵ (12% of total commitments established in 2023). Of this amount EUR 25 074 (2.77%) were cancelled during 2024. 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. The highest amounts which were cancelled are as follows:

⁵ Idem.

- EUR 3 874 for interim worker's services;
- EUR 2 896 for fees for utilities, ICT services and consumables;
- EUR 18 304 for PMO services (amount carried over was not needed due to much lower than estimated consumption of the services; and slightly lower than anticipated total of expert reimbursements)

During 2024, 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 of non-current assets** from kEUR 591 in 2023 to kEUR 639 mainly due to the project of the new BEREC website design development increase and the internally generated assets and purchases of IT computer hardware and audio-video conference system items under the other fixture and fittings (see notes 2.1 and 2.2).
- **Slight decrease in total expenses compared with the previous year** with a re-shuffling of the operational costs in order to address the increase of staff related expenditure (which grew by 10 % compared with 2023, see note 3.3) and an increase of administrative expenses by 2% (see note 3.4), mainly due to inflation.
- **Increase in exchange receivables and non-exchange recoverables** by kEUR 168 is mainly driven by the increase of the deferred charges. 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 Director and also a slight decrease in the central treasury liaison account, which is due to the very high level of payment implementation (89.09% in 2024, the highest in the history of the BEREC Office).

THE BEREC OFFICE

FINANCIAL YEAR 2024

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	2024	2023
NON-CURRENT ASSETS			
<i>Computer Software</i>	2.1	240	209
<i>Property, Plant and Equipment</i>	2.2	399	383
		639	591
CURRENT ASSETS			
<i>Exchange receivables and non-exchange recoverables</i>	2.3	1 480	1 312
		1 480	1 312
TOTAL ASSETS		2 119	1 903
CURRENT LIABILITIES			
<i>Payables</i>	2.4	(25)	(94)
<i>Accrued charges</i>	2.5	(294)	(377)
		(319)	(471)
TOTAL LIABILITIES		(319)	(471)
NET ASSETS		1 800	1 432
<i>Accumulated surplus</i>		1 432	1 360
<i>Economic result of the year</i>		368	71
NET ASSETS		1 800	1 432

STATEMENT OF FINANCIAL PERFORMANCE

		EUR '000	
	Note	2024	2023
REVENUE			
Revenue from non-exchange transactions	3.1		
<i>Subsidy from the Commission</i>		7 908	7 681
<i>Revenue contribution from Other Entities</i>		163	135
		8 071	7 815
Revenue from exchange transactions			
<i>Other</i>		1	13
		1	13
Total revenue		8 072	7 828
EXPENSES			
<i>Operating costs</i>	3.2	(1 057)	(1 515)
<i>Staff costs</i>	3.3	(4 058)	(3 703)
<i>Other expenses</i>	3.4	(2 590)	(2 539)
Total expenses		(7 704)	(7 757)
Surplus/(Deficit) from ordinary activities		368	71
ECONOMIC RESULT OF THE YEAR		368	71

CASHFLOW STATEMENT⁶

		<i>EUR'000</i>
	2024	2023
<i>Economic result of the year</i>	<i>368</i>	<i>71</i>
Operating activities		
<i>Depreciation and amortization</i>	<i>217</i>	<i>175</i>
<i>(Increase)/decrease in exchange receivables and non-exchange recoverables</i>	<i>(168)</i>	<i>316</i>
<i>Increase/(decrease) in payables</i>	<i>(69)</i>	<i>(27)</i>
<i>Increase/(decrease) in accrued charges</i>	<i>(83)</i>	<i>(240)</i>
Investing activities		
<i>(Increase)/decrease in intangible assets and property, plant and equipment</i>	<i>(265)</i>	<i>(296)</i>
NET CASHFLOW	-	-

⁶ 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
BALANCE AS AT 31.12 2022	2 487	(1 127)	1 360
<i>Allocation 2022 economic result</i>	<i>(1 127)</i>	<i>1 127</i>	<i>-</i>
<i>Economic result of the year</i>	<i>-</i>	<i>71</i>	<i>71</i>
BALANCE AS AT 31.12.2023	1 360	71	1 432
<i>Allocation 2023 economic result</i>	<i>71</i>	<i>(71)</i>	<i>-</i>
<i>Economic result of the year</i>	<i>-</i>	<i>368</i>	<i>368</i>
BALANCE AS AT 31.12.2024	1 432	368	1 800

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.

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	31.12.2024	31.12.2023	Currency	31.12.2024	31.12.2023
BGN	1.9558	1.9558	PLN	4.275	4.3355
CZK	25.185	24.26	RON	4.9743	4.9726
DKK	7.4578	7.4565	SEK	11.459	11.3655
GBP	0.82918	0.86525	CHF	0.9412	0.9628

Currency	31.12.2024	31.12.2023	Currency	31.12.2024	31.12.2023
HUF	411.35	377.38	JPY	163.06	162.12
USD	1.0389	1.0985			

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 2024

There are no new EAR which became effective for annual periods beginning on or after 1 January 2024.

New EAR adopted but not yet effective at 31 December 2024

There are no new EAR adopted during 2024.

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
Buildings	4 % to 10 %
Plant and equipment	10 % to 25 %
Furniture and vehicles	10 % to 25 %
Computer hardware	25 % to 33 %
Other	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 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 SHEETS

ASSETS

2.1. INTANGIBLE ASSETS

	EUR '000		
	Software licenses	Assets under construction	Total
<i>Gross carrying amount at 31.12.2023</i>	178	128	306
<i>Additions</i>	112	-	112
<i>Reclassifications</i>	128	(128)	0
Gross carrying amount at 31.12.2024	418	-	418
<i>Accumulated amortisation at 31.12.2023</i>	(97)	-	(97)
<i>Amortisation charge for the year</i>	(81)	-	(81)
Accumulated amortisation at 31.12.2024	(178)	-	(178)
NET CARRYING AMOUNT AT 31.12.2024	240	-	240
<i>NET CARRYING AMOUNT AT 31.12.2023</i>			209

The amounts under this heading comprise purchased computer software needed for the finalisation of the BEREC Office website and the NRA independence tool and internally developed intangible assets for the needs of BEREC such as the electronic resources commitment tool and formal reception of the e-voting tool.

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

EUR'000

Name of the asset	Year of capitalization	Description	Amount capitalized	Acquired/ Developed internally	Useful life
E-voting tool	2024	Voting tool for Board of Regulators and BEREC Office	9	Internally developed	4 years
ERC tool	2024	Management Board electronic voting procedures	20	Internally developed	4 years
		BEREC Office electronic resource commitment tool			
Self-assessment tool	2024	Self-assessment tool on NRA independence	10	Acquired	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	2024	New BEREC website design M2(2)	3	Acquired	4 years
Website Main 2	2021	IT software development services & IT project management services	101	Acquired	4 years

Name of the asset	Year of capitalization	Description	Amount capitalized	Acquired/ Developed internally	Useful life
Website Main 1	2021	IT software development services (WO1 & WO2)	76	Acquired	4 years
TOTAL			416		

Change in Estimates for Intangible Assets - Software

During the financial year 2024, the Agency conducted a review of the useful life of certain intangible assets, primarily software, as part of its periodic review of assets' useful lives. The review was prompted by advancements in technology. In 2024 there were additional capitalized expenses that prolonged the useful lives of these intangible assets. As a result of this review, the estimated useful lives of certain software were revised to more accurately reflect their continued utility.

The impact of these changes on amortisation expense for the year is reflected in the Statement of Profit and Loss, and the revised estimates will continue to be applied in future periods.

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
Gross carrying amount at 31.12.2023	1	116	449	336	902
Additions	-	-	82	71	154
Disposals	-	(2)	(1)	-	(3)
Gross carrying amount at 31.12.2024	1	114	530	407	1052
Accumulated depreciation at 31.12.2023	(1)	(43)	(328)	(146)	(519)
Depreciation charge for the year	-	(10)	(73)	(53)	(136)
Disposals	-	1	1	-	2
Accumulated depreciation 31.12.2024	(1)	(52)	(401)	(199)	(653)

NET CARRYING AMOUNT AT	-	62	130	208	399
31.12.2024					
<i>NET CARRYING AMOUNT AT</i>	<i>-</i>	<i>73</i>	<i>121</i>	<i>189</i>	<i>383</i>
<i>31.12.2023</i>					

The increase in the computer hardware category, relates to the acquisition of laptops, server hardware related components, routers and IT back-up solutions for storage of the data. Category Computer Hardware includes single licence in amount of kEUR 10 that is used for the management of e-mail distribution groups.

The increase under the Other category is due to purchasing of a series of video-conference related items in order to equip different meeting rooms in the BEREC Office premises with video-conferencing facilities and mobile phones.

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 31.12.2024 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:

		<i>EUR '000</i>
	31.12.2024	31.12.2023
Recoverables from non-exchange transactions		
<i>Member States</i>	19	28
	19	28
Receivables from exchange transactions		
<i>Central treasury liaison accounts</i>	953	965
<i>Deferred charges relating to exchange transactions</i>	503	314
<i>Others</i>	5	4
<i>Accrued income exchange</i>	-	-
	1 461	1 284
Total	1 480	1 312

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 Latvia⁷ and the protocol on privileges and immunities of the European Union, the BEREC Office is entitled to VAT reimbursements. The significant decrease of recoverable 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 decrease of kEUR 12 in the central treasury liaison accounts results from the increase in payments due to price inflation in Latvia and higher wage costs. The implementation of payment appropriations was, in 2024, highest in the history of the BEREC Office and it increased from 88.2% in 2023 to 89.09% in 2024, while funding received included a slight increase due to the inflation as well as an additional subsidy received towards year end.

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.

	<i>EUR '000</i>	
	31.12.2024	31.12.2023
Other payables	-	78
Pre-financing received from EC - balancing subsidy	25	17
Total	25	94

The amount of KEUR 78 was included as payables at year end 31.12.2023 in the annual accounts. With the reception of the credit note in 2024, before the issuing of the final accounts, this amount should have been included under the accrued charges as of 31.12.2023.

The prefinancing liability for the balancing subsidy comprises unused amounts of the 2024 balancing subsidy that are to be reimbursed by the BEREC Office to the Commission in 2025.

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.

	<i>EUR '000</i>	
	31.12.2024	31.12.2023
<i>Accrued charges</i>	294	377
Total	294	377

Accrued charges include estimated operational expenses of kEUR 39, primarily relating to the expenses for services ordered in 2024 for which invoices will be received in 2025, such as: pending experts' reimbursements at year-end, different IT and communications support services to BEREC and part of expenses already incurred in 2024 for the organisation of the 13th BEREC Stakeholder Forum which is to be held in 2025.

Included under this heading are also accrued administrative expenses of kEUR 159 such as staff missions' costs due to the mission performers for the missions performed in 2024, different financial trainings incl. customization services of some financial tools in the use of the

agency and interim support services contracts which have started in 2024 and will finish and be invoiced in 2025 only.

In addition, under the administrative title there were a series of other accrued estimations referring to the cost of utilities for December 2024, audit of the leased premises services, estimations related to security services, postal and telecommunications services, IT services and costs related to financial audit services.

This heading also includes accrued staff expenses related to untaken leave and an adjustments for cashing in 2024 of an amount in relation the financial contribution of the third countries NRAs to the BEREC Office budget due for 2025.

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.

	EUR '000	
	31.12.2024	31.12.2023
<i>Commission subsidy</i>	7 908	7 681
<i>Revenue contribution from Other Entities</i>	163	135
TOTAL	8 071	7 815

In 2024 the BEREC Office received the Commission subsidy of kEUR 7 908, which was fully cashed. The amounts included under this heading correspond to the amounts of the Commission subsidy used during 2024. The unused amount of kEUR 25 is recorded under accounts payable (see note 2.4) and will be reimbursed to the Commission in 2025.

Moreover, in line with the Service Level Agreement with the Latvian Government, in 2024, the BEREC Office collected additional revenue of kEUR 163 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.

EXPENSES

3.2. OPERATING COSTS

	EUR '000	
	2024	2023
Operating costs	1 057	1 515

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 2024 (mainly the organisation of BEREC events, including travel costs of participating experts, studies, subscriptions needed for BEREC work, communication activities and IT projects, incl. the costs related to the ICT strategy, in relation with BEREC activities).

The decrease followed the same pattern as in 2023 and came to counter the effects of high inflation in the host member state and the need to find the right balance between savings in operational activities and an increase of staff expenditures.

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	
	2024	2023
Staff costs	4 058	3 703

The increase under this heading is due to an increased number of newcomers and, in addition, the annual update of remuneration (increase) with retroactive effect as of 1 July 2024.

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	
	31.12.2024	31.12.2023
<i>External non-IT services</i>	871	877
<i>External IT services</i>	708	798
<i>Property, plant and equipment related expenses</i>	352	353
<i>Communications & publications</i>	250	211
<i>Operating leasing expenses</i>	156	150
<i>Missions</i>	115	66
<i>Training costs</i>	65	24
<i>Office supplies and maintenance</i>	70	47
<i>Other</i>	3	12
Total	2 590	2 539

The most significant increase under this heading is for the mission expenses category due to a significant increase in the number of missions (and associated costs) in 2024. Their increase is a consequence of going back from COVID mode to in-person meetings.

The second increase is attributed to the training costs such as language and financial related trainings taken by the BEREC Office staff in 2024.

The increase in the Office supplies and maintenances is mainly due IT non-asset related expenditure such as IT accessories and extended warranties.

The increase under Communications & publications is mainly due to the increase of the Internet connectivity and VPN services, services offered by the Latvian State Radio and Television Centre (rent of server rack, fiber optical data and electricity fee), Liaison Office costs for 2024 and other communication related activities.

The category of External IT services shows a marked decrease, primarily because of completion and non-renewal of several IT-related contracts, including firewall protection and multi-authentication services, ICT video-conferencing and connectivity solutions and the BERECNet+ migration.

A slight decrease of expenses in the External non-IT services is due to the fact that in 2024 the BEREC Office used less interim workers' service compared to 2023 to fill in vacant posts.

The decrease mentioned under Other section is mainly attributed to the decrease in the expensed related to the recruitment costs comparatively less than in 2023.

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:

<i>EUR'000</i>				
	Future amounts to be paid			
	< 1 year	1- 5 years	> 5 years	Total
Buildings	136	341	-	477

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 Brussels⁸, 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.

Following the signature on the provision of physical security, the estimated 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
Administrative contract		69	-	-	69

⁸ Internal document available upon request.

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	
	31.12.2024	31.12.2023
<i>Outstanding commitments not yet expensed</i>	572	621

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 30 June 2024, for 1.706 m² (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 11.607,12 EUR, thus 6,80 EUR/m².

From 1st July until 31st of December 2024, for 1.706 m² (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 11.325,92 EUR, thus 6.64 EUR/m².

According to a study published⁹, in Q4 2024 the average rental price of office space in Riga was between 11 - 15 EUR/m² demonstrating the current attractive rental fee for the BEREC Office in this comparison.

⁹ [Baltic Real Estate Market Snapshot, Q4 2024](#)

4.3. KEY MANAGEMENT ENTITLEMENTS

	31.12.2024	31.12.2023
Director	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.

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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 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	2024	2023
Revenue		8 103	7 848¹⁰
of which:			
European Union subsidy	2	7 933	7 697
Third countries contribution (including EFTA and candidates)	3	7	0
Other contributions (Members States and National Regulatory Authorities)	4	163	135
Administrative operations and miscellaneous income	5	0.03	16
Expenditure		(7 226)	(6 915)
of which:			
Staff expenditure	1	(4 913)	(4 527)
Administrative expenditure	2	(1 415)	(1 409)
Operational expenditure	3	(898)	(980)
Payment appropriat. carried over to the following year		(865)	(905)¹¹
of which:			
Staff expenditure	1	(176)	(151)
Administrative expenditure	2	(291)	(279)
Operational expenditure	3	(399)	(475)
Cancellation of unused approp. carried over from year n-1		25	10
Evolution of assigned revenue (B)-(A)		(12)	(21)
Unused appropriations at the end of current year (A)		87	76
Unused appropriations at the end of previous year (B)		76	55
Exchange rate differences		0	(0)
Budget result		25	17

¹⁰ Including 249.00 EUR of IC4 credits, which were regularized/cleared against non-budgetary account in 2024.

¹¹ Including 249.00 EUR of C4 credits, which were regularised/cleared against non-budgetary account in 2024.

3. RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

	EUR'000	
	2024	2023
ECONOMIC RESULT OF THE YEAR	368	71
Adjustment for accrual items (items not in the budgetary result but included in the economic result)	787	1 074
Adjustments for Accrual Cut-off (net)	(310)	(370)
Depreciation amortization and impairment of intangible and tangible assets	218	180
Payments made from carried-over payment appropriations	880	1 265
Other Individually immaterial	(1)	0
Adjustment for budgetary items (items included in the budgetary result but not in the economic result)	(1 130)	(1 129)
Asset acquisitions (less unpaid amounts)	(311)	(237)
New pre-financing received in the year N and remaining open as at 31 December	32	21
Payment appropriations carried over to next year	(953)	(981)
Cancellation of unused carried over payment appropriations from previous year	25	14
Payment appropriations carried over to year N - assigned revenue	76	55
BUDGET RESULT OF THE YEAR	25	17

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	10=5-8
20-0	European Union subsidy	0	0	7 933	0	7 933	7 933	0	7 933	-	0
Total Chapter 20-0		0	0	7 933	0	7 933	7 933	0	7 933	-	0
Total Title 20-0		0	0	7 933	0	7 933	7 933	0	7 933	-	0

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	
30-0 Third countries contribution (including EFTA and candidates)	0	0	7	0	7	7	0	7	-	0
Total Chapter 30-0	0	0	7	0	7	7	0	7	-	0
Total Title 30-0	0	0	7	0	7	7	0	7	-	0

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	
40-0 Other contributions (Members States and National Regulatory Authorities)	0	0	163	0	163	163	0	163	-	0
Total Chapter 40-0	0	0	163	0	163	163	0	163	-	0
Total Title 40-0	0	0	163	0	163	163	0	163	-	0

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	Administrative operations and miscellaneous income	0	0	0	0	0	0	0	0	-	0
Total Chapter 50-0		0	0	0	0	0	0	0	0	-	0
Total Title 50-0		0	0	0	0	0	0	0	0	-	0
GRAND TOTAL		0	0	8 103	0	8 103	8 103	0	8 103	-	0

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 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	Temporary Agents' salaries and allowances and employer's social security contributions				0			
	2 283	0	(176)	2 107		0	0	2 107
1111	Contract staff and Seconded National Experts							
	1 945	0	1	1 945	0	0	0	1 945
1200	Recruitment expenses							
	10	0	(8)	2	0	0	0	2
1300	Mission expenses, duty travel expenses and other ancillary expenditure							
	80	0	14	94	0	0	0	94
1400	Medical expenditure							
	15	0	(11)	4	0	0	0	4
1500	Training							
	56	0	5	61	0	0	0	61

1600	External services	401	82	220	703	0	238	238	941
1700	Representation, receptions and events, and miscellaneous staff expenses	10	0	6	16	0	0	0	16
Total Title 1		4 800	82	50	4 931	0	238	238	5 169

5.1.2. Breakdown & changes in commitment appropriations – Title 2

EUR'000

	Item	Budget appropriations				Additional appropriations			Total approp. available
		Initial adopted budget 1	Amending budgets 2	Transfers 3	Final adopted budget 4=1+2+3	Carry-overs 5	Assigned revenue 6	Total 7=5+6	
2000	Rental of buildings and associated costs	286	0	(65)	221	0	0	0	221
2100	Information and Communication Technology and Security	1 171	0	(0)	1 170	0	0	0	1 170
2200	Movable property and logistic services	37	0	3	41	0	1	1	41
2300	Legal and other operating services	232	0	10	242	0	0	0	242
2400	Non-operational media and public relations	26	0	4	30	0	0	0	30
2500	Non-operational meetings	2	0	(1)	1	0	0	0	1
Total Title 2		1 754	0	(49)	1 705	0	1	1	1 706

5.1.3. Breakdown & changes in commitment appropriations – Title 3

EUR'000

Item	Budget appropriations				Additional appropriations			Total apppr. 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	
3001 BEREC Programme Management Support	339	0	(29)	311	0	0	0	311
3101 Operation and Strategic Support to BEREC	958	0	28	986	0	7	7	993
Total Title 3	1 298	0	(1)	1 297	0	7	7	1 304
GRAND TOTAL	7 851	82	(0)	7 933	0	246	246	8 179

5.2. Breakdown & changes in payment appropriations

5.2.1. Breakdown & changes in payment appropriations – Title 1

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
1100 Temporary Agents' salaries and allowances and employer's social security contributions	2 283	0	(176)		2 107	0	0	0	2 107
1111 Contract staff and Seconded National Experts	1 945	0	1		1 945	0	0	0	1 945
1200 Recruitment expenses	10	0	(8)		2	7	0	7	8
1300 Mission expenses, duty travel expenses and other ancillary expenditure	80	0	14		94	22	0	22	116
1400 Medical expenditure	15	0	(11)		4	0	0	0	4
1500 Training	56	0	5		61	14	0	14	74
1600 External services	401	82	220		703	109	238	347	1 050
1700 Representation, receptions and events, and miscellaneous staff expenses	10	0	6		16	0	0	0	16
Total Title 1	4 800	82	50		4 931	151	238	390	5 321

5.2.2. Breakdown & changes in payment 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	8=4+7
2000 Rental of buildings and associated costs	286	0	(65)	221	24	0	24	245
2100 Information and Communication Technology and Security	1 171	0	(0)	1 170	161	0	161	1 331
2200 Movable property and logistic services	37	0	3	41	0	1	1	41
2300 Legal and other operating services	232	0	10	242	94	0	94	336
2400 Non-operational media and public relations	26	0	4	30	0	0	0	30
2500 Non-operational meetings	2	0	(1)	1	0	0	0	1
Total Title 2	1 754	0	(49)	1 705	279	1	280	1 985

5.2.3. Breakdown & changes in payment appropriations – Title 3

EUR'000

Item	Budget appropriations				Additional appropriations			Total apppr. 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	339	0	(29)	311	126	0	126	437
3101 Operation and Strategic Support to BEREC	958	0	28	986	349	7	356	1 342
Total Title 31-0	1 298	0	(1)	1 297	475	7	482	1 779
GRAND TOTAL	7 851	82	(0)	7 933	905	246	1 152	9 084

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 2024			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	2 107	2 107	0	0	2 107	100 %	0	0	0	0	0	0	0
1111	Contract staff and Seconded National Experts	1 945	1 945	0	0	1 945	100 %	0	0	0	0	0	0	0
Total Chapter 11		4 052	4 052	0	0	4 052	1	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	94	94	0	0	94	100 %	0	0	0	0	0	0	0
Total Chapter 13		94	94	0	0	94	100 %	0	0	0	0	0	0	0
1400	Medical expenditure	4	4	0	0	4	100 %	0	0	0	0	0	0	0
Total Chapter 14		4	4	0	0	4	1	0	0	0	0	0	0	0

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	Item	Total approp. available	Commitments made					Appropriations carried over to 2024			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
1500	Training	61	61	0	0	61	100 %	0	0	0	0	0	0	0
Total Chapter 15		61	61	0	0	61	1	0	0	0	0	0	0	0
1600	External services	941	703	0	169	871	93 %	69	0	69	0	0	0	0
Total Chapter 16		941	703	0	169	871	1	69	0	69	0	0	0	0
1700	Representation, receptions and events, and miscellaneous staff expenses	16	16	0	0	16	100 %	0	0	0	0	0	0	0
Total Chapter 17		16	16	0	0	16	100%	0	0	0	0	0	0	0
Total TITLE 1		5 169	4 931	0	169	5 100	99%	69	0	69	0	0	0	0

5.3.2. Implementation of commitment appropriations – Title 2

EUR'000

		Total approp. available	Commitments made					Appropriations carried over to 2024			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
20-0	Rental of buildings and associated costs	221	221	0	0	221	100%	0	0	0	0	0	0	0
Total Chapter 20		221	221	0	0	221	100 %	0	0	0	0	0	0	0
20-0	Information and Communication Technology and Security	1 170	1 170	0	0	1 170	100%	0	0	0	0	0	0	0
Total Chapter 21		1 170	1 170	0	0	1 170	100 %	0	0	0	0	0	0	0
20-0	Movable property and logistic services	41	41	0	1	41	100%	0	0	0	0	0	0	0
Total Chapter 22		41	41	0	1	41	100 %	0	0	0	0	0	0	0
20-0	Legal and other operating services	242	242	0	0	242	100%	0	0	0	0	0	0	0
Total Chapter 23		242	242	0	0	242	100 %	0	0	0	0	0	0	0
20-0	Non-operational media and public relations	30	30	0	0	30	100%	0	0	0	0	0	0	0
Total Chapter 24		30	30	0	0	30	100 %	0	0	0	0	0	0	0
20-0	Non-operational meetings	1	1	0	0	1	100%	0	0	0	0	0	0	0
Total Chapter 25		1	1	0	0	1	100 %	0	0	0	0	0	0	0
Total TITLE 2		1 706	1 705	0	1	1 706	100 %	0	0	0	0	0	0	0

5.3.3. Implementation of commitment appropriations – Title 3

EUR'000

	Item	Total approp. availabl e	Commitments made					Appropriations carried over to 2024			Appropriations lapsing			
			from final adopt. budget	from carry- overs	from assign. revenue	Total	%	Assign. revenue	By decisio n	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
3001	BEREC Programme Management Support	311	311	0	0	311	100 %	0	0	0	0	0	0	0
Total Title 30-0		311	311	0	0	311	100%	0	0	0	0	0	0	0
3101	Operation and Strategic Support to BEREC	993	986	0	0	986	99 %	7	0	7	0	0	0	0
Total Chapter 31		993	986	0	0	986	99%	7	0	7	0	0	0	0
Total Title 3		1 304	1 297	0	0	1 297	99%	7	0	7	0	0	0	0
GRAND TOTAL		8 179	7 933	0	170	8 102	99%	77	0	77	0	0	0	0

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 2024				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
1100	Temporary Agents' salaries and allowances and employer's social security contributions	2 107	2 107	0	0	2 107	100%	0	0	0	0	0	0	0	0
1111	Contract staff and Seconded National Experts	1 945	1 945	0	0	1 945	100%	0	0	0	0	0	0	0	0
Total Chapter 11		4 052	4 052	0	0	4 052	100%	0	0	0	0	0	0	0	0
1200	Recruitment expenses	8	2	7	0	8	100%	0	0	0	0	0	0	0	0
Total Chapter 12		8	2	7	0	8	100%	0	0	0	0	0	0	0	0
1300	Mission expenses, duty travel expenses and other ancillary expenditure	116	87	21	0	108	93%	7	0	0	7	0	1	0	1
Total Chapter 13		116	87	21	0	108	93%	7	0	0	7	0	1	0	1
1400	Medical expenditure	4	4	0	0	4	100%	0	0	0	0	0	0	0	0
Total Chapter 14		4	4	0	0	4	100%	0	0	0	0	0	0	0	0
1500	Training	74	40	14	0	54	72%	21	0	0	21	0	0	0	0
Total Chapter 15		74	40	14	0	54	72%	21	0	0	21	0	0	0	0
1600	External services	1 050	555	106	158	818	78%	148	0	80	228	0	3	0	3

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	Item	Total approp. availab.	Payments made					Appropriations carried over to 2024				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
		Total Chapter 16		1 050	555	106	158	818	78%	148	0	80	228	0	3
1700	Representation, receptions and events, and miscellaneous staff expenses	16	16	0	0	16	100%	0	0	0	0	0	0	0	0
Total Chapter 17		16	16	0	0	16	100%	0	0	0	0	0	0	0	0
Total Title 1		5 321	4 755	147	158	5 061	95%	176	0	80	256	0	4	0	4

5.4.2. Implementation of payment appropriations – Title 2

EUR'000

	Item	Total approp · availab ·	Payments made					Appropriations carried over to 2024				Appropriations lapsing			
			from final adopt. budget	from carry- overs	from assign. revenu e	Total	%	Autom. carry- overs	By decision	Assigne d 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	245	183	22	0	205	84%	38	0	0	38	0	2	0	2
Total Chapter 20		245	183	22	0	205	84%	38	0	0	38	0	2	0	2
2100	Information and Communicatio n Technology and Security	1 331	953	159	0	1 113	84%	217	0	0	217	0	1	0	1
Total Chapter 21		1 331	953	159	0	1 113	84%	217	0	0	217	0	1	0	1
2200	Movable property and logistic services	41	29	0	1	30	72%	12	0	0	12	0	0	0	0
Total Chapter 22		41	29	0	1	30	72%	12	0	0	12	0	0	0	0
2300	Legal and other operating services	336	223	94	0	317	94%	19	0	0	19	0	0	0	0
Total Chapter 23		336	223	94	0	317	94%	19	0	0	19	0	0	0	0
2400	Non-operational media and public relations	30	24	0	0	25	82%	5	0	0	5	0	0	0	0
Total Chapter 24		30	24	0	0	25	82%	5	0	0	5	0	0	0	0

	Item	Total approp · availab ·	Payments made					Appropriations carried over to 2024				Appropriations lapsing			
			from final adopt. budget	from carry- overs	from assign. revenu e	Total	%	Autom. carry- overs	By decision	Assigne d 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
2500	Non-operational meetings	1	1	0	0	1	100%	0	0	0	0	0	0	0	0
Total Chapter 25		1	1	0	0	1	100%	0	0	0	0	0	0	0	0
Total Title 2		1 985	1 414	276	1	1 691	85%	291	0	0	291	0	3	0	3

5.4.3. Implementation of payment appropriations – Title 3

EUR'000

	Item	Total approp. availab.	Payments made												
			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	437	234	123	0	356	82%	77	0	0	77	0	3	0	3
Total Chapter 30		437	234	123	0	356	82%	77	0	0	77	0	3	0	3
3101	Operation and Strategic Support to BEREC	1 342	664	334	0	999	74%	322	0	7	329	0	15	0	15
Total Chapter 31		1 342	664	334	0	999	74%	322	0	7	329	0	15	0	15
Total Title 3		1 779	898	457	0	1 355	76%	399	0	7	406	0	18	0	18
GRAND TOTAL T1-T3		9 084	7 067	880	159	8 106	89%	865	0	87	953	0	25	0	25

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 forward from previous year	Decommit. Revaluation Cancellations	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	0	0	0	0	2 107	2 107	0	0	0
1111	Contract staff and Seconded National Experts	0	0	0	0	1 945	1 945	0	0	0
Total Chapter 11		0	0	0	0	4 052	4 052	0	0	0
1200	Recruitment expenses	7	0	7	0	2	2	0	0	0
Total Chapter 12		7	0	7	0	2	2	0	0	0
1300	Mission expenses, duty travel expenses and other ancillary expenditure	22	(1)	21	0	94	87	0	7	7
Total Chapter 13		22	(1)	21	0	94	87	0	7	7

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	Item	Commitments outstanding at the end of previous year				Commitments of the current year				Total commitm. outstanding at year-end
		Commitm. carried forward from previous year	Decommit. Revaluation Cancellations	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	
1400	Medical expenditure	0	0	0	0	4	4	0	0	0
Total Chapter 14		0	0	0	0	4	4	0	0	0
1500	Training	14	0	14	0	61	40	0	21	21
Total Chapter 15		14	0	14	0	61	40	0	21	21
10-0	External services	109	(3)	106	0	871	712	0	159	159
Total Chapter 16		109	(3)	106	0	871	712	0	159	159
10-0	Representation, receptions and events, and miscellaneous staff expenses	0	0	0	0	16	16	0	0	0
Total Chapter 17		0	0	0	0	16	16	0	0	0
Total Title 1		151	(4)	147	0	5 100	4 913	0	186	186

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	
2000	Rental of buildings and associated costs	24	(2)	22	0	221	183	0	38	38
Total Chapter 20		24	(2)	22	0	221	183	0	38	38
2100	Information and Communication Technology and Security	161	(1)	159	0	1 170	953	0	217	217
Total Chapter 21		161	(1)	159	0	1 170	953	0	217	217
2200	Movable property and logistic services	0	(0)	0	0	41	30	0	12	12

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		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	
Total Chapter 22		0	(0)	0	0	41	30	0	12	12
2300	Legal and other operating services	94	0	94	0	242	223	0	19	19
Total Chapter 23		94	0	94	0	242	223	0	19	19
2400	Non-operational media and public relations	0	(0)	0	0	30	24	0	5	5
Total Chapter 24		0	(0)	0	0	30	24	0	5	5
2500	Non-operational meetings	0	0	0	0	1	1	0	0	0
Total Chapter 25		0	0	0	0	1	1	0	0	0
Total Title 2		279	(3)	276	0	1 706	1 415	0	291	291

6.3. Outstanding commitments – Title 3

EUR'000

		Commitments outstanding at the end of previous year						Commitments of the current year		
	Item	Commitm. carried forward from previous year	Decommit. Revaluation Cancellations	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	Total commitm. outstanding 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	126	(3)	123	0	311	234	0	77	77
Total Chapter 30		126	(3)	123	0	311	234	0	77	77
3101	Operation and Strategic Support to BEREC	349	(15)	334	0	986	664	0	322	322
Total Chapter 31		349	(15)	334	0	986	664	0	322	322
Total Title 3		475	(18)	457	0	1 297	898	0	399	399
GRAND TOTAL T1-T3		905	(25)	880	0	8 102	7 226	0	876	876

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.