

**OPINION AB 01/2016**  
**OF THE ADMINISTRATIVE BOARD**  
**OF THE AGENCY FOR THE COOPERATION OF ENERGY REGULATORS**  
**of 7 June 2016**  
**on the approval of the final accounts for the financial year 2015**

THE ADMINISTRATIVE BOARD OF THE AGENCY FOR THE COOPERATION OF ENERGY REGULATORS,

Having regard to Regulation (EC) No 713/2009 of the European Parliament and of the Council of 13 July 2009 establishing an Agency for the Cooperation of Energy Regulators<sup>1</sup>, and, in particular, Article 24(5) thereof,

Having regard to Decision AB No 22/2013 of the Administrative Board of the Agency for the Cooperation of Energy Regulators of 12 December 2013 on the adoption of the Financial Regulation of the Agency for the Cooperation of Energy Regulators, and, in particular, Article 99(2) and (3) thereof,

Whereas:

- (1) On 19 April 2016, the European Court of Auditors issued its preliminary observations with a view to report on the annual accounts of the Agency for the Cooperation of Energy Regulators (hereinafter referred to as the “Agency”) for the financial year 2015.
- (2) On 13 May 2016, the Director submitted to the Administrative Board the final accounts of the Agency for the financial year 2015.

**HAS ADOPTED THIS OPINION:**

**Article 1**

The Administrative Board takes note of the preliminary observations of the European Court of Auditors on the annual accounts of the Agency for the financial year 2015, attached as Annex I to this Opinion.

**Article 2**

The Administrative Board hereby endorses the final accounts of the Agency for the financial year 2015, attached as Annex II to this Opinion.

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<sup>1</sup> OJ L211, 14.8.2009, p.1.

**Article 3**

The Administrative Board invites the Director to take immediate actions to address the comments made by the Court of Auditors in its preliminary observations, where relevant, and to report, in due course, on the actions taken.

**Article 4**

This Opinion shall be communicated, together with the final accounts, to the accounting officer of the Commission, the Court of Auditors, the European Parliament, and the Council by 1 July 2016.

Done at Ljubljana, on 7 June 2016.

For the Administrative Board:

**SIGNED**

Dr. Romana Jordan  
Chair of the Administrative Board



## **Annex I**



EUROPEAN  
COURT  
OF AUDITORS

## **Preliminary observations**

**with a view to a report on the annual accounts  
of the Agency for the Cooperation of Energy Regulators  
for the financial year 2015**

**These preliminary observations were adopted by Chamber IV at its meeting of 19 April 2016.**

## **INTRODUCTION**

1. The Agency for the Cooperation of Energy Regulators (hereinafter “the Agency”, aka “ACER”), which is located in Ljubljana, was created by Regulation (EC) No 713/2009 of the European Parliament and of the Council<sup>2</sup>. The Agency’s main task is to assist National Regulatory Authorities in exercising, at Union level, the regulatory tasks that they perform in the Member States and, where necessary, to coordinate their action. Under the REMIT regulation<sup>3</sup>, the Agency was given additional responsibilities, together with national regulatory authorities, regarding the monitoring of the European wholesale energy market.
2. [Table 1 presents key figures for the Agency<sup>4</sup>.

**TABLE 1: KEY FIGURES FOR THE AGENCY**

	2014	2015
Budget (million euro)	10,9	11,3
Total staff as at 31 December <sup>5</sup>	72	80

*Source: data provided by the Agency.]*

## **INFORMATION IN SUPPORT OF THE STATEMENT OF ASSURANCE**

3. The audit approach taken by the Court comprises analytical audit procedures, direct testing of transactions and an assessment of key controls of the Agency’s supervisory and control systems. This is supplemented by evidence provided by the work of other auditors and an analysis of management representations.

### **STATEMENT OF ASSURANCE**

4. Pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

<sup>2</sup> OJ L 211, 14.8.2009, p. 1.

<sup>3</sup> Regulation No 1227/2011 of the European Parliament and of the Council (OJ L 326, 8.12.2011, p. 1), which assigns an important role to the Agency in supervising trading in wholesale energy markets across Europe.

<sup>4</sup> More information on the Agency’s competences and activities is available on its website: [www.acer.europa.eu](http://www.acer.europa.eu).

<sup>5</sup> Staff includes officials, temporary and contract staff and seconded national experts.]

- a) the annual accounts of the Agency, which comprise the financial statements<sup>6</sup> and the reports on the implementation of the budget<sup>7</sup> for the financial year ended 31 December 2015, and
- b) the legality and regularity of the transactions underlying those accounts.

***The management's responsibility***

5. The management is responsible for the preparation and fair presentation of the annual accounts of the Agency and the legality and regularity of the underlying transactions<sup>8</sup>:

- a) The management's responsibilities in respect of the Agency's annual accounts include designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies on the basis of the accounting rules adopted by the Commission's accounting officer<sup>9</sup>; making accounting estimates that are reasonable in the circumstances. The Director approves the annual accounts of the Agency after its accounting officer has prepared them on the basis of all available information and established a note to accompany the accounts in which he declares, inter alia, that he has reasonable assurance that they present a true and fair view of the financial position of the Agency in all material respects.
- b) The management's responsibilities in respect of the legality and regularity of the underlying transactions and compliance with the principle of sound financial management consist of designing, implementing and maintaining an effective and efficient internal control system comprising adequate supervision and appropriate measures to prevent irregularities and fraud and, if necessary, legal proceedings to recover funds wrongly paid or used.

<sup>6</sup> These include the balance sheet and the statement of financial performance, the cash flow table, the statement of changes in net assets and a summary of the significant accounting policies and other explanatory notes.

<sup>7</sup> These comprise the budgetary outturn account and the annex to the budgetary outturn account.

<sup>8</sup> Articles 39 and 50 of Commission Delegated Regulation (EU) No 1271/2013 (OJ L 328, 7.12.2013, p. 42).

<sup>9</sup> The accounting rules adopted by the Commission's accounting officer are derived from the International Public Sector Accounting Standards (IPSAS) issued by the International Federation of Accountants or, where relevant, the International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board.

***The auditor's responsibility***

6. The Court's responsibility is, on the basis of its audit, to provide the European Parliament and the Council<sup>10</sup> with a statement of assurance as to the reliability of the annual accounts and the legality and regularity of the underlying transactions. The Court conducts its audit in accordance with the IFAC International Standards on Auditing and Codes of Ethics and the INTOSAI International Standards of Supreme Audit Institutions. These standards require the Court to plan and perform the audit to obtain reasonable assurance as to whether the annual accounts of the Agency are free from material misstatement and the transactions underlying them are legal and regular.

7. The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the accounts and the legality and regularity of the underlying transactions. The procedures selected depend on the auditor's judgement, which is based on an assessment of the risks of material misstatement of the accounts and material non-compliance by the underlying transactions with the requirements in the legal framework of the European Union, whether due to fraud or error. In assessing these risks, the auditor considers any internal controls relevant to the preparation and fair presentation of the accounts, as well as the supervisory and control systems that are implemented to ensure the legality and regularity of underlying transactions, and designs audit procedures that are appropriate in the circumstances. The audit also entails evaluating the appropriateness of accounting policies, the reasonableness of accounting estimates and the overall presentation of the accounts. In preparing this report and Statement of Assurance, the Court considered the audit work of the independent external auditor performed on the Agency's accounts as stipulated in Article 208(4) of the EU Financial Regulation<sup>11</sup>.

8. The Court considers that the audit evidence obtained is sufficient and appropriate to provide a basis for its statement of assurance.

**Opinion on the reliability of the accounts**

9. In the Court's opinion, the Agency's annual accounts present fairly, in all material respects, its financial position as at 31 December 2015 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer.

<sup>10</sup> Article 107 of Regulation (EU) No 1271/2013.

<sup>11</sup> Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council (OJ L 298, 26.10.2012, p. 1).

**Opinion on the legality and regularity of the transactions underlying the accounts**

10. In the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2015 are legal and regular in all material respects.

**[Other matter**

11. Without calling into question the opinion expressed in paragraph 9, the Court draws attention to the fact that the annual accounts of the Agency were verified by an independent external auditor and that the Court considered the verification results when preparing its own audit opinion, as stipulated in Article 208(4) of the EU Financial Regulation. Under International Standards on Auditing, an auditor making use of another auditor's results is required to review their reliability. This review work is ongoing and the Court's opinion on the reliability of the accounts is subject to confirmation of the reliability of the independent external auditor's results.]

12. The comments which follow do not call the Court's opinions into question.

**COMMENTS ON BUDGETARY MANAGEMENT**

13. The Agency carried over 1,36 million euro, i.e. 59 % of its committed appropriations for Title III operational expenditure (2014: 1,57 million euro, i.e. 62 %). These carry-overs were mainly related to the implementation of REMIT (1,1 million euro), a complex operational activity on wholesale energy market integrity and transparency of a multiannual nature. The Agency also carried over 0,79 million euro, i.e. 35 % (2014: 0,98 million euro, i.e. 41 %) of committed appropriations for Title II administrative expenditure, mainly related to studies and services not yet delivered in 2015.

**FOLLOW-UP OF PREVIOUS YEAR'S COMMENTS**

14. An overview of the corrective actions taken in response to the Court's comments from the previous year is provided in Annex I.



**Annex I**

**Follow-up of previous year's comments**

<b>Year</b>	<b>Court's comment</b>	<b>Status of corrective action (Completed / Ongoing / Outstanding / N/A)</b>
<b>2014</b>	<p>The Agency carried over 1,57 million euro, i.e. 62 %, of committed appropriations for title III operational expenditure (2013: 3,1 million euro, i.e. 91 %). These carry-overs were mainly related to the implementation of REMIT, a complex multi-annual operational activity for which the Implementing Regulation was only adopted on 17 December 2014<sup>12</sup>. The Agency also carried over 0,98 million euro, i.e. 41 % (2013: 1,9 million euro, i.e. 56 %), of committed appropriations for title II administrative expenditure, mainly related to studies for the implementation of REMIT and annual contracts renewed towards the year end.</p>	<b>N/A</b>
<b>2014</b>	<p>In October 2013, through a budget amendment, the Agency received an additional 3 million euro in appropriations to implement REMIT, which it carried over to 2014. However, according to the Implementing Regulation the REMIT framework will only become operational in October 2015. Part of the funds was spent in 2014 on preparation for the implementation of REMIT. At the end of 2014, the Agency made two pre-financing payments amounting to 1,56 million euro for contracts on REMIT-related services to be provided in the period 2015 to 2017, thereby avoiding an automatic return to the Commission of the unused funds<sup>13</sup>. Although this will allow the Agency to finance its future REMIT-related activities, this is in contradiction with the budgetary principle of annuality.</p>	<b>N/A</b>
<b>2014</b>	<p>According to the Seat Agreement between the Agency and the Slovenian government a European School will be established in Slovenia. However, more than four years after the agreement no European School has been set up.</p>	<b>Outstanding</b>

<sup>12</sup> Commission Implementing Regulation (EU) No 1348/2014 (OJ L 363, 18.12.2014, p. 121).

<sup>13</sup> Article 13 of the EU Financial Regulation stipulates that amounts can be carried over for one financial year only.

**Final Accounts of the European  
Agency for the Cooperation of  
Energy Regulators**

and

**Report on Budgetary and Financial  
Management**

1 January – 31 December 2015

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## **CERTIFICATION OF ANNUAL ACCOUNTS**

The annual accounts of the Agency for the Cooperation of Energy Regulators (hereinafter 'the Agency') for the year 2015 have been prepared in accordance with Title IX of the Agency's Financial Regulation as well as the accounting rules adopted by the European Commission's Accounting Officer.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the Agency in accordance with Article 50 of the Agency's Financial Regulation.

I have obtained from the authorising officer, who certified its reliability, all the necessary information for the production of the accounts that show the Agency's assets and liabilities and the budgetary implementation.

I hereby certify that 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 Agency.

13 April 2016

(signed electronically)

Rodica Mandroc,  
Accounting and Budget Officer

## INTRODUCTION

### LEGAL BASIS

The Agency for the Cooperation of Energy Regulators with seat in Ljubljana (Slovenia) has been established by Regulation (EC) No 713/2009 of the European Parliament and of the Council of 13 July 2009 (the “founding Regulation”).

The overall mission of the Agency, according to its founding Regulation, is to assist national regulatory authorities (NRAs) in exercising, at Union level, the regulatory tasks performed in the Member States and, where necessary, to coordinate their action.

The Agency’s activities are also governed by the following regulations:

- Regulation (EU) No 838/2010 of 23 September 2010 of the European Parliament and of the Council on Inter-TSO Compensation Mechanism;
- Regulation (EU) No 1227/2011 of 25 October 2011 of the European Parliament and of the Council on wholesale energy market integrity and transparency;
- Regulation (EU) No 347/2013 of 17 April 2013 of the European Parliament and of the Council on guidelines for trans-European energy infrastructure and repealing Decision No 1364/2006/EC and amending Regulation (EC) No 713/2009, (EC) No 714/2009 and (EC) No 715/2009.

### BACKGROUND INFORMATION

According to the founding Regulation, the Agency’s governing bodies on administrative matters are the Administrative Board and the Director.

The Director of the Agency, Mr Alberto Pototschnig, is, according to Article 17 of the founding Regulation, responsible for representing the Agency and in charge of its management.

The Administrative Board, chaired by Ms Romana Jordan, is composed of nine members with two members appointed by the European Parliament, five members appointed by the Council and two members appointed by the Commission. Each member has an alternate.

The Administrative Board shall give an opinion on the final accounts of the Agency as drawn up by the Director in accordance with Article 24(4) and (5) of the founding Regulation.

The Agency’s expenditures for 2015 were integrally financed through an annual subsidy from the general budget of the European Union.

In accordance with Article 43(1) of the Decision AB No. 22/2011 of the Administrative Board of the Agency for the Cooperation of Energy Regulators of 22 September 2011, Ms Rodica

Mandroc was appointed on 22 September 2011 as the Accounting and Budget Officer of the Agency<sup>1</sup>.

The following accounts together with a report on budgetary and financial management have been drawn up in accordance with Articles 92 – 99 of Decision AB 22/2013 of the Administrative Board of the Agency for the Cooperation of Energy Regulators of 12 December 2013 on the adoption of the Financial Regulation of the Agency for the Cooperation of Energy Regulators (‘the Agency’s Financial Regulation’) and Article 24 of the founding Regulation.

### **FINANCIAL STATEMENTS**

The revenues of the Agency’s mainly comprise the annual subsidy from the general budget of the Union (€10,513,574.00) and some minor revenues (€1,036.64) recorded during the year steaming from exchange rate gains.

The Statement of Financial Performance for the year ending 31 December 2015 shows a result of €1,364,055.55 compared to €580,271.40 at the end of 2014.

The impact on the budgetary result is presented and detailed in the second part of this annual accounts report.

The following financial statements and notes have been drawn up for the financial year ending 31 December 2015.

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<sup>1</sup> AB Decision No. 23/2011 of the Administrative Board of the Agency for the Cooperation of Energy Regulators of 22 September 2011.

**STATEMENT OF FINANCIAL PERFORMANCE**

<i>for the year ending 31 December 2015</i>	<b>Notes</b>	<b>1 January - 31 December 2015 €</b>	<b>1 January - 31 December 2014 €</b>
<b>REVENUE</b>	<b>1</b>		
European Commission subsidy		10,513,574.00	10,174,912.15
Other operating revenue		1,036.64	(219,655.35)
<b>TOTAL OPERATING REVENUE</b>		<b>10,514,610.64</b>	<b>9,955,256.80</b>
<b>ADMINISTRATIVE AND OPERATIONAL EXPENSES</b>	<b>2</b>		
Staff expenses		5,537,264.41	4,789,856.17
Fixed asset related expenses		201,703.51	260,414.54
Other administrative expenses		2,529,149.53	2,166,182.44
Operational expenses		882,197.64	2,158,420.82
<b>TOTAL ADMINISTRATIVE AND OPERATIONAL EXPENSES</b>		<b>9,150,315.09</b>	<b>9,374,873.97</b>
<b>SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES</b>		<b>1,364,295.55</b>	<b>580,382.83</b>
<b>FINANCIAL OPERATIONS</b>	<b>3</b>		
Financial operations expenses		240.00	111.43
<b>SURPLUS/ (DEFICIT) FROM FINANCIAL ACTIVITIES</b>		<b>(240.00)</b>	<b>(111.43)</b>
<b>ECONOMIC RESULT OF THE YEAR</b>		<b>1,364,055.55</b>	<b>580,271.40</b>

**BALANCE SHEET**

**ASSETS**

<i>as of 31 December 2015</i>	Notes	1 January - 31 December 2015 €	1 January - 31 December 2014 €
<b>NON-CURRENT ASSETS</b>			
Intangible fixed assets	4	5,087,602.90	2,920,071.47
Tangible fixed assets	5	371,230.39	433,807.13
Plant and equipment		234.36	726.31
Computer hardware		189,628.36	200,981.87
Furniture and vehicles		71,451.92	64,944.27
Other fixtures and fittings		109,915.75	167,154.68
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,458,833.29</b>	<b>3,353,878.60</b>
<b>CURRENT ASSETS</b>			
Short-term receivables	6	1,807,204.42	2,156,703.33
Current receivables		1,687,541.79	2,042,113.22
Sundry receivables		37,254.62	70,831.99
Prepaid expenses and accrued income		183,188.01	43,758.12
Cash and cash equivalents	7	2,980,779.39	3,372,278.26
<b>TOTAL CURRENT ASSETS</b>		<b>4,888,763.81</b>	<b>5,528,981.59</b>
<b>TOTAL CURRENT AND NON-CURRENT ASSETS</b>		<b>10,347,597.10</b>	<b>8,882,860.19</b>

**EQUITY AND LIABILITIES**

		1 January - 31 December 2015 €	1 January - 31 December 2014 €
<b>EQUITY</b>			
Accumulated surplus/(deficit)		7,685,416.43	7,105,145.03
Economic result of the year		1,364,055.55	580,271.40
<b>TOTAL EQUITY</b>		<b>9,049,471.98</b>	<b>7,685,416.43</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable	8	1,298,125.12	1,197,443.76
Current payables		17.78	348.38
Accrued expenses and deferred income		545,681.34	488,543.36
Accounts payable with consolidated entities		752,426.00	708,552.02
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,298,125.12</b>	<b>1,197,443.76</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>10,347,597.10</b>	<b>8,882,860.19</b>



## CASH FLOW STATEMENT

	1 January - 31 December 2015 €	1 January - 31 December 2014 €
<b>Surplus/(deficit) from operating activities</b>	<b>1,364,295.55</b>	<b>580,382.83</b>
<b>Cash Flows from Operating Activities</b>		
<u>Adjustments</u>		
Amortization (intangible fixed assets)	9,176.26	9,311.56
Depreciation (tangible fixed assets)	192,527.25	251,704.81
(Increase)/decrease in Short term Receivables	248,718.91	(1,358,567.19)
(Increase)/decrease in Other Liabilities	57,137.98	(18,859.15)
Increase/(decrease) in Current payables	(330.60)	348.38
Increase/(decrease) in Liabilities related to consolidated entities	43,873.98	289,568.21
<b>Net Cash Flow from Operating Activities</b>	<b>1,915,399.33</b>	<b>246,110.55</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of tangible and intangible fixed assets	(2,306,658.20)	(1,850,048.07)
<b>Net Cash Flow from Investing Activities</b>	<b>(2,306,658.20)</b>	<b>(1,850,048.07)</b>
<b>Financing Activities</b>		
Financial operations revenues/expenses	(240.00)	(111.43)
<b>Net Cash Flow from Financing Activities</b>	<b>(240.00)</b>	<b>(111.43)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(391,498.87)</b>	<b>(2,096,270.05)</b>
Cash and cash equivalents at the beginning of the period	3,372,278.26	5,468,548.31
<b>Cash and cash equivalents at the end of the period</b>	<b>2,980,779.39</b>	<b>3,372,278.26</b>

**STATEMENT OF CHANGES IN NET ASSETS**

*as at 31 December 2015*

<b>Net Assets</b>	<b>Opening balance</b>	<b>Economic result of the year</b>	<b>Total Net Assets</b>
	€	€	€
<b>Balance as of 1 January 2015</b>	7,685,416.43	0.00	7,685,416.43
Economic result of the year	0.00	1,364,055.55	1,364,055.55
<b>Balance as of 31 December 2015</b>	<b>7,685,416.43</b>	<b>1,364,055.55</b>	<b>9,049,471.98</b>

## NOTES TO THE FINANCIAL STATEMENTS

### ACCOUNTING POLICIES AND PRINCIPLES

The objective of the financial statements in general is to provide users with an overview on the financial performance, position and cash flow of an entity. For a public entity like the Agency this objective is more specific as the information contained is used in the decision making process as well as to demonstrate the accountability of the Agency towards the resources entrusted to it.

The financial statements for the year 2015 were prepared on the basis of the Commission Accounting Rules as laid down by the accounting officer of the Commission, applicable to the specific environment of the European Union and which are based on the International Public Sector Accounting Standards and International Financial Reporting Standards. The financial statements are prepared on an accrual basis whereas the reports on the implementation of the budget are prepared on a cash basis. Reconciliation between the two methods is presented in the second part of this annual accounts report.

The accounting system of the Agency contains general and budget accounts with the functional currency being Euro. The budget accounts provide a detailed picture on the implementation of the budget and are based on cash accounting principles. The general accounts prepared on an accrual accounting basis present the financial performance and position of the Agency as at the end of the financial year.

### CURRENCY AND BASIS FOR CONVERSION

#### Functional and reporting currency

The functional and reporting currency used in the preparation of the financial statements for the Agency is Euro.

#### Transactions

Foreign currency transactions were converted into euro in accordance with Article 6 of the Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union<sup>15</sup> using the official Commission exchange rates of the day on which the payment order was drawn up.

Foreign exchange gains and losses resulting from the settlement of transactions in foreign currency are recognised in the Statement of Financial Performance.

### CHART OF ACCOUNTS

The chart of accounts used by the Agency follows the structure of the chart of accounts used by the Commission (PCUE).

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<sup>15</sup> OJ L 362, 31/12/2012, p 1.

## STATEMENT OF FINANCIAL PERFORMANCE – NOTES

### 1. Revenue

The revenues of the Agency for the financial year 2015 consist of:

- the subsidy received from the general budget of the Union, and
- foreign exchange realised gains.

	31 December 2015	31 December 2014
	€	€
European Commission subsidy	10,513,574.00	10,174,912.15
Fixed assets income	0.00	411.62
Exchange rate gains	1,036.64	274.95
Other operating revenue	0.00	(220,341.92)
	<b>10,514,610.64</b>	<b>9,955,256.80</b>

### 2. Expenses

Staff expenses consist of personnel-related expenses such as salaries, allowances and other welfare benefits.

All salary calculations giving the total staff expenses included in the Statement of financial performance of the Agency are externalized to the Office for administration and payment of individual entitlements (also known as the Paymaster's Office-PMO) which is a central office of the European Commission.

The PMO's mission is to manage the financial rights of permanent, temporary and contractual staff working at the Commission, to calculate and to pay their salaries and other financial entitlements. The PMO provides these services to other EU institutions and agencies as well. The PMO is also responsible for managing the health insurance fund of the Institutions, together with processing and paying the claims of reimbursement from staff members. The PMO also manages the pension fund and pays the pensions of retired staff members. PMO is being audited by the Court of Auditors.

The Agency is only responsible for the communication to the PMO of reliable information allowing the calculation of the staff costs. It is also responsible to check that this information has been correctly handled in the monthly payroll report used for accounting payroll costs. It is not responsible for the calculation of the payroll costs performed by PMO.

Fixed assets-related expenses contain the charge of amortisation of intangible assets and the depreciation of tangible assets for the financial year ending 31 December 2015.

Other administrative expenses consist of costs associated with the building, office running costs, including the cost of physical inventory that does not qualify as financial assets, as well as the cost of interim personnel.

Operational expenses include the cost of operational missions, meetings, workshops, public hearings, REMIT project related costs and other operational expenditure incurred for the functioning of the Agency.

<b>Administrative and operational expenses</b>	<b>31 December 2015</b> €	<b>31 December 2014</b> €
Staff expenses	5,537,264.41	4,789,856.17
Fixed asset related expenses	201,703.51	260,414.54
Other administrative expenses	2,529,149.53	2,166,182.44
Operational expenses	882,197.64	2,158,420.82
	<b>9,150,315.09</b>	<b>9,374,873.97</b>

### 3. Financial expense

Financial expenses relate to bank charges for operating the Agency bank accounts.

<b>Financial expenses</b>	<b>31 December 2015</b> €	<b>31 December 2014</b> €
Financial operations expenses	240.00	111.43

## BALANCE SHEET - NOTES

### NON-CURRENT ASSETS

Assets are resources controlled by the Agency as a result of past events from which future economic benefits or service potential is expected to flow.

Fixed assets are assets with a useful life of more than one reporting period. The valuation of fixed assets in the financial statements of the Agency is based at their acquisition price. The book value of these assets is equal to their acquisition price increased or decreased by revaluations, decreased by depreciation and amounts written off.

For the record of fixed assets the Agency uses ABAC Assets2 as inventory application, which is an integrated part of the ABAC platform. Two main categories can be distinguished: intangible and tangible assets.

### 4. Intangible fixed assets

Intangible fixed assets recorded in the inventory of the Agency consist of assets without physical substance and are represented by acquisitioned software and internally generated intangible assets still under construction at year end. As intangible asset under construction the Agency records the relevant costs of the IT platform build to assist the Agency with the monitoring of the wholesale energy markets.

<b>Intangible assets at book value</b>	<b>31 December 2015</b> €	<b>31 December 2014</b> €
Intangible assets	1,302.08	5,800.33
Intangible assets under construction	5,086,300.82	2,914,271.14
	<b>5,087,602.90</b>	<b>2,920,071.47</b>

## 5. Tangible fixed assets

Assets with a physical substance recorded in the inventory of the Agency consist mainly of furniture, computer hardware, telecommunication and audio-visual equipment and other fixtures and fittings.

	31 December 2015 €	31 December 2014 €
<b>Tangible fixed assets at book value</b>		
Plant and equipment	234.36	726.31
Computer hardware	189,628.36	200,981.87
Furniture and vehicles	71,451.92	64,944.27
Other fixtures and fittings	109,915.75	167,154.68
	<b>371,230.39</b>	<b>433,807.13</b>

### Amortisation and depreciation

Depreciation and amortisation as a systematic allocation of the loss in value over the useful life of an asset is calculated using the straight-line method with the following rates:

Type of asset	Straight line depreciation and amortisation rate
Computer software	25%
Furniture	10%
Transport and kitchen equipment	12.5%
Computer hardware	25%
Technical equipment	25%
Telecommunication audio-visual equipment	25%

Details on the classification and depreciation amounts of the fixed assets can be found in the following table:

**FIXED ASSETS**  
**01.01.2015-31.12.2015**

Account number	Asset category	Opening balance	Additions during the year	Closing balance	Depreciation Rate and Method	Opening balance	Depreciation charge for the year	Accumulated Depreciation	Closing book value
21001000	Computer software	40,814.16	0.00	40,814.16	L 25%	35,013.83	4,498.25	39,512.08	1,302.08
21400001	Intangible assets under construction	2,914,271.14	2,172,029.68	5,086,300.82	0.00%	0.00	0.00	0.00	5,086,300.82
23001000	Plant, machinery and equipment	2,225.65	0.00	2,225.65	L 12,5%	1,499.34	491.95	1,991.29	234.36
24001000	Furniture and rolling stock	88,633.52	16,874.14	105,507.66	L 10%; 12,5%, 25%	23,689.25	10,366.49	34,055.74	71,451.92
24101000	Computer hardware	783,662.60	110,351.27	894,013.87	L 25%	582,680.73	121,704.78	704,385.51	189,628.36
24201000	Other fixtures and fittings	257,453.69	7,403.11	264,856.80	L 25%	90,299.01	64,642.04	154,941.05	109,915.75
<b>Totals</b>		<b>4,087,060.76</b>	<b>2,306,658.20</b>	<b>6,393,718.96</b>		<b>733,182.16</b>	<b>201,703.51</b>	<b>934,885.67</b>	<b>5,458,833.29</b>

## CURRENT ASSETS

### Receivables

Receivables are carried at original invoice amount less any write-down for impairment. A write-down for impairment of receivables is established only where there is objective evidence that the Agency will not be able to collect all amounts due according to the original terms of the receivables, with the impaired amount being recognised in the Statement of Financial Performance.

#### 6. Short-term receivables

The Agency benefits from a direct exemption for VAT from the Republic of Slovenia for purchases above the threshold amount of €60. For purchases where the direct exemption is impracticable to obtain, the VAT is refunded by the Republic of Slovenia on a quarterly basis.

The advance payments made to contractors and recorded as short-term pre-financing relate to services derived from the long term project of REMIT expected to be provided in the course of 2015.

Salary advances paid to staff members are processed and/or recovered by the Pay Master Office (PMO) from the staff member salary in the month following that of the payment.

Deferred charges consist of prepayments made during the year mainly on subscriptions and insurance premiums, recovery of overpaid salaries of staff members, and a deposit made for the rental of furnished offices from *Poslovni Center za Opravljanje Celovitih Pisarniskih Storitv d.o.o.*

	31 December 2015	31 December 2014
	€	€
VAT receivable	12,805.18	2,218.86
Short term pre-financing	1,674,736.61	2,039,894.36
Salary advances paid to staff	37,254.62	70,831.99
Deferred charges		
<i>Prepayments</i>	180,226.71	39,875.12
<i>Accrued income</i>	-	943.00
<i>Deposits and guarantees</i>	2,940.00	2,940.00
	<b>1,907,963.12</b>	<b>2,156,703.33</b>

#### 7. Cash and cash equivalents

The main bank account of the Agency and the imprest account are held with UniCredit AG Germany based on a banking services contract signed between the two parties. At 31 December 2015 the balance of the main bank account contained the related cash needed to honour the Agency's financial obligations carried over into 2016.



	<b>31 December 2015</b>	<b>31 December 2014</b>
	€	€
Bank account	2,976,580.17	3,359,200.55
Imprest account	3,419.39	12,427.77
Petty cash	779.83	649.94
	<b>2,980,779.39</b>	<b>3,372,278.26</b>

## **EQUITY AND LIABILITIES**

### **8. Current liabilities**

As of 31 December 2015 the Agency settled most of its current obligations towards its suppliers apart from one minor payment to be executed at the beginning of 2016.

Accrued expenses relate mainly to goods or service delivered at the end of the financial year but for which the invoices have not been received amounting to €468,812.21. According to Staff Regulation (Annex V – Leave, Article 4) the staff members are entitled to a compensation equal to one thirtieth of his/her monthly remuneration for each leave day due to him/her at the time of leaving the service. A holiday compensation amounting to €108,851.98 has been calculated and recognised as accrued expenses for all untaken annual leave entitlements as at the end of the 2015 financial year.

The budgetary outturn result remains the property of the European Commission and the Agency has an obligation to return the unused amount of the pre-financing. The 2015 related budgetary outturn will be returned during 2016 upon request of the Commission.

	<b>31 December 2015</b>	<b>31 December 2014</b>
	€	€
Accounts payable	17.78	348.38
Accrued expenses	545,681.34	488,543.36
Repayable positive budgetary outturn	752,426.00	708,552.02
	<b>1,298,125.12</b>	<b>1,197,443.76</b>

## **FINANCIAL INSTRUMENTS**

Financial instruments held by the Agency are cash and cash equivalents, receivables and payables. The Agency has limited exposure to financial risks and it focuses on managing the risks identified below:

### **Credit risk**

Credit risk arises when there is the possibility of the Agency's receivables defaulting on their contractual obligations resulting in financial loss for the Agency.

The maximum exposure to credit risk at the end of the financial year 2015 is the carrying amount of the assets shown under the notes 6 'Short-term receivable', excluding the amount

of short-term pre-financing that is already secured by bank guarantees, and note 7 'Cash and cash equivalents'.

Credit risk associated with the Agency's financial assets is minimal as the majority of them are held with institutions that have an external credit rating within the upper classes of the scale or are with debtors who never defaulted on their debt. The table below presents the credit quality of these assets that are neither impaired nor past due and that were grouped into two categories, with and without external credit rating, for the current and previous financial year.

Category:	Financial Assets	2015
<b>Counterparties with external credit rating</b>		
<i>Prime and high grade</i>		
<i>Upper medium grade</i>	Cash and cash equivalents	2,980,779.39
<i>Lower medium grade</i>	Refund of VAT from Slovenian customs office	12,805.18
<b>Counterparties without external credit rating</b>		
<i>Debtors who never defaulted</i>	Receivables, accruals and deferrals	220,442.63
<b>TOTAL</b>		<b>3,214,027.20</b>

Category:	Financial Assets	2014
<b>Counterparties with external credit rating</b>		
<i>Prime and high grade</i>		
<i>Upper medium grade</i>	Cash and cash equivalents	3,372,278.26
<i>Lower medium grade</i>	Refund of VAT from Slovenian customs office	2,218.86
<b>Counterparties without external credit rating</b>		
<i>Debtors who never defaulted</i>	Receivables, accruals and deferrals	114,590.11
<b>TOTAL</b>		<b>3,489,087.23</b>

### Liquidity risk

Liquidity risk arises when the Agency is unable to meet its financial obligations as they fall due. The Agency is exposed to liquidity risk through its trading in the normal course of business but has appropriate treasury management procedures in place to monitor forecast cash flows and ensure that sufficient funds are available to meet its legal commitments as they fall due.

The Agency's liabilities have remaining contractual maturities as shown in the following table:

<b>At 31 December</b>	<b>2015</b>	<b>2014</b>
<b>Payables with third parties</b>		
<i>Less than one year</i>	17.78	348.38
<b>Payables with consolidated entities</b>		
<i>Less than one year</i>	752,426.00	708,900.40
<b>TOTAL</b>	<b>752,443.78</b>	<b>709,248.78</b>

### Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Agency's income or the value of its holdings of financial instruments.

The Agency does not have any borrowings and as such no exposure to risks due to interest rate fluctuations nor does it have any exposure to foreign exchange rates as all its holdings of financial instruments are held in Euro as functional currency.

The following table shows a summary of all financial assets expressed in Euro.

<b>Exposure to Euro at 31 December</b>	<b>2015</b>	<b>2014</b>
<b>Monetary assets</b>		
<i>Cash and cash equivalents</i>	2,980,779.39	3,372,278.26
<i>Receivables with member States</i>	12,805.18	2,218.86
<b>Monetary liabilities</b>		
<i>Payables with third parties</i>	17.78	348.38
<i>Payables with consolidated entities</i>	752,426.00	708,552.02
<b>Net position</b>	<b>2,241,140.79</b>	<b>2,665,596.72</b>

### CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies for the financial year 2015.

### OTHER DISCLOSURE

#### Contribution in kind

During the financial year 2015 the following contribution in kind has been accepted:

From the Council of European Energy Regulators:

- office space, logistical and secretarial support for the Agency's liaison office in Brussels free of any rent, fees and charges.

Neither the legal title nor the economic ownership has passed to the Agency, therefore the non-exchange component of these transactions is not accounted for in the accounts of the Agency.

#### **EVENTS AFTER BALANCE SHEET DATE**

The Agency has not identified any material event after its balance sheet date that would have an impact on its financial performance and position.

## REPORT ON BUDGETARY AND FINANCIAL MANAGEMENT

The approved subsidy from the Union for the Agency for the financial year 2015 amounted to €11,266,000. There was no agreement reached for any contribution towards the Agency from the EFTA states.

The following table presents the implementation of these appropriations for the period between 1 January and 31 December 2015:

Title Chapter	Heading	Appropriation	Committed	% Committed	Paid	% Paid	Balance commitments	Balance payments
		(1)	(2)		(3)		(1-2)	(2-3)
<b>TITLE 1</b>	<b>Expenditure relating to staff and resources</b>							
CHAPTER 11	Staff in active employment	6,348,200.00	5,968,872.16	94.02%	5,859,974.08	92.31%	379,327.84	108,898.08
CHAPTER 12	Missions and duty travel	142,535.00	107,473.42	75.40%	102,667.55	72.03%	35,061.58	4,805.87
CHAPTER 13	Socio-medical infrastructure	0.00	0.00	0.00%	0.00	0.00%	0.00	0.00
CHAPTER 14	Social services	39,200.00	28,050.57	71.56%	18,448.80	47.06%	11,149.43	9,601.77
	<b>TOTAL TITLE 1</b>	<b>6,529,935.00</b>	<b>6,104,396.15</b>	<b>93.48%</b>	<b>5,981,090.43</b>	<b>91.59%</b>	<b>425,538.85</b>	<b>123,305.72</b>
<b>TITLE 2</b>	<b>Agency's building and associated costs</b>							
CHAPTER 20	Agency's premises costs	966,502.60	960,408.46	99.37%	882,035.18	91.26%	6,094.14	78,373.28
CHAPTER 21	Data processing	274,068.83	271,146.07	98.93%	119,573.27	43.63%	2,922.76	151,572.80
CHAPTER 22	Movable property and associated costs	253,760.00	252,381.69	99.46%	239,209.04	94.27%	1,378.31	13,172.65
CHAPTER 23	Current administrative expenditure	617,233.00	549,558.24	89.04%	180,948.02	29.32%	67,674.76	368,610.22
CHAPTER 24	Computer infrastructure, telecommunication and postage	249,688.57	248,119.62	99.37%	69,328.00	27.77%	1,568.95	178,791.62
	<b>TOTAL TITLE 2</b>	<b>2,361,253.00</b>	<b>2,281,614.08</b>	<b>96.63%</b>	<b>1,491,093.51</b>	<b>63.15%</b>	<b>79,638.92</b>	<b>790,520.57</b>
<b>TITLE 3</b>	<b>Operational expenditure</b>							
CHAPTER 30	Representation expenses	21,400.00	10,343.09	48.33%	8,342.55	38.98%	11,056.91	2,000.54
CHAPTER 31	Operational missions	256,341.72	225,516.56	87.97%	192,091.63	74.94%	30,825.16	33,424.93
CHAPTER 32	Stakeholder involvement, public relations and website	240,861.00	234,907.12	97.53%	78,585.99	32.63%	5,953.88	156,321.13
CHAPTER 33	Translations	21,000.00	21,000.00	100.00%	16,698.60	79.52%	0.00	4,301.40
CHAPTER 34	Professional indemnity	5,000.00	5,000.00	100.00%	5,000.00	100.00%	0.00	0.00
CHAPTER 35	REMIT operations	1,830,209.28	1,830,099.28	99.99%	662,601.10	36.20%	110.00	1,167,498.18
	<b>TOTAL TITLE 3</b>	<b>2,374,812.00</b>	<b>2,326,866.05</b>	<b>97.98%</b>	<b>963,319.87</b>	<b>40.56%</b>	<b>47,945.95</b>	<b>1,363,546.18</b>
	<b>GRAND TOTAL BUDGET 2015</b>	<b>11,266,000.00</b>	<b>10,712,876.28</b>	<b>95.09%</b>	<b>8,435,503.81</b>	<b>74.88%</b>	<b>553,123.72</b>	<b>2,277,372.47</b>

A detailed description of the 2015 budget implementation can be found under the 'Revenue' and 'Expenditure' sub-sections of the 'Budgetary Management' section of this report.

Other revenue recorded by the Agency as assigned revenue stemming from the fund source IC4 and amounting to €1,794.86 resulted from recovered overpaid amounts during the financial year 2015 related to:

- recovery of one overpaid telecommunication subscription;
- recovery of the fee from one lost parking card, and
- receipt of reserve pay-out from the translation office.

None of these assigned revenues have been consumed during the financial year 2015 and are therefore to be returned to the general budget.

The following table presents the implementation of these appropriations for the period between 1 January and 31 December 2015:

Title Chapter	Heading	Appropriation	Committed	% Committed	Paid	% Paid	Balance commitments	Balance payments
		(1)	(2)		(3)		(1-2)	(2-3)
<b>Title 2</b>	<b>Agency's building and associated costs</b>							
Chapter 22	Movable property and associated costs	108.50	0.00	0.00%	0.00	0.00%	108.50	0.00
Chapter 24	Postal charges, telecommunication and computer infrastructure	56.36	0.00	0.00%	0.00	0.00%	56.36	0.00
	<b>Total Title 2</b>	<b>164.86</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>164.86</b>	<b>0.00</b>
<b>Title 3</b>	<b>Operational expenditure</b>							
Chapter 33	Translations	1630.00	0.00	0.00%	0.00	0.00%	1630.00	0.00
	<b>Total Title 3</b>	<b>1630.00</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>1630.00</b>	<b>0.00</b>
	<b>Grand Total</b>	<b>1794.86</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00%</b>	<b>1794.86</b>	<b>0.00</b>

A detailed description of this budget implementation can be found under the 'Revenue' and 'Expenditure' sub-sections of the 'Budgetary Management' section of this report.

In addition to the current year appropriations an amount of €2,736,509.85 was carried forward from the financial year 2014 to honour the payment appropriations from the commitments estimated by the Agency at that point in time. An amount of €2,538,215.97 was consumed by the end of the financial year 2015 with the minor difference of €198,293.88 to be returned to the Commission during the financial year 2016.

The following table presents the implementation of these appropriations for the period between 1 January and 31 December 2015:

Title Chapter	Heading	Appropriation	Committed	% Committed	Paid	% Paid	Balance commitments
		(1)	(2)		(3)		(1-2)
<b>TITLE 1</b>	<b>Expenditure related to employees of the agency</b>						
CHAPTER 11	Staff in active employment	141,914.68	80,875.27	56.99%	80,875.27	56.99%	61,039.41
CHAPTER 12	Missions and duty travel	7,937.62	5,343.32	67.32%	5,343.32	67.32%	2,594.30
CHAPTER 13	Socio-medical infrastructure	29,935.20	29,935.20	100.00%	29,935.20	100.00%	0.00
CHAPTER 14	Social services	2,568.94	37.23	1.45%	37.23	1.45%	2,531.71
	<b>TOTAL TITLE 1</b>	<b>182,356.44</b>	<b>116,191.02</b>	<b>63.72%</b>	<b>116,191.02</b>	<b>63.72%</b>	<b>66,165.42</b>
<b>TITLE 2</b>	<b>Agency's building and associated costs</b>						
CHAPTER 20	Agency premises costs	65,574.86	40,902.80	62.38%	40,902.80	62.38%	24,672.06
CHAPTER 21	Data processing	225,562.93	225,343.55	99.90%	225,343.55	99.90%	219.38
CHAPTER 22	Movable property and associated costs	73,806.57	17,365.29	23.53%	17,365.29	23.53%	56,441.28
CHAPTER 23	Current administrative expenditure	534,465.84	496,708.13	2.46	496,708.13	2.46	37,757.71
CHAPTER 24	Postal charges, telecommunication and computer infrastr.	84,928.10	81,004.52	95.38%	81,004.52	95.38%	3,923.58
	<b>TOTAL TITLE 2</b>	<b>984,338.30</b>	<b>861,324.29</b>	<b>87.50%</b>	<b>861,324.29</b>	<b>87.50%</b>	<b>123,014.01</b>
<b>TITLE 3</b>	<b>Operational expenditure</b>						
CHAPTER 30	Representation expenses	100.00	100.00	100.00%	100.00	100.00%	0.00
CHAPTER 31	Operational missions	24,344.68	18,842.82	77.40%	18,842.82	77.40%	5,501.86
CHAPTER 32	Stakeholder involvement, public relations and website	10,347.06	7,314.47	70.69%	7,314.47	70.69%	3,032.59
CHAPTER 33	Translations	4,000.00	3,420.00	85.50%	3,420.00	85.50%	580.00
CHAPTER 35	REMIT operations	1,531,023.37	1,531,023.37	100.00%	1,531,023.37	100.00%	0.00
	<b>TOTAL TITLE 3</b>	<b>1,569,815.11</b>	<b>1,560,700.66</b>	<b>99.42%</b>	<b>1,560,700.66</b>	<b>99.42%</b>	<b>9,114.45</b>
	<b>GRAND TOTAL BUDGET CARRIED OVER FROM 2014</b>	<b>2,736,509.85</b>	<b>2,538,215.97</b>	<b>92.75%</b>	<b>2,538,215.97</b>	<b>92.75%</b>	<b>198,293.88</b>

More details on the implementation of these commitments can be found under the 'Revenue' and 'Expenditure' sub-sections of the 'Budgetary Management' section of this report.

## BUDGETARY OUTTURN ACCOUNT

The Budgetary Outturn Account presents on a cash basis the actual amounts cashed as income and the amount of cash consumed to honour the payment of commitments, as well the amounts of unutilised and cancelled appropriations.

	31 December 2015 €	31 December 2014 €
<b>INCOME</b>		
Commission subsidy	11,266,000.00	10,880,000.00
Other income - assigned revenue	1,794.86	15,960.46
<b>TOTAL INCOME</b>	<b>11,267,794.86</b>	<b>10,895,960.46</b>
<b>EXPENSES</b>		
<b>Expenditure related to employees of the agency - Title I</b>		
Payments	5,981,090.43	5,181,457.00
Carry-forwards and carry-overs	123,305.72	182,356.44
<b>Agency's building and associated expenses - Title II</b>		
Payments	1,491,093.51	1,439,745.25
Carry-forwards and carry-overs	790,520.57	984,338.30
<b>Operational expenditure - Title III</b>		
Payments	963,319.87	977,784.41
Carry-forwards and carry-overs	1,363,546.18	1,569,815.11
<b>TOTAL EXPENSES</b>	<b>10,712,876.28</b>	<b>10,335,496.51</b>
Total appropriations not utilised	554,918.58	560,463.95
<b>BUDGETARY OUTTURN BEFORE SPECIAL ITEMS</b>	<b>554,918.58</b>	<b>560,463.95</b>
Cancelled carry-overs	198,293.88	148,844.07
Exchange rate differences	(786.46)	(756.01)
<b>BUDGETARY OUTTURN</b>	<b>752,426.00</b>	<b>708,552.01</b>

## BUDGET IMPLEMENTATION

The following tables present the detailed budget implementation by budget Titles, as well as individual budget lines – Fund Source C1 (see also headings for C4 and C8).

**BUDGET IMPLEMENTATION APPROPRIATION FUND SOURCE –  
 C1**

	<b>31 December 2015 €</b>
<b>TITLE 1</b>	
Budget	6,529,935.00
Committed	6,104,396.15
Paid	5,981,090.43
Carry forward	123,305.72
Carry over	0.00
Total expenditure	6,104,396.15
Appropriations not utilized	425,538.85
Executed	93.48%
<b>TITLE 2</b>	
Budget	2,361,253.00
Committed	2,281,614.08
Paid	1,491,093.51
Carry forward	790,520.57
Carry over	0.00
Total expenditure	2,281,614.08
Appropriations not utilized	79,638.92
Executed	96.63%
<b>TITLE 3</b>	
Budget	2,374,812.00
Committed	2,326,866.05
Paid	963,319.87
Carry forward	1,363,546.18
Carry over	0.00
Total expenditure	2,326,866.05
Appropriations not utilized	47,945.95
Executed	97.98%
<b>TOTAL</b>	
Budget	11,266,000.00
Committed	10,712,876.28
Paid	8,435,503.81
Carry forward	2,277,372.47
Carry over	0.00
Total expenditure	10,712,876.28
Appropriations not utilized	553,123.72
Executed	95.09%



### Implementation of 2015 budget - fund source C1



Detailed budget implementation of current year appropriations – fund source C1

Budget Line	Official Budget Item Description	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance commitments (1-2)	Balance payments (2-3)
A-1100	Basic Salaries and correction	2,999,910.	2,969,808.45	99.10%	2,969,808.45	99.10%	27101.55	0
A-1101	Family allowances	459,831.	459,831.00	100.00%	459,831.00	100.00%	0	0
A-1102	Expatriation and foreign residence allowances	513,140.	513,140.00	100.00%	513,140.00	100.00%	0	0
	Sum:	3,969,881.00	3,942,779.45	99.32%	3,942,779.45	99.32%	27101.55	0
A-1110	Contract agents	937,580.	733,571.00	78.24%	733,571.00	78.24%	204009	0
A-1111	Seconded National Experts	364,000.	355,052.19	97.54%	355,052.19	97.54%	8947.81	0
	Sum:	1,301,580.00	1,088,623.19	83.64%	1,088,623.19	83.64%	212956.81	0
A-1120	Training and information for staff	170,000.	123,937.60	72.90%	77,817.06	45.77%	46062.4	46120.54
	Sum:	170,000.00	123,937.6	72.90%	77,817.06	45.77%	46062.4	46120.54
A-1130	Insurance against sickness	125,336.	124,242.38	99.13%	124,242.38	99.13%	1095.62	0
A-1131	Insurance against accidents and occupational disease	24,927.	21,541.41	86.42%	21,541.41	86.42%	3385.59	0
A-1132	Unemployment insurance for temporary staff	47,070.	46,599.86	99.00%	46,599.86	99.00%	470.14	0
	Sum:	197,335.00	192,383.65	97.49%	192,383.65	97.49%	4951.35	0
A-1140	Birth and death grants	1,983.	793.24	40.00%	793.24	40.00%	1199.76	0
A-1141	Annual travel expenses from the place of work to o	82,234.	72,759.58	88.48%	72,759.58	88.48%	9474.42	0
A-1142	Schooling fees	259,000.	214,000.00	82.63%	186,800.40	72.12%	45000	27199.6
	Sum:	343,217.00	287,552.82	83.78%	280,353.22	75.86%	56664.18	27199.6
A-1160	Expenditure related to recruitment	40,000.	40,000.00	100.00%	38,310.87	95.78%	0	1689.13
A-1161	Travel expense to take up duty	4,000.	259.80	6.50%	259.80	6.50%	3740.2	0
A-1162	Installation resettlement and transfer allowances	61,609.	47,908.50	77.76%	47,908.50	77.76%	13700.5	0
A-1163	Temporary daily subsistence allowances	29,078.	25,837.95	88.86%	25,837.95	88.86%	3240.05	0
	Sum:	134,687.00	114,006.25	84.65%	112,317.12	83.39%	20680.75	1689.13
A-1170	Supplementary clerical and interim services	181,500.	170,589.20	93.99%	141,568.53	78.00%	10910.8	29020.67
A-1171	Administrative assistance	50,000.	49,000.00	98.00%	44,131.86	88.26%	1000	4866.14
	Sum:	231,500.00	219,589.2	94.85%	185,700.39	80.22%	11910.8	33866.81

Budget Line	Official Budget Item Description	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance commitments (1-2)	Balance payments (2-3)
A-1200	Mission expenses Administrative staff	48,000	30,580.23	63.71%	29,297.16	81.04%	17419.77	1293.07
A-1201	Mission expenses Director	40,000	30,000.00	75.00%	29,030.98	72.58%	10000	969.04
A-1202	Mission expenses Director Office staff	54,535	46,893.19	85.99%	44,339.43	81.30%	7641.81	2553.78
	<b>Sum:</b>	<b>142,535.00</b>	<b>107,473.42</b>	<b>75.40%</b>	<b>102,667.55</b>	<b>72.03%</b>	<b>35061.58</b>	<b>4906.87</b>
A-1300	Medical services and equipment	0		0.00%			0	
	<b>Sum:</b>	<b>0.00</b>		<b>0.00%</b>			<b>0</b>	
A-1401	Social welfare of staff	27,200	16,427.89	60.40%	11,042.89	40.60%	10772.11	5385
	<b>Sum:</b>	<b>27,200.00</b>	<b>16,427.89</b>	<b>60.40%</b>	<b>11,042.89</b>	<b>40.60%</b>	<b>10772.11</b>	<b>5385</b>
A-1410	Staff Committee	12,000	11,622.68	96.86%	7,405.91	61.72%	377.32	4216.77
	<b>Sum:</b>	<b>12,000.00</b>	<b>11,622.68</b>	<b>96.86%</b>	<b>7,405.91</b>	<b>61.72%</b>	<b>377.32</b>	<b>4216.77</b>
A-2000	Rent	593,930	593,929.80	100.00%	593,929.80	100.00%	0.2	0
A-2001	Removal costs	4,500	2,850.00	63.33%	1,350.00	30.00%	1650	1500
	<b>Sum:</b>	<b>598,430.00</b>	<b>596,779.8</b>	<b>99.72%</b>	<b>595,279.80</b>	<b>99.47%</b>	<b>1650.2</b>	<b>1500</b>
A-2010	Utilities	125,000	125,000.00	100.00%	108,445.46	86.76%	0	16554.54
A-2011	Cleaning and maintenance	95,000	95,000.00	100.00%	83,008.22	87.38%	0	11091.78
	<b>Sum:</b>	<b>220,000.00</b>	<b>220,000</b>	<b>100.00%</b>	<b>191,453.68</b>	<b>87.02%</b>	<b>0</b>	<b>28646.32</b>
A-2020	Insurance	4,500	4,056.75	90.15%	4,056.75	90.15%	443.25	0
	<b>Sum:</b>	<b>4,500.00</b>	<b>4,056.75</b>	<b>90.15%</b>	<b>4,056.75</b>	<b>90.15%</b>	<b>443.25</b>	<b>0</b>
A-2030	Security and surveillance of buildings	50,000	50,000.00	100.00%	31,462.95	62.92%	0	18537.05
A-2031	Health and safety at work	6,300	2,299.31	36.50%	2,299.31	36.50%	4000.69	0
	<b>Sum:</b>	<b>56,300.00</b>	<b>52,299.31</b>	<b>92.89%</b>	<b>33,761.66</b>	<b>59.97%</b>	<b>4000.69</b>	<b>18537.05</b>
A-2040	Other expenditure on buildings	71,030	71,030.00	100.00%	45,515.09	64.08%	0	25514.91
A-2041	Audio & Video equipment-maintenance	16,243	16,242.60	100.00%	11,968.20	73.68%	0	4274.4
	<b>Sum:</b>	<b>87,272.80</b>	<b>87,272.6</b>	<b>100.00%</b>	<b>57,483.29</b>	<b>65.87%</b>	<b>0</b>	<b>29769.31</b>
A-2100	Consumables	9,027	9,464.16	95.34%	7,947.37	80.06%	462.79	1516.79
A-2101	Software	142	141.88	100.00%	141.88	100.00%	0	0
A-2102	Subscriptions IT	178,000	175,545.80	98.62%	111,484.02	62.63%	2454.2	64061.78
A-2103	Disaster recovery site	86,000	85,994.23	99.99%	85,994.23	99.99%	5.77	65994.23
	<b>Sum:</b>	<b>274,066.83</b>	<b>271,146.07</b>	<b>98.93%</b>	<b>119,573.27</b>	<b>43.63%</b>	<b>2922.76</b>	<b>151672.8</b>

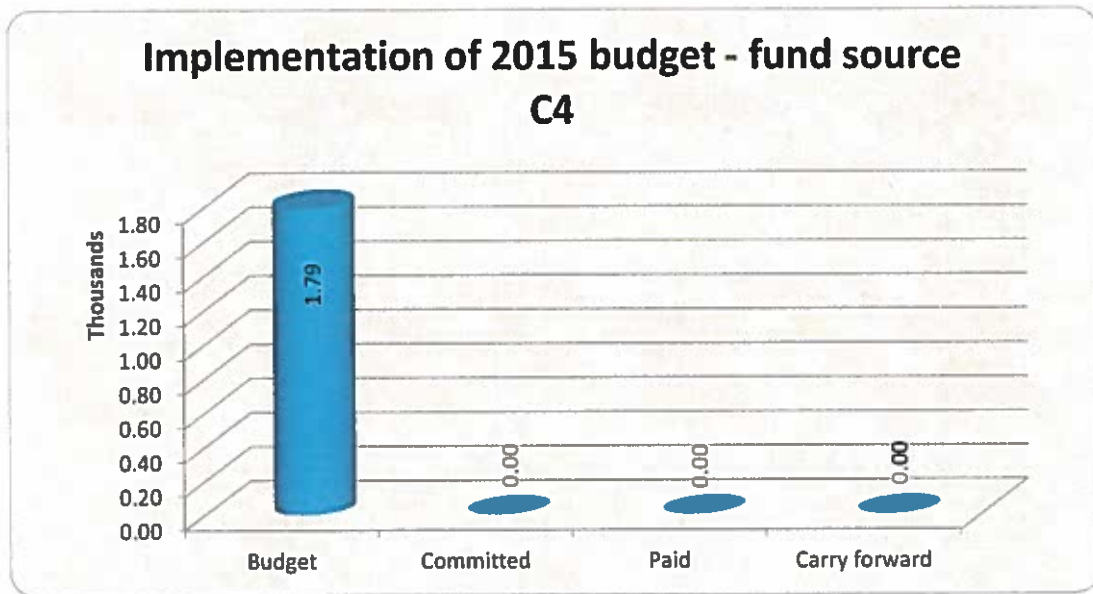
Budget Line	Official Budget Item Description	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance commitments (1-2)	Balance payments (2-3)
A-2210	Purchase of furniture	44,370	43,361.15	97.73%	42,389.15	95.56%	1006.85	962
	Sum:	44,370.00	43,361.15	97.73%	42,389.15	95.56%	1006.85	962
A-2220	Transportation costs	115,000	114,630.54	99.68%	114,630.54	99.68%	369.46	0
	Sum:	115,000.00	114,630.54	99.68%	114,630.54	99.68%	369.46	0
A-2230	Library acquisitions	94,390	94,390.00	100.00%	82,179.35	87.06%	0	12210.65
	Sum:	94,390.00	94,390.00	100.00%	82,179.35	87.06%	0	12210.65
A-2300	Stationery and office supplies	42,000	42,000.00	100.00%	23,908.20	56.92%	0	18091.8
	Sum:	42,000.00	42,000.00	100.00%	23,908.20	56.92%	0	18091.8
A-2310	Bank charges	900	240.00	26.67%	156.50	17.39%	660	83.5
	Sum:	900.00	240.00	26.67%	156.50	17.39%	660	83.5
A-2320	Legal expenses	33,000	31,256.50	94.72%	16,056.50	54.72%	1743.5	13200
A-2322	Expert consultation - Gas	151,000	104,723.80	69.35%	19,625.00	13.00%	46276.2	85098.8
A-2323	Expert consultation - Electricity	189,250	180,946.94	96.12%	24,053.24	12.78%	7303.06	156893.7
A-2324	Expert consultation - Admin	6,300	6,300.00	100.00%	0	0%	0	6300
A-2325	External audit exp	7,000	6,500.00	92.86%	0	0%	500	6500
	Sum:	385,550.00	329,727.24	85.53%	61,734.74	16.01%	56922.76	267982.5
A-2330	Administrative Board meetings	36,000	36,000.00	100.00%	20,434.20	56.76%	0	15565.8
A-2331	Board of Regulators meetings	81,483	81,483.00	100.00%	55,187.53	67.74%	0	26285.47
A-2332	Board of Appeal meetings	44,000	42,800.00	97.27%	10,965.19	24.92%	1200	31834.81
A-2333	External participants to meetings	10,800	4,300.00	39.81%	543.66	5.03%	6500	3756.34
A-2334	EU Agencies Network	16,500	13,008.00	78.84%	8,008.00	48.53%	3492	5000
	Sum:	188,763.00	177,591	94.07%	95,148.58	50.40%	11192	82442.42
A-2400	Postal charges	7,000	7,000.00	100.00%	4,598.16	65.69%	0	2401.84
	Sum:	7,000.00	7,000	100.00%	4,598.16	65.69%	0	2401.84
A-2410	Telecommunications subscriptions and charges	60,100	58,600.00	97.50%	43,503.44	72.39%	1500	15096.56
	Sum:	60,100.00	58,600	97.50%	43,503.44	72.39%	1500	15096.56
A-2420	Hardware and other equipment	182,569	182,519.62	99.98%	21,226.40	11.63%	66.95	161293.22
	Sum:	182,569.57	182,519.62	99.98%	21,226.40	11.63%	66.95	161293.22



Budget Line	Official Budget Item Description	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance commitments (1-2)	Balance payments (2-3)
B3-000	Representation expenses - director	5,000.	1,800.00	36.00%	1,658.26	33.17%	3200	141.74
B3-001	Representation expenses - Administration	400.	84.10	21.03%	84.10	21.03%	315.9	0
B3-002	Representation expenses - Electricity	5,000.	4,523.65	90.47%	3,273.65	65.47%	476.35	1250
B3-003	Representation expenses - NMD	6,000.	718.20	11.97%	718.20	11.97%	5281.8	0
B3-004	Representation expenses - Gas	5,000.	3,217.14	64.34%	2,608.34	52.17%	1782.86	608.8
	<b>Sum:</b>	<b>21,400.00</b>	<b>10343.09</b>	<b>48.33%</b>	<b>8,342.55</b>	<b>38.98%</b>	<b>11056.91</b>	<b>2000.54</b>
B3-100	Operational Missions Gas Department	105,000.	81,116.92	77.25%	73,339.03	69.85%	23863.08	7777.89
B3-101	Operational Missions Electricity Department	95,000.	86,732.92	91.30%	74,146.20	78.05%	6267.08	14586.72
B3-102	Operational Missions Market Monitoring Department	56,342.	55,666.72	98.80%	44,606.40	79.17%	675	11060.32
	<b>Sum:</b>	<b>256,341.72</b>	<b>225516.56</b>	<b>87.97%</b>	<b>192,091.63</b>	<b>74.94%</b>	<b>30825.16</b>	<b>33424.93</b>
B3-200	Public hearings workshops conferences	104,764.	103,572.12	98.86%	66,344.99	63.33%	1191.88	37227.13
B3-201	Websites set up and maintenance	108,997.	108,997.00	100.00%			0	108997
B3-202	Publications information material	4,000.	3,993.00	99.83%	3,601.00	90.03%	7	392
B3-203	Reports production	23,100.	18,345.00	79.42%	8,640.00	37.40%	4755	9705
	<b>Sum:</b>	<b>240,861.00</b>	<b>234907.12</b>	<b>97.53%</b>	<b>78,585.99</b>	<b>32.63%</b>	<b>5953.86</b>	<b>156321.13</b>
B3-300	Translation at CDT	21,000.	21,000.00	100.00%	16,698.60	79.52%	0	4301.4
	<b>Sum:</b>	<b>21,000.00</b>	<b>21000</b>	<b>100.00%</b>	<b>16,698.60</b>	<b>79.52%</b>	<b>0</b>	<b>4301.4</b>
B3-400	Insurance	5,000.	5,000.00	100.00%	5,000.00	100.00%	0	0
	<b>Sum:</b>	<b>5,000.00</b>	<b>5000</b>	<b>100.00%</b>	<b>5,000.00</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>
B3-500	Hosting deployment and operations	100,000.	100,000.00	100.00%	100,000.00	100.00%	0	0
B3-501	ARIS development licenses subscriptions and fees	756,053.	756,052.53	100.00%	337,174.01	44.60%	0	418878.52
B3-502	SMARTS development licenses and consultancy	11,199.	11,198.85	100.00%	700.00	6.25%	0	10498.85
B3-503	IT and expert consultancy	962,958.	962,947.90	99.99%	224,727.09	23.34%	110	738120.81
	<b>Sum:</b>	<b>1,830,209.28</b>	<b>1830099.28</b>	<b>99.99%</b>	<b>662,601.10</b>	<b>36.20%</b>	<b>110</b>	<b>1167498.18</b>
	<b>Sum:</b>	<b>11,266,000.00</b>	<b>10712876.28</b>	<b>95.09%</b>	<b>8435503.81</b>	<b>74.88%</b>	<b>553123.72</b>	<b>2277372.47</b>

**BUDGET IMPLEMENTATION CURRENT YEAR – FUND  
 SOURCE C4**

	<b>31 December 2015 €</b>
<b>TITLE 2</b>	
Budget	164,86
Appropriations not utilized	164.86
Executed	0.00%
<b>TITLE 3</b>	
Budget	1,630.00
Appropriations not utilized	1,630.00
Executed	0.00%

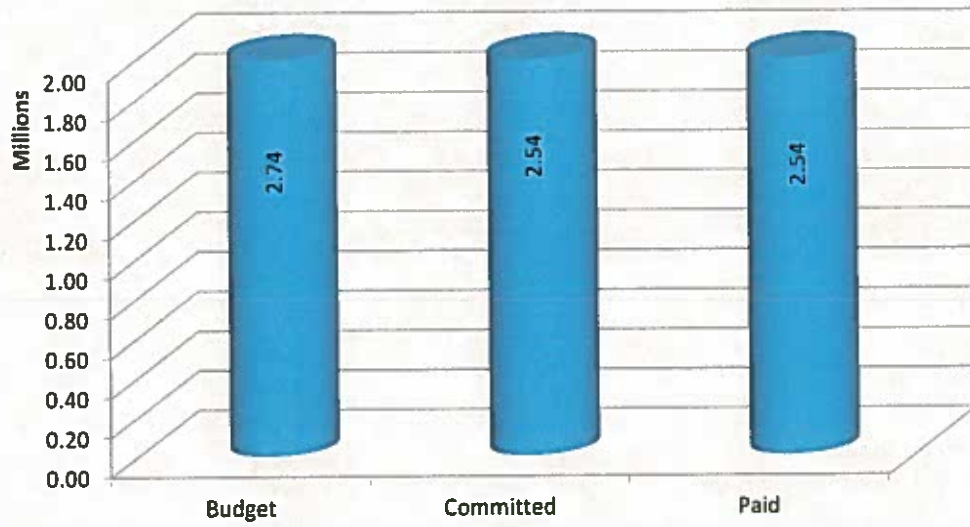


Budget line	Official Budget Item Description	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance Commitment (1-2)	Balance Payment (2-3)
A-2220	Transportation costs	108.50		0.00%			108.50	
	Sum:	108.50		0.00%			108.50	
A-2410	Telecommunications subscriptions and charges	56.38		0.00%			56.38	
	Sum:	56.38		0.00%			56.38	
B3-300	Translation at CDT	1,630.00		0.00%			1630.00	
	Sum:	1,630.00		0.00%			1630.00	
	Sum:	1,794.86		0.00%			1794.86	

**BUDGET IMPLEMENTATION – FUND SOURCE C8**

	<b>31 December 2015 €</b>
<b>TITLE 1</b>	
Budget	182,356.44
Committed	116,191.02
Paid	116,191.02
Total expenditure	116,191.02
Cancelled carry-forwards	66,165.42
Executed	63.72%
<b>TITLE 2</b>	
Budget	984,338.30
Committed	861,324.29
Paid	861,324.29
Total expenditure	861,324.29
Cancelled carry-forwards	123,014.01
Executed	87.50%
<b>TITLE 3</b>	
Budget	1,569,815.11
Committed	1,560,700.66
Paid	1,560,700.66
Total expenditure	1,560,700.66
Cancelled carry-forwards	9,114.45
Executed	99.42%
<b>TOTAL</b>	
Budget	2,736,509.85
Committed	2,538,215.97
Paid	2,538,215.97
Total expenditure	2,538,215.97
Cancelled carry-forwards	198,293.88
Executed	92.75%

### Implementation of 2015 budget - fund source C8





Detailed budget implementation of appropriations carried forward – fund source C8

Budget Line	Official Budget Item Description	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance commitments (1-2)	Balance payments (2-3)
A-1120	Training and information for staff	72,055	58,113.94	80.65%	58,113.94	80.65%	13941.5	0
	Sum:	72,055.44	58,113.94	80.65%	58,113.94	80.65%	13941.5	0
A-1160	Expenditure related to recruitment	43,983	15,622.29	35.52%	15,622.29	35.52%	28360.59	0
	Sum:	43,982.88	15,622.29	35.52%	15,622.29	35.52%	28360.59	0
A-1170	Supplementary clerical and interim services	19,956	5,658.50	28.35%	5,658.50	28.35%	14297.49	0
A-1171	Administrative assistance	5,920	1,480.54	25.01%	1,480.54	25.01%	4439.83	0
	Sum:	25,876.38	7,139.04	27.59%	7,139.04	27.59%	18737.32	0
A-1200	Administrative staff	1,511	649.20	42.96%	649.20	42.96%	862.08	0
A-1201	Mission expenses Director	2,868	2,634.20	91.90%	2,634.20	91.90%	232.19	0
A-1202	Office staff	3,560	2,059.92	57.86%	2,059.92	57.86%	1,500.05	0
	Sum:	7,937.62	5,343.32	67.32%	5,343.32	67.32%	2,594.3	0
A-1300	Medical services and equipment	29,935	29,935.20	100.00%	29,935.20	100.00%	0	0
	Sum:	29,935.20	29,935.2	100.00%	29,935.20	100.00%	0	0
A-1401	Social welfare of staff	2,569	37.23	1.45%	37.23	1.45%	2531.71	0
	Sum:	2,568.94	37.23	1.45%	37.23	1.45%	2531.71	0
A-2001	Removal costs	3,300	2,100.00	63.64%	2,100.00	63.64%	1200	0
	Sum:	3,300.00	2100	63.64%	2,100.00	63.64%	1200	0
A-2010	Utilities	4,909	2,004.38	40.83%	2,004.38	40.83%	2904.3	0
A-2011	Cleaning and maintenance	6,139	6,027.07	98.17%	6,027.07	98.17%	112.18	0
	Sum:	11,047.91	8031.45	72.70%	8,031.45	72.70%	3016.48	0
A-2030	Security and surveillance of buildings	19,322	9,398.39	48.64%	9,398.39	48.64%	9923.17	0
A-2031	Health and safety at work	1,098	1,097.92	100.00%	1,097.92	100.00%	0	0
	Sum:	20,419.48	10496.31	51.40%	10,496.31	51.40%	9923.17	0

Budget Line	Official Budget Item Description	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance commitments (1-2)	Balance payments (2-3)
A-2040	Other expenditure on buildings	27,956.	17,425.36	62.33%	17,425.36	62.33%	10532.43	0
A-2041	Audio&video equip maint	2,650.	2,649.66	100.00%	2,649.66	100.00%	0	0
	<b>Sum:</b>	<b>30,607.47</b>	<b>20275.04</b>	<b>65.81%</b>	<b>20,275.04</b>	<b>65.81%</b>	<b>10532.43</b>	<b>0</b>
A-2100	Consumables	995.	995.25	100.00%	995.25	100.00%	0	0
A-2101	Software	1,071.	1,071.24	100.00%	1,071.24	100.00%	0	0
A-2102	Subscriptions IT	137,502.	137,282.83	99.84%	137,282.83	99.84%	219.38	0
A-2103	Disaster recovery site	85,994.	85,994.23	100.00%	85,994.23	100.00%	0	0
	<b>Sum:</b>	<b>225,562.63</b>	<b>225,343.55</b>	<b>99.90%</b>	<b>225,343.55</b>	<b>99.90%</b>	<b>219.38</b>	<b>0</b>
A-2210	Purchase of furniture	14,996.	14,996.25	100.00%	14,996.25	100.00%	0	0
	<b>Sum:</b>	<b>14,996.25</b>	<b>14,996.25</b>	<b>100.00%</b>	<b>14,996.25</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>
A-2220	Transportation costs	2,512.	0.00	0.00%	0.00	0.00%	2512.24	0
	<b>Sum:</b>	<b>2,512.24</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>	<b>2512.24</b>	<b>0</b>
A-2230	Library acquisitions	56,298.	2,369.04	4.21%	2,369.04	4.21%	53929.04	0
	<b>Sum:</b>	<b>56,298.08</b>	<b>2,369.04</b>	<b>4.21%</b>	<b>2,369.04</b>	<b>4.21%</b>	<b>53929.04</b>	<b>0</b>
A-2300	Stationery and office supplies	4,231.	3,491.15	82.51%	3,491.15	82.51%	740.06	0
	<b>Sum:</b>	<b>4,231.21</b>	<b>3,491.15</b>	<b>82.51%</b>	<b>3,491.15</b>	<b>82.51%</b>	<b>740.06</b>	<b>0</b>
A-2320	Legal expenses	10,125.	0.00	0.00%	0.00	0.00%	10125	0
A-2321	Expert consultation - MMD	172,871.	172,871.00	100.00%	172,871.00	100.00%	0	0
A-2322	Expert consultation - Gas	69,986.	69,986.00	100.00%	69,986.00	100.00%	0	0
A-2323	Expert consultation - Electricity	196,440.	196,440.00	100.00%	196,440.00	100.00%	0	0
A-2324	Expert consultation - Administration	3,000.	0.00	0.00%	0.00	0.00%	3000	0
A-2325	External audit expenses	6,500.	6,500.00	100.00%	6,500.00	100.00%	0	0
	<b>Sum:</b>	<b>458,922.00</b>	<b>445,797</b>	<b>97.14%</b>	<b>445,797.00</b>	<b>97.14%</b>	<b>13125</b>	<b>0</b>
A-2330	Administrative Board meetings	3,755.	3,632.74	96.74%	3,632.74	96.74%	122.54	0
A-2331	Board of Regulators meetings	66,557.	42,787.24	64.29%	42,787.24	64.29%	23770.11	0
A-2334	EU Agencies Network	1,000.	1,000.00	100.00%	1,000.00	100.00%	0	0
	<b>Sum:</b>	<b>71,312.63</b>	<b>47,419.98</b>	<b>66.50%</b>	<b>47,419.98</b>	<b>66.50%</b>	<b>23892.65</b>	<b>0</b>

Budget Line	Official Budget Item Description	Appropriation (1)	Committed (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	Balance commitments (1-2)	Balance payments (2-3)
A-2400	Postal charges	2,217	995.57	44.92%	995.57	44.92%	1220.94	0
	<b>Sum:</b>	<b>2,216.51</b>	<b>995.57</b>	<b>44.92%</b>	<b>995.57</b>	<b>44.92%</b>	<b>1220.94</b>	<b>0</b>
A-2410	Telecommunications subscriptions and charges	5,814	3,112.84	53.54%	3,112.84	53.54%	2701.02	0
	<b>Sum:</b>	<b>5,813.86</b>	<b>3,112.84</b>	<b>53.54%</b>	<b>3,112.84</b>	<b>53.54%</b>	<b>2701.02</b>	<b>0</b>
A-2420	Hardware and other equipment	76,898	76,896.11	100.00%	76,896.11	100.00%	1.62	0
	<b>Sum:</b>	<b>76,897.73</b>	<b>76,896.11</b>	<b>100.00%</b>	<b>76,896.11</b>	<b>100.00%</b>	<b>1.62</b>	<b>0</b>
B3-000	Representation expenses - Director	100	100.00	100.00%	100.00	100.00%	0	0
	<b>Sum:</b>	<b>100.00</b>	<b>100</b>	<b>100.00%</b>	<b>100.00</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>
B3-100	Operational Missions Gas Department	1,834	1,327.18	72.38%	1,327.18	72.38%	506.4	0
B3-101	Operational Missions Electricity Department	15,062	12,185.36	80.90%	12,185.36	80.90%	2876.39	0
B3-102	Operational Missions Market Monitoring Department	7,448	5,330.28	71.55%	5,330.28	71.55%	2,119.07	0
	<b>Sum:</b>	<b>24,344.68</b>	<b>18,842.82</b>	<b>77.40%</b>	<b>18,842.82</b>	<b>77.40%</b>	<b>5,501.86</b>	<b>0</b>
B3-200	Public hearings workshops conferences	9,267	6,234.47	67.28%	6,234.47	67.28%	3,032.59	0
B3-203	Reports production	1,080	1,080.00	100.00%	1,080.00	100.00%	0	0
	<b>Sum:</b>	<b>10,347.06</b>	<b>7,314.47</b>	<b>70.69%</b>	<b>7,314.47</b>	<b>70.69%</b>	<b>3,032.59</b>	<b>0</b>
B3-300	Translation at CDT	4,000	3,420.00	85.50%	3,420.00	85.50%	580	0
	<b>Sum:</b>	<b>4,000.00</b>	<b>3,420</b>	<b>85.50%</b>	<b>3,420.00</b>	<b>85.50%</b>	<b>580</b>	<b>0</b>
B3-500	Hosting deployment and operations	249,947	249,947.20	100.00%	249,947.20	100.00%	0	0
B3-501	ARIS development licenses subscriptions and fees	583,499	583,498.61	100.00%	583,498.61	100.00%	0	0
B3-503	IT and expert consultancy	717,578	717,577.56	100.00%	717,577.56	100.00%	0	0
	<b>Sum:</b>	<b>1,531,023.37</b>	<b>1,531,023.37</b>	<b>100.00%</b>	<b>1,531,023.37</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>
	<b>Sum:</b>	<b>2,736,509.85</b>	<b>2,536,215.97</b>	<b>92.75%</b>	<b>2,536,215.97</b>	<b>92.75%</b>	<b>1,982,933.88</b>	<b>0</b>

## BUDGETARY OUTTURN RECONCILIATION

Given the different basis of the presentation of the information between the budgetary and financial statements, reconciliation is performed between the two systems, as follows:

RECONCILIATION BETWEEN ACCRUAL BASED ECONOMIC RESULT AND CASH BASED BUDGET RESULT		
	2015	2014
<b>Economic result for the year</b>	<b>1,364,055.55</b>	<b>580,271.40</b>
<b>Adjustment for accrual items (items not in the budgetary result but included in the economic result)</b>		
Adjustments for Accrual Cut-off (reversal 31.12.N-1)	(453,702.51)	(432,417.24)
Adjustments for Accrual Cut-off (cut-off 31.12.N)	371,660.57	453,702.51
Recovery orders remaining open at 31.12.2015	(1,626.67)	(7,022.50)
Unpaid invoices at year end but booked in charges	17.78	0.00
Depreciation of intangible and tangible assets	201,703.51	261,016.37
Accrued income	0.00	220,341.91
Payments made from carry over of payment appropriations	2,538,215.97	4,926,158.68
<b>Adjustment for budgetary items (item included in the budgetary result but not in the economic result)</b>		
Asset acquisitions	(2,306,658.20)	(1,850,048.07)
New pre-financing paid in the year 2015 and remaining open as at 31.12.2015	365,157.75	(1,564,894.38)
New pre-financing received in the year 2015 and remaining open as at 31.12.2015	752,426.00	708,552.01
Payment appropriations carried over to N+1	(2,277,372.47)	(2,736,509.85)
Cancellation of unused carried over payment appropriations from previous year	198,293.88	148,844.07
Other non-reconciled items	(531.62)	(198.93)
<b>total</b>	<b>751,639.54</b>	<b>707,796.00</b>
<b>Budgetary result</b>	<b>752,426.00</b>	<b>708,552.01</b>
<b>Including amount of exchange rate differences</b>	<b>(786.46)</b>	<b>(756.01)</b>
<b>Amount not explained</b>	<b>(0.00)</b>	<b>0.00</b>

## BUDGETARY MANAGEMENT

### Budgetary principles

The budget of the Agency has been established in compliance with the principles of unity, budgetary accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency, as set out in the Agency's Financial Regulation.

### Subsidy from the general budget of the Union

Commitment and payment appropriations amounting to €11,266,000 were allocated to the Agency in 2015 from the general budget of the Union. These resources were allocated by the Agency among its Titles as follows:

<b>ACER Budget 2015</b>	<b>€</b>
Title I	6,529,935
Title II	2,361,253
Title III	<u>2,274,812</u>
<b>Total</b>	<b><u>11,266,000</u></b>

### Budget and accounting management systems

In order to record and keep track of the budgetary transactions, the Agency uses ABAC, the same financial system used by the Commission, with the SAP system integrated as back-end for the accounting part.

The Business Objects web platform is used as the reporting tool. The workflow access in ABAC allows for an instant audit trail and provides the authorising officer with an overview on the segregation of duties compliance as required under the 'four-eyes' principle.

The inventories are managed by the Agency in accordance with its Financial Regulation and the system used to record inventory items is ABAC Assets2.

### Nomenclature

The nomenclature of appropriations is as follows:

- C1: Appropriations voted in the current budget
- C4: Internal assigned revenue (current year)
- C8: Commitments carried forward corresponding appropriations
- IC1: Universal income voted in the budget
- IC4: Internal assigned revenue

## REVENUE

For the financial year ending 31 December 2015 the Agency's budget was funded by a subsidy from the general budget of the Union amounting to €11,266,000. On top of the



annual subsidy an amount of €1,794.86 was recognised under the fund source IC4 as assigned revenue stemming from recovered overpaid amounts.

Appropriations not used at the end of the financial year 2015 amounting to €752,426 and made up from:

- unused 2015 appropriations amounting to €554,918.58,
  - cancelled appropriations carried over from 2014 amounting to €198,293.88, and
  - losses from transactions involving exchange rate operations amounting to €786.46
- will be returned to the Commission in the course of 2016.

## EXPENDITURE

### Current year appropriations – C1

Title	Heading	Original budget €	Commitments €	Commitment execution %	Payments €	Payment execution %
TITLE 1	EXPENDITURE RELATING TO EMPLOYEES OF THE AGENCY	6,529,935.00	6,104,396.15	93.48%	5,981,090.43	91.59%
TITLE 2	AGENCY'S BUILDING AND ASSOCIATED COSTS	2,361,253.00	2,281,614.08	96.63%	1,491,093.51	63.15%
TITLE 3	OPERATIONAL EXPENDITURE	2,374,812.00	2,326,866.05	97.96%	963,319.87	40.56%
	<b>TOTAL BUDGET 2011</b>	<b>11,266,000.00</b>	<b>10,712,876.28</b>	<b>95.09%</b>	<b>6,435,503.81</b>	<b>74.88%</b>

#### Title 1

The budget allocated under Title 1 was implemented to a level of 93.48% during the financial year 2015. The slightly low implementation of commitment appropriations level is a result of vacancy gaps during the year and application of adjustments remuneration and rate of contribution to the pension scheme of officials and other servants of the European Union as well as the correction coefficient for Slovenia. The drop in the country's correction coefficient that has been larger than the positive salaries adjustment resulted in budgetary savings.

#### Title 2

The Agency managed to finalise most of the tender procedures launched during the financial year 2014 and this resulted in a high implementation of the allocated budget under Title 2.

The renewal of few large contracts that expired towards the year-end led to a low implementation of the payment appropriations resulting in the need to carry forward these funds into the following financial year.

#### Title 3

The Agency managed to place all the planned orders before the end of the year, which resulted in a high implementation of the commitment appropriation. However, the low implementation of the payment appropriations was influenced by the nature of the REMIT project that extends over several years.

### Current year assigned revenue – C4

Title	Heading	Assigned revenue €	Commitments €	Commitment execution %	Payments €	Payment execution %
TITLE 2	AGENCY'S BUILDING AND ASSOCIATED COSTS	164.86	-	0.00%	-	0.00%
TITLE 3	OPERATIONAL EXPENDITURE	1,630.00	-	0.00%	-	0.00%
	<b>TOTAL</b>	<b>1,794.86</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>

The total amount of €1,794.86 recorded as assigned revenue for the financial year 2015 related to recovered overpaid amounts and insurance refunds has not been used during the year and will be returned to the Commission during 2016 as part of the total unused funds for the year 2015.

### Carry forward appropriation – fund source C8

Title	Heading	Budget carried forward from 2014 €	Commitments €	Commitment execution %	Payments €	Payment execution %
TITLE 1	EXPENDITURE RELATING TO EMPLOYEES OF THE AGENCY	182,356.44	116,191.02	63.72%	116,191.02	63.72%
TITLE 2	AGENCY'S BUILDING AND ASSOCIATED COSTS	984,338.30	861,324.29	87.50%	861,324.29	87.50%
TITLE 3	OPERATIONAL EXPENDITURE	1,569,815.11	1,560,700.66	99.42%	1,560,700.66	99.42%
	<b>TOTAL</b>	<b>2,736,509.85</b>	<b>2,538,215.97</b>	<b>92.75%</b>	<b>2,538,215.97</b>	<b>92.75%</b>

#### **Title 1**

Appropriations carried forward under Title 1 related mainly to recruitment costs for the vacant positions published during 2014, staff training costs, schooling fees and missions expenditure. The cancelled amounts will be returned to the Commission during 2016.

#### **Title 2**

Most of the appropriations carried forward under this title were consumed in order to honour obligations the Agency had towards its suppliers. The unused portion was cancelled and is to be returned to the Commission.

#### **Title 3**

Appropriations carried forward under this Title were to a high extent used to cover the contracted obligations the Agency entered into the year before. The minor savings will be returned to the Commission during 2016.

### **Budget transfers**

During the financial year 2015 a number of budgetary transfers took place in order to reallocate resources from areas where budgetary savings were identified towards areas of scarce resources to ensure the achievement of the year's objectives.

There were eight lots of approved budgetary transfers made within and between titles including one budget transfer above the 10% limit as approved by the Administrative Board.

The following table presents the detailed budgetary transfers made during the financial year.

Budget Line	Acceptance Date	Initial Budget	22/01/2015	29/07/2015	07/09/2015	23/09/2015	19/11/2015	07/12/2015	Credit Available Pay Amount
	Description		Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	
A01100	Basic Salaries and correction	3,099,312.00	-135,402.00				33,000.00		2,966,910.00
A01101	Family allowances	564,831.00		-65,000.00			-40,000.00		459,831.00
A01102	Expatriation and foreign residence allowances	560,140.00				-35,000.00	-12,000.00		513,140.00
A01110	Contract agents	937,580.00							937,580.00
A01111	Seconded National Experts	384,000.00					-20,000.00		364,000.00
A01120	Training and information for staff	100,000.00		35,000.00		35,000.00			170,000.00
A01130	Insurance against sickness	127,338.00					-2,000.00		125,338.00
A01131	Insurance against accidents and occupational disease	33,427.00				-6,500.00	-2,000.00		24,927.00
A01132	Unemployment insurance for temporary staff	43,070.00					4,000.00		47,070.00
A01140	Birth and death grants	1,983.00							1,983.00
A01141	Annual travel expenses from the place of work to o	82,234.00							82,234.00
A01142	Schooling fees	100,000.00					159,000.00		259,000.00
A01160	Expenditure related to recruitment	50,000.00					-10,000.00		40,000.00



Budget Line	Description	Initial Budget	22/01/2015	21/04/2015	09/06/2015	29/07/2015	07/09/2015	23/09/2015	19/11/2015	07/12/2015	Credit Available Pay Amount
			Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	
A01161	Travel expense to take up duty	4,000.00									4,000.00
A01162	Installation resettlement and transfer allowances	9,137.00	72,472.00						-20,000.00		61,609.00
A01163	Temporary daily subsistence allowances	14,148.00	62,930.00						-48,000.00		29,078.00
A01170	Supplementary clerical and interim services	145,000.00				30,000.00		6,500.00			181,500.00
A01171	Administrative assistance	50,000.00									50,000.00
A01200	Mission expenses Administrative staff	60,000.00							-12,000.00		48,000.00
A01201	Mission expenses Director	50,000.00					-10,000.00				40,000.00
A01202	Mission expenses Director Office staff	54,535.00									54,535.00
A01300	Medical services and equipment	30,000.00							-30,000.00		0.00
A01401	Social welfare of staff	27,200.00									27,200.00
A01410	Staff Committee	12,000.00									12,000.00
A02000	Rent	590,410.00			3,520.00						593,930.00
A02001	Removal costs	5,000.00							-500.00		4,500.00
A02010	Utilities	110,000.00							15,000.00		125,000.00
A02011	Cleaning and maintenance	110,000.00							-15,000.00		95,000.00
A02020	Insurance	5,000.00							-500.00		4,500.00
A02030	Security and surveillance of buildings	40,000.00							10,000.00		50,000.00

Budget Line	Acceptance Date	Initial Budget	22/01/2015	21/04/2015	09/06/2015	29/07/2015	07/09/2015	23/09/2015	19/11/2015	07/12/2015	Credit Available Pay Amount
	Description		Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	
A02031	Health and safety at work	7,000.00							-700.00		6,300.00
A02040	Other expenditure on buildings	17,190.00			38,590.00				15,250.00		71,030.00
A02041	Audio & Video equipment-maintenance	18,000.00							-1,757.40		16,242.60
A02100	Consumables	13,500.00							-3,573.05		9,926.95
A02101	Software	60,000.00							-59,858.12		141.88
A02102	Subscriptions IT	190,000.00							-12,000.00		178,000.00
A02103	Disaster recovery site	80,000.00							6,000.00		86,000.00
A02210	Purchase of furniture	76,300.00				-27,000.00			-4,930.00		44,370.00
A02220	Transportation costs	107,500.00			5,500.00				2,000.00		115,000.00
A02230	Library acquisitions	115,000.00			-47,610.00	27,000.00					94,390.00
A02300	Stationery and office supplies	42,000.00									42,000.00
A02310	Bank charges	1,000.00							-100.00		900.00
A02320	Legal expenses	20,000.00					13,000.00				33,000.00
A02322	Expert consultation Gas	200,000.00							-49,000.00		151,000.00
A02323	Expert consultation Electricity	300,000.00					-94,500.00		-17,250.00		186,250.00
A02324	Expert consultation Administration	6,300.00									6,300.00
A02325	External audit expenses	8,000.00							-1,000.00		7,000.00

Budget Line	Description	Acceptance Date	Initial Budget	22/01/2015	21/04/2015	09/06/2015	29/07/2015	07/09/2015	23/09/2015	19/11/2015	07/12/2015	Credit Available Pay Amount
				Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	
A02330	Administrative Board meetings		36,000.00									36,000.00
A02331	Board of Regulators meetings		157,483.00					-60,000.00		-16,000.00		81,483.00
A02332	Board of Appeal meetings		15,000.00							29,000.00		44,000.00
A02333	External participants to meetings		10,800.00									10,800.00
A02334	EU Agencies Network		21,500.00					-5,000.00				16,500.00
A02400	Postal charges		10,000.00							-3,000.00		7,000.00
A02410	Telecommunications subscriptions and charges		67,500.00							-7,400.00		60,100.00
A02420	Hardware and other equipment		82,000.00					12,000.00		88,588.57		182,588.57
B03000	Representation expenses - Director		5,000.00									5,000.00
B03001	Representation expenses - Administration		3,600.00							-3,200.00		400.00
B03002	Representation expenses - Electricity		6,000.00							-1,000.00		5,000.00
B03003	Representation expenses - MMD		6,000.00									6,000.00
B03004	Representation expenses - Gas		5,000.00									5,000.00
B03100	Operational Missions Gas Department		110,000.00					-5,000.00				105,000.00
B03101	Operational Missions Electricity Department		101,000.00							-6,000.00		95,000.00
B03102	Operational Missions Market Monitoring Department		125,000.00		-50,000.00						-18,658.28	56,341.72
B03200	Public hearings workshops conferences		135,900.00							-31,136.00		104,764.00

Budget Line	Acceptance Date	Initial Budget	22/01/2015	21/04/2015	09/06/2015	29/07/2015	07/09/2015	23/09/2015	19/11/2015	07/12/2015	Credit Available Pay Amount
	Description		Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	Normal Transfer	
B03201	Website set up and maintenance	59,500.00		50,000.00					-503.00		108,997.00
B03202	Publications information material	33,500.00					-10,000.00		-19,500.00		4,000.00
B03203	Reports production	27,100.00							-4,000.00		23,100.00
B03300	Translation at CDT	70,500.00				-35,000.00			-14,500.00		21,000.00
B03400	Insurance	8,000.00							-3,000.00		5,000.00
B03500	Hosting deployment and operations	100,000.00									100,000.00
B03501	AFIS development licenses subscriptions and fees	407,482.00			180,000.00				145,570.15	23,000.38	756,052.53
B03502	SMARTS development licenses and consultancy	500,000.00			-450,000.00				-36,001.15	-2,800.00	11,198.85
B03503	IT and expert consultancy	500,000.00			270,000.00	35,000.00	159,500.00			-1,542.10	962,957.90
		11,266,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,266,000.00

## ESTABLISHMENT PLAN

The number of temporary posts as authorised under the 2015 budget are as follows:

Function group and grade	2015	
	Authorised under EU Budget	
	Permanent Posts	Temporary Posts
AD 16	0	0
AD 15	0	0
AD 14	0	1
AD 13	0	0
AD 12	0	0
AD 11	0	4
AD 10	0	0
AD 9	0	2
AD 8	0	6
AD 7	0	6
AD 6	0	7
AD 5	0	13
<b>AD total</b>	<b>0</b>	<b>39</b>
AST 11	0	0
AST 10	0	0
AST 9	0	0
AST 8	0	0
AST 7	0	0
AST 6	0	0
AST 5	0	1
AST 4	0	1
AST 3	0	13
AST 2	0	0
AST 1	0	0
<b>AST total</b>	<b>0</b>	<b>15</b>
<b>TOTAL</b>	<b>0</b>	<b>54</b>
<b>GRAND TOTAL</b>	<b>54</b>	