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**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE COUNCIL AND THE COURT OF AUDITORS**

ANNUAL ACCOUNTS OF THE EUROPEAN COMMISSION 2014

Annual accounts of the European Commission 2014

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CERTIFICATION OF THE ACCOUNTS

The annual accounts of the European Commission for the year 2014 have been prepared in accordance with the Financial Regulation applicable to the general budget of the European Union and the accounting rules adopted by myself in my capacity as the Commission's Accounting Officer, as are to be applied by all the institutions and Union bodies.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European Commission in accordance with Article 68 of the Financial Regulation.

I have obtained from the authorising officers, who certified its reliability, all the information necessary for the production of the accounts that show the European Commission'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 European Commission.

[signed]

Manfred Kraff

Accounting Officer of the Commission

13 July 2015

FINANCIAL STATEMENTS AND EXPLANATORY NOTES

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

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BALANCE SHEET

EUR millions

	Note	31.12.2014	31.12.2013
NON-CURRENT ASSETS			
Intangible assets	2.1	109	78
Property, plant and equipment	2.2	4 799	2 888
Investments accounted for using the equity method	2.3	409	349
Financial assets	2.4	55 027	58 490
Pre-financing	2.5	18 184	37 995
Exchange receivables and non-exchange recoverables	2.6	1 230	529
		79 758	100 329
CURRENT ASSETS			
Financial assets	2.4	11 134	4 821
Pre-financing	2.5	34 347	21 189
Exchange receivables and non-exchange recoverables	2.6	14 192	13 007
Inventories	2.7	82	85
Cash and cash equivalents	2.8	16 187	8 275
		75 942	47 377
TOTAL ASSETS		155 700	147 706
NON-CURRENT LIABILITIES			
Pension and other employee benefits	2.9	(58 045)	(46 103)
Provisions	2.10	(1 378)	(1 303)
Financial liabilities	2.11	(50 932)	(55 406)
		(110 355)	(102 812)
CURRENT LIABILITIES			
Provisions	2.10	(734)	(489)
Financial liabilities	2.11	(8 783)	(3 124)
Payables	2.12	(42 986)	(36 015)
Accrued charges and deferred income	2.13	(55 575)	(55 881)
		(108 078)	(95 509)
TOTAL LIABILITIES		(218 433)	(198 321)
NET ASSETS		(62 733)	(50 615)
Reserves	2.14	2 641	2 298
Amounts to be called from Member States*	2.15	(65 374)	(52 913)
NET ASSETS		(62 733)	(50 615)

* The European Parliament adopted a budget on 17 December 2014 which provides for the payment of the Commission's short-term liabilities from own resources to be collected by, or called up from, the Member States in 2015. Additionally, under article 83 of the Staff Regulations (Council Regulation 259/68 of 29 February 1968 as amended), the Member States shall jointly guarantee the liability for pensions.

STATEMENT OF FINANCIAL PERFORMANCE

EUR millions

	Note	2014	2013 (reclassified)
REVENUE			
Revenue from non-exchange transactions			
GNI resources		104 688	110 194
Traditional own resources	3.1	17 137	15 467
VAT		17 462	14 019
Fines		2 297	2 757
Recovery of expenses	3.2	3 418	1 764
Other	3.3	1 936	520
Total		146 938	144 721
Revenue from exchange transactions			
Financial income	3.4	2 241	1 926
Other	3.5	797	965
Total		3 039	2 891
		149 977	147 613
EXPENSES *			
Implemented by Member States	3.6		
European Agricultural Guarantee Fund		(44 465)	(45 067)
European Agricultural Fund for Rural Development and other rural development instruments		(14 046)	(13 585)
European Regional Development Fund & Cohesion Fund		(43 345)	(47 767)
European Social Fund		(12 651)	(12 126)
Other		(2 307)	(1 525)
Implemented by the Commission and executive agencies	3.7	(15 328)	(12 486)
Implemented by other EU agencies and bodies	3.8	(1 362)	(1 017)
Implemented by third countries and int. organisations	3.8	(2 770)	(2 465)
Implemented by other entities	3.8	(1 799)	(1 694)
Staff and pension costs	3.9	(7 357)	(6 845)
Changes in employee benefits actuarial assumptions		(9 052)	(1 941)
Finance costs	3.10	(2 877)	(2 327)
Share of net deficit of joint ventures and associates		(640)	(608)
Other expenses	3.11	(3 204)	(2 844)
		(161 203)	(152 298)
ECONOMIC RESULT OF THE YEAR		(11 226)	(4 685)

*

Implemented by Member States: Shared management

Implemented by the Commission and executive agencies: Direct management

Implemented by other EU agencies and bodies, third countries, international organisations and other entities: Indirect management

CASHFLOW STATEMENT

EUR millions

	Note	2014	2013
<i>Economic result of the year</i>		(11 226)	(4 685)
Operating activities			
<i>Amortisation</i>		15	9
<i>Depreciation</i>		164	139
<i>(Reversal of) impairment losses on investments</i>		–	6
<i>(Increase)/decrease in loans</i>		(1 241)	30
<i>(Increase)/decrease in pre-financing</i>		6 653	(1 547)
<i>(Increase)/decrease in exchange receivables and non-exchange recoverables</i>		(1 886)	980
<i>(Increase)/decrease in inventories</i>		4	0
<i>Increase/(decrease) in pension and employee benefits liability</i>		11 942	4 483
<i>Increase/(decrease) in provisions</i>		321	(160)
<i>Increase/(decrease) in financial liabilities</i>		1 185	(81)
<i>Increase/(decrease) in payables</i>		6 971	(12 195)
<i>Increase/(decrease) in accrued charges and deferred income</i>		(306)	14 664
<i>Prior year budgetary surplus taken as non-cash revenue</i>		(1 005)	(1 023)
<i>Other non-cash movements</i>		112	(17)
Investing activities			
<i>(Increase)/decrease in intangible assets and property, plant and equipment</i>		(2 120)	(566)
<i>(Increase)/decrease in investments accounted for using the equity method</i>		(60)	42
<i>(Increase)/decrease in available for sale financial assets</i>		(1 610)	(1 082)
NET CASHFLOW		7 912	(1 003)
<i>Net increase/(decrease) in cash and cash equivalents</i>		7 912	(1 003)
<i>Cash and cash equivalents at the beginning of the year</i>	2.8	8 275	9 278
<i>Cash and cash equivalents at year-end</i>	2.8	16 187	8 275

STATEMENT OF CHANGES IN NET ASSETS

EUR millions

	Reserves (A)		Amounts to be called from Member States (B)		Net Assets =(A)+(B)
	Fair value reserve	Other reserves	Accumulated Surplus/(Deficit)	Economic result of the year	
BALANCE AS AT 31.12.2012	96	2 158	(42 142)	(5 008)	(44 896)
<i>Movement in Guarantee Fund reserve</i>	-	46	(46)	-	-
<i>Fair value movements</i>	(13)	-	-	-	(13)
<i>Other</i>	-	11	(9)	-	2
<i>Allocation of the 2012 economic result</i>	-	-	(5 008)	5 008	-
<i>2012 budget result credited to Member States</i>	-	-	(1 023)	-	(1 023)
<i>Economic result of the year</i>	-	-	-	(4 685)	(4 685)
BALANCE AS AT 31.12.2013	83	2 215	(48 228)	(4 685)	(50 616)
<i>Movement in Guarantee Fund reserve</i>	-	247	(247)	-	-
<i>Fair value movements</i>	119	-	-	-	119
<i>Other</i>	-	(24)	18	-	(6)
<i>Allocation of the 2013 economic result</i>	-	-	(4 685)	4 685	-
<i>2013 budget result credited to Member States</i>	-	-	(1 005)	-	(1 005)
<i>Economic result of the year</i>	-	-	-	(11 226)	(11 226)
BALANCE AS AT 31.12.2014	202	2 438	(54 147)	(11 226)	(62 734)

NOTES TO THE FINANCIAL STATEMENTS

For further information in addition to the notes below, please also see the 2014 EU consolidated accounts.

1. SIGNIFICANT ACCOUNTING POLICIES

The European Commission (hereinafter referred to as the Commission) applies the accounting policies of the European Union (hereinafter referred to as the EU). A summary of the significant EU accounting policies is given below.

1.1. LEGAL BASIS AND ACCOUNTING RULES

The accounts of the EU are kept in accordance with Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1) hereinafter referred to as the 'Financial Regulation' and Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 (OJ L 362, 31.12.2012, p. 1) laying down detailed rules of application of this Financial Regulation.

In accordance with article 143 of the Financial Regulation, the EU prepares its financial statements on the basis of accrual-based accounting rules that are based on International Public Sector Accounting Standards (IPSAS). These accounting rules, adopted by the Accounting Officer of the Commission, have to be applied by all the institutions and EU bodies falling within the scope of consolidation in order to establish a uniform set of rules for accounting, valuation and presentation of the accounts with a view to harmonising the process for drawing up the financial statements and consolidation. The accounts are kept in Euro on the basis of the calendar year.

1.2. ACCOUNTING PRINCIPLES

The objective of the financial statements is to provide information about the financial position, performance and cashflows of an entity that is useful to a wide range of users. For the EU as a public sector entity, the objectives are more specifically to provide information useful for decision making, and to demonstrate the accountability of the entity for the resources entrusted to it. It is with these goals in mind that the present document has been drawn up.

The overall considerations (or accounting principles) to be followed when preparing the financial statements are laid down in EU accounting rule 2 and are the same as those described in IPSAS 1, that is: fair presentation, accrual basis, going concern, consistency of presentation, aggregation, offsetting and comparative information. The qualitative characteristics of financial reporting according to article 144 of the Financial Regulation are relevance, reliability, understandability and comparability.

Preparation of the financial statements in accordance with the above mentioned rules and principles requires management to make estimates that affect the reported amounts of certain items in the balance sheet and statement of financial performance, as well as the disclosures related to financial instruments and contingent assets and liabilities.

1.3. CONSOLIDATION

SCOPE OF CONSOLIDATION

The consolidated financial statements of the EU comprise all significant controlled entities (i.e. the EU institutions (including the Commission) and the EU agencies), associates and joint ventures, this being 52 controlled entities, 7 joint ventures and 1 associate. The complete list of consolidated entities can be found in note **10** of the EU accounts. In comparison with 2013, the scope of consolidation remains unchanged, noting that 1 associate has now been reclassified as a joint venture and following the amalgamation of 2 other associates the resulting entity has been classified as a joint venture.

CONTROLLED ENTITIES

The decision to include an entity in the scope of consolidation is based on the control concept. Controlled entities are all entities over which the EU has, directly or indirectly, the power to govern the financial and operating policies so as to be able to benefit from these entities' activities. This power must be presently

exercisable. Controlled entities are fully consolidated. The consolidation begins at the first date on which control exists, and ends when such control no longer exists.

The most common indicators of control within the EU are: creation of the entity through founding treaties or secondary legislation, financing of the entity from the general budget, the existence of voting rights in the governing bodies, audit by the Court and discharge by the European Parliament. It is clear that an individual assessment for each entity needs to be made in order to decide whether one or all of the criteria listed above are sufficient to trigger control.

Under this approach, the EU's institutions (except the European Central Bank - ECB) and agencies (excluding the agencies of the former 2nd pillar) are considered as under the exclusive control of the EU and are therefore included in the consolidation scope. Furthermore the European Coal and Steel Community (ECSC) in Liquidation is also considered as a controlled entity.

All material inter-company transactions and balances between EU controlled entities are eliminated, while unrealised gains and losses on such transactions are not material and so have not been eliminated.

JOINT VENTURES

A joint venture is a contractual arrangement whereby the EU and one or more parties (the "venturers") undertake an economic activity which is subject to joint control. Joint control is the contractually agreed sharing of control, directly or indirectly, over an activity embodying service potential. Participations in joint ventures are accounted for using the equity method (see **1.5.4** below).

ASSOCIATES

Associates are entities over which the EU has, directly or indirectly, significant influence but not control. It is presumed that significant influence exists if the EU holds directly or indirectly 20 % or more of the voting rights. Participations in associates are accounted for using the equity method (see **1.5.4** below).

NON-CONSOLIDATED ENTITIES THE FUNDS OF WHICH ARE MANAGED BY THE COMMISSION

The funds of the Sickness Insurance Scheme for staff of the EU, the European Development Fund and the Participants Guarantee Fund are managed by the Commission on their behalf, however since these entities are not controlled by the EU they are not consolidated in its financial statements.

1.4. BASIS OF PREPARATION

1.4.1. Currency and basis for conversion

Functional and reporting currency

The financial statements are presented in millions of euros, the euro being the EU's functional and reporting currency.

Transactions and balances

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 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 rate that applied at the date when they were purchased.

Year-end balances of monetary assets and liabilities denominated in foreign currencies are converted into euros on the basis of the exchange rates applying on 31 December:

Euro exchange rates

Currency	31.12.2014	31.12.2013	Currency	31.12.2014	31.12.2013
BGN	1.9558	1.9558	LTL	3.4528	3.4528
CZK	27.7350	27.4270	PLN	4.2732	4.1543
DKK	7.4453	7.4593	RON	4.4828	4.4710
GBP	0.7789	0.8337	SEK	9.3930	8.8591
HRK	7.6580	7.6265	CHF	1.2024	1.2276
HUF	315.5400	297.0400	JPY	145.2300	144.7200
LVL	-	0.7028	USD	1.2141	1.3791

Changes in the fair value of monetary financial instruments denominated in a foreign currency and classified as available for sale that relate to a translation difference are recognised in the statement of financial performance. Translation differences on non-monetary financial assets and liabilities held at fair value through profit or loss are recognised in the statement of financial performance. Translation differences on non-monetary financial instruments classified as available for sale are included in the fair value reserve.

1.4.2. 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, provisions, financial risk on inventories and accounts receivable, accrued income and charges, contingent assets and liabilities, degree of impairment of intangible assets and property, plant and equipment and amounts disclosed in the notes concerning financial instruments. Actual results could differ from those estimates. Changes in estimates are reflected in the period in which they become known.

1.5. BALANCE SHEET**1.5.1. Intangible assets**

Acquired computer software licences are stated at historical cost less accumulated amortisation and impairment losses. The assets are amortised on a straight-line basis over their estimated useful lives. The estimated useful lives of intangible assets depend on their specific economic lifetime or legal lifetime determined by an agreement. Internally developed intangible assets are capitalised when the relevant criteria of the EU accounting rules are met and relate solely to the development phase of the asset. The costs capitalisable include all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. Costs associated with research activities, non-capitalisable development costs and maintenance costs are recognised as expenses as incurred.

1.5.2. Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical 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 EU 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 and works of art are not depreciated as they are deemed to have an indefinite useful life. Assets under construction are not depreciated as these assets are not yet available for use. Depreciation on other assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives, as follows:

Type of asset	Straight line depreciation rate
<i>Buildings</i>	4 % to 10 %
<i>Plant and equipment</i>	10 % to 25 %
<i>Furniture and vehicles</i>	10 % to 25 %
<i>Fixtures and fittings</i>	10 % to 33 %
<i>Computer hardware</i>	25 % to 33 %
<i>Other</i>	10 % to 33 %

Gains or losses on disposals are determined by comparing proceeds less selling expenses with the carrying amount of the disposed asset and are included in the statement of financial performance.

Leases

Leases of tangible assets, where the EU has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The rental obligations, net of finance charges, are included in financial liabilities (non-current and current). The interest element of the finance cost is charged to the statement of financial performance over the lease period so as to produce a constant periodic interest rate on the remaining balance of the liability for each period. The assets held under finance leases are depreciated over the shorter of the assets' useful life and the lease term.

Leases where the lessor retains a significant portion of the risks and rewards inherent to ownership are classified as operating leases. Payments made under operating leases are charged to the statement of financial performance on a straight-line basis over the period of the lease.

1.5.3. Impairment of non-financial assets

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

Intangible assets and property, plant and equipment residual values and useful lives are reviewed, and adjusted if appropriate, at least once per year. An asset's carrying amount is written down immediately to its recoverable (service) amount if the asset's carrying amount is greater than its estimated recoverable (service) amount. If the reasons for impairments recognised in previous years no longer apply, the impairment losses are reversed accordingly.

1.5.4. Investments accounted for using the equity method

Participations in associates and joint ventures

Participations in associates and joint ventures are accounted for using the equity method and are initially recognised at cost. The EU's interest in the results of its associates and joint ventures is recognised in the statement of financial performance, and its share in the movements in reserves is recognised in the reserves. The initial cost together with all movements (further contributions, share of economic results and reserve movements, impairments, and dividends) give the book value of the associate or joint venture in the financial statements at the balance sheet date. Distributions received from an associate or joint venture reduce the carrying amount of the asset.

If the EU's share of deficits of a joint venture equals or exceeds its interest in the joint venture, the EU discontinues recognising its share of further losses ("unrecognised losses"). The unrecognised share of losses is the result of a technical accounting exercise needed when using the equity method of accounting. These unrecognised losses do not represent losses for the EU and are due to the fact that the expense recognition normally takes place before the capital increase for the contribution in kind of the venturers other than the EU.

Unrealised gains and losses on transactions between the EU and its associate or joint ventures are not material and have therefore not been eliminated. The accounting policies of associates or joint ventures may differ from those adopted by the EU for like transactions and events in similar circumstances.

If there are indications of impairment, a write-down to the lower recoverable amount is necessary. The recoverable amount is determined as described under **1.5.3**. If the reason for impairment ceases to apply at a later date, the impairment loss is reversed to the carrying amount that would have been determined had no impairment loss been recognised.

In cases where the EU holds 20 % or more of an investment capital fund, it does not seek to exert significant influence. Such funds are therefore treated as financial instruments and categorised as available for sale financial assets.

1.5.5. Financial assets

Classification

The EU classifies their financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available for sale financial assets. The classification of the financial instruments is determined at initial recognition and re-evaluated at each balance sheet date.

(i) Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by the EU. Derivatives are also categorised in this category. Assets in this category are classified as current assets if they are expected to be realised within 12 months of the balance sheet date. During this financial year, the EU did not hold any financial assets in this category.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the EU provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in non-current assets, except for maturities within 12 months of the balance sheet date even if the maturity date of the entire loan dates more than 12 months from the balance sheet date.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the EU has the positive intention and ability to hold to maturity. During this financial year, the EU did not hold any investments in this category.

(iv) Available for sale financial assets

Available for sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are classified as either current or non-current assets, depending on the time period in which the EU expects to dispose of them which is usually the remaining maturity at the balance sheet date. Investments in unconsolidated entities and other equity investments (e.g. Risk Capital Operations) that are not accounted for using the equity method are also classified as available for sale financial assets.

Initial recognition and measurement

Purchases and sales of financial assets at fair value through profit or loss, held-to-maturity and available for sale are recognised on trade-date – the date on which the EU commits to purchase or sell the asset. Loans are recognised when cash is advanced to the borrowers. Financial instruments are initially recognised at fair value. For all financial assets not carried at fair value through profit or loss transactions costs are added to the fair value at initial recognition. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of financial performance.

The fair value of a financial asset on initial recognition is normally the transaction price (i.e. the fair value of the consideration received). However, when a long-term loan that carries no interest or an interest

below market conditions is granted, its fair value can be estimated as the present value of all future cash receipts discounted using the prevailing market rate of interest for a similar instrument with a similar credit rating.

Loans granted are measured at their nominal amount, which is considered to be the fair value of the loan. The reasoning for this is as follows:

- The "market environment" for EU lending is very specific and different from the capital market used to issue commercial or government bonds. As lenders in these markets have the opportunity to choose alternative investments, the opportunity possibility is factored into market prices. However, this opportunity for alternative investments does not exist for the EU which is not allowed to invest money on the capital markets; it only borrows funds for the purpose of lending at the same rate. This means that there is no alternative lending or investment option available to the EU for the sums borrowed. Thus, there is no opportunity cost and therefore no basis of comparison with market rates. In fact, the EU lending operation itself represents the market. Essentially, since the opportunity cost "option" is not applicable, the market price does not fairly reflect the substance of the EU lending transactions. Therefore, it is not appropriate to determine the fair value of EU lending with reference to commercial or government bonds.
- Furthermore as there is no active market or similar transactions to compare with, the interest rate to be used by the EU for fair valuing its lending operations under the European Financial Stability Mechanism (EFSM), Balance of Payment (BOP) and other such loans, should be the interest rate charged.
- In addition, for these loans, there are compensating effects between loans and borrowings due to their back-to-back character. Thus, the effective interest for the loan equals the effective interest rate for the related borrowings. The transaction costs incurred by the EU and then recharged to the beneficiary of the loan are directly recognised in the statement of financial performance.

Financial instruments are derecognised when the rights to receive cashflows from the investments have expired or have been transferred and the EU has transferred substantially all risks and rewards of ownership.

Subsequent measurement

- (i) Financial assets at fair value through profit or loss are subsequently carried at fair value. Gains and losses arising from changes in the fair value of the 'financial instruments at fair value through profit or loss' category are included in the statement of financial performance in the period in which they arise.
- (ii) Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. In the case of loans granted on borrowed funds, the same effective interest rate is applied to both the loans and borrowings since these loans have the characteristics of 'back-to-back operations' and the differences between the loan and the borrowing conditions and amounts are not material. The transaction costs incurred by the EU and then recharged to the beneficiary of the loan are directly recognised in the statement of financial performance.
- (iii) Held to maturity – the EU currently holds no held to maturity investments.
- (iv) Available for sale financial assets are subsequently carried at fair value. Gains and losses arising from changes in the fair value of available for sale financial assets are recognised in the fair value reserve. When assets classified as available for sale financial assets are derecognised or impaired, the cumulative fair value adjustments previously recognised in the fair value reserve are recognised in the statement of financial performance. Interest on available for sale financial assets calculated using the effective interest method is recognised in the statement of financial performance. Dividends on available for sale equity instruments are recognised when the EU's right to receive payment is established.

The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the EU establishes a fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cashflow analysis, option pricing models and other valuation techniques commonly used by market participants.

In cases where the fair value of investments in equity instruments that do not have a quoted market price in an active market cannot be reliably measured, these investments are valued at cost less impairment losses.

Impairment of financial assets

The EU assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that loss event (or events) has an impact on the estimated future cashflows of the financial asset that can be reliably estimated.

(a) *Assets carried at amortised cost*

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cashflows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of financial performance. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. The calculation of the present value of the estimated future cashflows of a collateralised financial asset reflects the cashflows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the statement of financial performance.

(b) *Assets carried at fair value*

In the case of equity investments classified as available for sale financial assets, a significant or permanent (prolonged) decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available for sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the statement of financial performance – is removed from reserves and recognised in the statement of financial performance. Impairment losses recognised in the statement of financial performance on equity instruments are not reversed through the statement of financial performance. If, in a subsequent period, the fair value of a debt instrument classified as available for sale financial asset increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed through the statement of financial performance.

Investments in venture capital funds

Investments in Venture Capital Funds are classified as available for sale financial assets and, accordingly, are carried at fair value with gains and losses arising from changes in the fair value (including translation differences) recognised in the fair value reserve. Since they do not have a quoted market price in an active market, investments in Venture Capital Funds are valued on a line-by-line basis at the lower of cost or attributable net asset value. Unrealised gains resulting from the fair value measurement are recognised through reserves and unrealised losses are assessed for impairment so as to determine whether they are recognised as impairment losses in the statement of financial performance or as changes in the fair value reserve.

1.5.6. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other directly attributable costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they are measured at the lower of cost and current replacement cost. Current replacement cost is the cost the EU would incur to acquire the asset on the reporting date.

1.5.7. Pre-financing amounts

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. It may be split into a number of payments over a period defined in the particular pre-financing agreement. The float or advance is repaid or used for the purpose for which it was provided during the period defined in the

agreement. If the beneficiary does not incur eligible expenditure, he has the obligation to return the pre-financing advance to the EU. The amount of the pre-financing may be reduced (wholly or partially) by the acceptance of eligible costs (which are recognised as expenses) and amounts returned.

At year-end, outstanding pre-financing amounts are valued at the original amount(s) paid less: amounts returned, eligible amounts expensed, estimated eligible amounts not yet cleared at year-end, and value reductions.

Amounts defined in the Financial Regulation as "financial instruments under shared management" are from an accounting point of view classified as pre-financing amounts. These pre-financing amounts are valued at the original amounts paid to Member States less an estimation of amounts utilised.

Interest on pre-financing is recognised as it is earned in accordance with the provisions of the relevant agreement. An estimate of the accrued interest revenue, based on the most reliable information, is made at the year-end and included in the balance sheet.

1.5.8. Exchange receivables and non-exchange recoverables

As the EU accounting rules require a separate presentation of exchange and non-exchange transactions, for the purpose of drawing up the accounts, receivables are defined as stemming from exchange transactions and recoverables are defined as stemming from non-exchange transactions that do not arise out of a contract (sovereign recoverables).

Receivables from exchange transactions meet the definition of financial instruments and are thus classified as loans and receivables and measured accordingly (see **1.5.5** above). The financial instruments notes disclosures concerning receivables from exchange transactions include accrued income and deferred charges from exchange transactions as they are not material.

Recoverables from non-exchange transactions are carried at original amount (adjusted for interest and penalties) less write-down for impairment. A write-down for impairment of recoverables from non-exchange transactions is established when there is objective evidence that the EU will not be able to collect all amounts due according to the original terms of recoverables from non-exchange transactions. 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. A general write-down, based on past experience, is also made for outstanding recovery orders not already subject to a specific write-down. See note **1.5.14** below concerning the treatment of accrued income at year-end. Amounts displayed and disclosed as recoverables from non-exchanges transactions are not financial instruments as they do not arise from a contract. However, in the notes to the financial statements recoverables from non-exchange transactions are disclosed together with receivables from exchange transactions where appropriate.

1.5.9. Cash and cash equivalents

Cash and cash equivalents are financial instruments and classified as available for sale financial assets. They include cash at hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

1.5.10. Pension and other employee benefits

Pension obligations

The EU operates defined benefit pension plans. Whilst staff contribute from their salaries one third of the expected cost of these benefits, the liability is not funded. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date. The defined benefit obligation is calculated by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the statement of financial performance. Past-service costs are recognised

immediately in statement of financial performance, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

Post-employment sickness benefits

The EU provides health benefits to its employees through the reimbursement of medical expenses. A separate fund has been created for its day-to-day administration. Both current employees, pensioners, widowers and their beneficiaries benefit from the system. The benefits granted to the "inactives" (pensioners, orphans, etc.) are classified as "Post-Employment Employee Benefits". Given the nature of these benefits, an actuarial calculation is required. The liability in the balance sheet is determined on a similar basis as that for the pension obligations (see above).

1.5.11. Provisions

Provisions are recognised when the EU has a present legal or constructive obligation towards third parties as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses. The amount of the provision is the best estimate of the expenses expected to be required to settle the present obligation at the reporting date. Where the provision involves a large number of items, the obligation is estimated by weighting all possible outcomes by their associated probabilities ("expected value" method).

1.5.12. Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss or as financial liabilities carried at amortised cost. Borrowings are composed of borrowings from credit institutions and debts evidenced by certificates. They are recognised initially at fair value, being their issue proceeds (fair value of consideration received) net of transaction costs incurred, then subsequently carried at amortised cost using the effective interest method; any difference between proceeds, net of transaction costs, and the redemption value is recognised in the statement of financial performance over the period of the borrowings using the effective interest method.

Financial liabilities are classified as non-current liabilities, except for maturities less than 12 months after the balance sheet date. In the case of loans granted on borrowed funds, the effective interest method may not be applied to loans and borrowings, based on materiality considerations. The transaction costs incurred by the EU and then recharged to the beneficiary of the loan are directly recognised in the statement of financial performance.

Financial liabilities categorised at fair value through profit or loss include derivatives when their fair value is negative. They follow the same accounting treatment as financial assets at fair value through profit or loss, see note **1.5.5**. During this financial year, the EU did not hold any financial liabilities in this category.

1.5.13. Payables

A significant amount of the payables of the EU are not related to exchange transactions such as the purchase of goods or services – instead they are unpaid cost claims from beneficiaries of grants or other EU funding (non-exchange transactions). They are recorded as payables for the requested amount 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 and corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by the EU.

1.5.14. Accrued and deferred income 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, the supplies have been delivered by the EU or a contractual agreement exists (e.g. by reference to a treaty), an accrued income 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 Commission which aim at ensuring that the financial statements provide a faithful representation of the economic and other phenomena they purport to represent.

1.6. STATEMENT OF FINANCIAL PERFORMANCE

1.6.1. Revenue

REVENUE FROM NON-EXCHANGE TRANSACTIONS

The vast majority of the EU's revenue relates to non-exchange transactions:

GNI based resources and VAT resources

Revenue is recognised for the period for which the Commission sends out a call for funds to the Member States claiming their contribution. They are measured at their "called amount". As VAT and GNI resources are based on estimates of the data for the budgetary year concerned, they may be revised as changes occur until the final data are issued by the Member States. The effect of a change in estimate is included when determining the net surplus or deficit for the period in which the change occurred.

Traditional own resources

Recoverables from non-exchange transactions and related revenues are recognised when the relevant monthly "A" statements (including duties collected and amounts due that are guaranteed and not contested) are received from the Member States. At the reporting date, revenue collected by the Member States for the period but not yet paid to the Commission is estimated and recognised as accrued income. The quarterly "B" statements (including duties neither collected nor guaranteed, as well as guaranteed amounts that have been contested by the debtor) received from the Member States are recognised as revenue less the collection costs to which they are entitled. In addition, a value reduction is recognised for the amount of the estimated recovery gap.

Fines

Revenue from fines is recognised when the EU's decision imposing a fine has been taken and it is officially notified to the addressee. If there are doubts about the undertaking's solvency, a value reduction on the entitlement is recognised. After the decision to impose a fine, the debtors have two months from the date of notification:

- either to accept the decision, in which case they must pay the fine within the time limit laid down and the amount is definitively collected by the EU;
- or not to accept the decision, in which case they lodge an appeal under EU law.

However, even if appealed, the principal of the fine must be paid within the time limit of three months laid down as the appeal does not have suspensory effect (Article 278 of the EU Treaty) or, under certain circumstances and subject to the agreement of the Commission's Accounting Officer, it may present a bank guarantee for the amount instead.

If the undertaking appeals against the decision, and has already provisionally paid the fine, the amount is disclosed as a contingent liability. However, since an appeal against an EU decision by the addressee does not have suspensory effect, the cash received is used to clear the recoverable. If a guarantee is

received instead of payment, the fine remains as a recoverable. If it appears probable that the General Court may not rule in favour of the EU, a provision is recognised to cover this risk. If a guarantee had been given instead, then the recoverable outstanding is written-down as required. The accumulated interest received by the Commission on the bank accounts where received payments are deposited is recognised as revenue, and any contingent liability is increased accordingly.

Since 2010, all provisionally cashed fines are managed by the Commission in a specifically created fund (BUFI) and invested in financial instruments categorised as available for sale financial assets.

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.

Interest income and expense

Interest income and expense are recognised in the statement of financial performance using the effective interest method. This is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. When calculating the effective interest rate, the EU estimates cashflows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest to discount the future cashflows for the purpose of measuring the impairment loss.

Dividend income

Dividend income is recognised when the right to receive payment is established.

1.6.2. Expenses

Expenses from non-exchange transactions account for the majority of the EU's expenses. They 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 (Financial Regulation, Staff Regulations, or other 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 expenses.

Expenses from exchange transactions arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by the EU. They are valued at original invoice cost.

1.7. CONTINGENT ASSETS AND LIABILITIES

1.7.1. 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 EU. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

1.7.2. Contingent liabilities

A contingent liability is a possible obligation 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 EU; or a present obligation that arises from past events but is not recognised because: it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation or, in the rare circumstances where the amount of the obligation cannot be measured with sufficient reliability.

2. NOTES TO THE BALANCE SHEET

ASSETS

2.1. INTANGIBLE ASSETS

EUR millions

<i>Gross carrying amount at 31.12.2013</i>	135
<i>Additions</i>	45
<i>Disposals</i>	(1)
<i>Transfer between asset categories</i>	1
<i>Other changes</i>	1
Gross carrying amount at 31.12.2014	182
<i>Accumulated amortisation at 31.12.2013</i>	(57)
<i>Amortisation charge for the year</i>	(15)
<i>Disposals</i>	1
<i>Transfer between asset categories</i>	(1)
<i>Other changes</i>	(1)
Accumulated amortisation at 31.12.2014	(72)
Net carrying amount at 31.12.2014	109
<i>Net carrying amount at 31.12.2013</i>	78

2.2. PROPERTY, PLANT AND EQUIPMENT

	EUR millions							
	Land and buildings	Plant and equipment	Furniture and vehicles	Computer hardware	Other	Finance leases	Assets under construction	TOTAL
<i>Gross carrying amount at 31.12.2013</i>	1 277	344	69	229	124	1 515	1 182	4 739
<i>Additions</i>	16	317	4	24	12	6	1 691	2 069
<i>Disposals</i>	(3)	(12)	(3)	(18)	(6)	0	-	(42)
<i>Transfer between asset categories</i>	76	58	-	7	0	(8)	(134)	(1)
<i>Other changes</i>	2	1	1	3	1	-	1	10
Gross carrying amount at 31.12.2014	1 368	708	72	245	130	1 514	2 739	6 776
<i>Accumulated depreciation at 31.12.2013</i>	(697)	(271)	(51)	(189)	(91)	(552)	-	(1 851)
<i>Depreciation charge for the year</i>	(35)	(38)	(4)	(23)	(10)	(53)	-	(164)
<i>Depreciation written back</i>	-	-	-	-	-	-	-	-
<i>Disposals</i>	2	12	3	18	6	0	-	40
<i>Transfer between asset categories</i>	-	0	-	(7)	0	7	-	1
<i>Other changes</i>	0	0	(1)	(1)	0	-	-	(3)
Accumulated depreciation at 31.12.2014	(731)	(298)	(54)	(202)	(96)	(597)	-	(1 978)
NET CARRYING AMOUNT AT 31.12.2014	637	411	18	44	34	917	2 739	4 799
<i>NET CARRYING AMOUNT AT 31.12.2013</i>	579	73	18	40	33	963	1 182	2 888

2.3. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

EUR millions

	Note	31.12.2014	31.12.2013
Participations in joint ventures	2.3.1	–	–
Participations in associates	2.3.2	409	349
Total		409	349

2.3.1. Participations in joint ventures

EUR millions

	GJU	SESAR	ITER	Clean Sky	IMI	ECSEL	FCH	Total
Participations at 31.12.2013	0	0	0	0	0	0	0	0
Contributions	0	95	118	125	166	75	69	647
Share of net result	0	(95)	(118)	(125)	(166)	(75)	(69)	(647)
Other equity movements	0	0	0	0	0	0	0	(0)
Participations at 31.12.2014	0	0	0	0	0	0	0	(0)
Unrecognised share of loss	–	(230)	(36)	(99)	(73)	(40)	(116)	(594)

The following carrying amounts are attributable to the Commission based on its percentage of participation:

EUR millions

	31.12.2014	31.12.2013
Non-current assets	250	198
Current assets	178	63
Non-current liabilities	–	–
Current liabilities	(813)	(394)
Revenue	2	1
Expenses	(666)	(412)

2.3.2. Participations in associates

EUR millions

	EIF
Participations at 31.12.2013	349
Contributions	38
Share of net result	7
Other equity movements	15
Participations at 31.12.2014	409

The following carrying amounts are attributable to the Commission based on its percentage of participation:

EUR millions

	31.12.2014	31.12.2013
Assets	497	499
Liabilities	(87)	(240)
Revenue	38	37
Surplus/(deficit)	21	(221)

European Investment Fund

EUR millions

	Total EIF capital	Commission subscription
Total share capital	4 161	1 011
Paid-in	(832)	(202)
Uncalled	3 329	809

2.4. FINANCIAL ASSETS

EUR millions

	Note	31.12.2014	31.12.2013
Non-current financial assets			
Available for sale financial assets	2.4.1	5 356	4 367
Loans	2.4.2	49 671	54 123
Total		55 027	58 490
Current financial assets			
Available for sale financial assets	2.4.1	2 351	1 730
Loans	2.4.2	8 783	3 090
Total		11 134	4 821
Total		66 161	63 311

2.4.1. Available for sale financial assets

EUR millions

	31.12.2014	31.12.2013
Guarantee Fund for external actions*	1 825	1 773
BUFI investments	3 068	1 911
Risk Sharing Finance Facility (RSFF)	842	1 197
ETF Start up	399	339
European Bank for Reconstruction and Development (EBRD)	188	188
Risk Capital Operations	145	124
Loan Guarantee Instrument for TEN-T projects (LGTT)	186	120
Horizon 2020	514	–
European Fund for South East Europe	117	116
Project Bond Initiative	125	67
Other available for sale investments	298	262
Total	7 707	6 097
Non-current	5 356	4 367
Current	2 351	1 730

* The Guarantee Fund holds EFSM bonds (EUR 20 million) issued by the Commission, so these have been eliminated

Fair value hierarchy of available for sale financial assets:

EUR millions

	31.12.2014	31.12.2013
Level 1: Quoted prices in active markets	6 499	4 911
Level 2: Observable inputs other than quoted prices	61	61
Level 3: Valuation techniques with inputs not based on observable market data	1 147	1 125
Total	7 707	6 097

Reconciliation of financial assets measured using valuation techniques with inputs not based on observable market data (level 3):

EUR millions

Opening balance at 31.12.2013	1 126
Purchases and sales	(57)
Gains or losses for the period in surplus or deficit	(2)
Gains or losses in net assets	81
Transfers into level 3	–
Transfers out of level 3	–
Other	(1)
Closing balance at 31.12.2014	1 147

2.4.2. Loans

EUR millions

	31.12.2014	31.12.2013
Non-current	49 671	54 123
Current	8 783	3 090
Total	58 454	57 213

Loans granted from borrowed funds

EUR millions

	MFA	Euratom	BOP	EFSM	Total
Total at 31.12.2013	569	387	11 623	44 468	57 047
New loans	1 360	-	-	3 000	4 360
Repayments	(96)	(39)	(3 000)	-	(3 135)
Exchange differences	-	1	-	-	1
Changes in carrying amount	9	-	(33)	39	15
Impairment	-	-	-	-	-
Total at 31.12.2014	1 842	349	8 590	47 507	58 288
Non-current	1 762	299	5 700	41 800	49 561
Current	80	50	2 890	5 707	8 727

Loans effective interest rates (expressed as a range of interest rates)

Loans	31.12.2014	31.12.2013
Macro Financial Assistance (MFA)	0.181%-4.54%	0.27%-4.54%
Euratom	0.26%-5.76%	0.34%-5.76%
Balance of Payment (BOP)	2.375%-3.625%	2.375%-3.625%
European Financial Stability Mechanism (EFSM)	1.875%-3.750%	2.375%-3.750%

2.4.2.1. Balance of Payments

BOP Nominal value

EUR millions

	Hungary	Latvia	Romania	Total
Total loans granted	6 500	3 100	8 400	18 000
Disbursed at 31.12.2013	5 500	2 900	5 000	13 400
Disbursed in 2014	-	-	-	-
Loans disbursed 31.12.2014	5 500	2 900	5 000	13 400
Loans repaid at 31.12.2014	(4 000)	(1 000)	-	(5 000)
Outstanding amount at 31.12.2014	1 500	1 900	5 000	8 400

2.4.2.2. European Financial Stabilisation Mechanism

EFSM Nominal value

EUR millions

	Ireland	Portugal	Total
Total loans granted	22 500	26 000	48 500
Disbursed at 31.12.2013	21 700	22 100	43 800
Disbursed in 2014	800	2 200	3 000
Loans disbursed at 31.12.2014	22 500	24 300	46 800
Loans repaid at 31.12.2014	-	-	-
Loans outstanding at 31.12.2014	22 500	24 300	46 800

2.5. PRE-FINANCING

EUR millions

	Note	31.12.2014	31.12.2013
Non-current pre-financing			
Pre-financing	2.5.1	15 806	34 742
Other advances to Member States	2.5.2	2 378	3 253
Total		18 184	37 995
Current pre-financing			
Pre-financing	2.5.1	29 332	16 225
Other advances to Member States	2.5.2	5 015	4 963
Total		34 347	21 189
Total		52 531	59 184

2.5.1. Pre-financing

EUR millions

	Gross amount	Cleared via cut-off	Net amount at 31.12.2014	Gross amount	Cleared via cut-off	Net amount at 31.12.2013
Shared Management						
EAFRD & other rural development instruments	5 644	(2 115)	3 528	6 359	(1 032)	5 327
ERDF & CF	24 934	(2 182)	22 752	25 701	(2 164)	23 537
ESF	6 884	(953)	5 931	6 857	(492)	6 365
Other	4 626	(2 535)	2 091	4 191	(2 054)	2 137
Direct Management						
Implemented by:						
Commission	13 376	(10 407)	2 969	14 854	(9 467)	5 387
EU executive agencies	9 079	(6 618)	2 461	8 729	(5 271)	3 458
Indirect Management						
Implemented by:						
Other EU agencies & bodies	1 862	(1 487)	375	1 284	(1 165)	118
Third countries	1 981	(1 169)	812	1 678	(782)	897
International organisations	6 236	(3 476)	2 760	4 172	(2 460)	1 712
Other entities	4 369	(2 910)	1 460	5 515	(3 487)	2 028
Total	78 991	(33 853)	45 138	79 341	(28 374)	50 967
Non-current	15 806	–	15 806	34 742	–	34 742
Current	63 185	(33 853)	29 332	44 600	(28 374)	16 225

2.5.2. Other advances to Member States

EUR millions

	31.12.2014	31.12.2013
Advances to Member States for financial instruments under shared management		
Non-current	2 090	2 118
Current	1 733	2 118
Total	3 823	4 236
Aid Schemes		
Non-current	288	1 135
Current	3 282	2 845
Total	3 570	3 981
Total	7 393	8 216

2.6. EXCHANGE RECEIVABLES & NON-EXCHANGE RECOVERABLES

EUR millions

	Note	31.12.2014	31.12.2013
Non-current			
Recoverables from non-exchange transactions	2.6.1	1 201	526
Receivables from exchange transactions	2.6.2	29	4
Total		1 230	529
Current			
Recoverables from non-exchange transactions	2.6.1	13 831	12 521
Receivables from exchange transactions	2.6.2	361	486
Total		14 192	13 007
Total		15 422	13 536

2.6.1. Recoverables from non-exchange transactions

EUR millions

	Note	31.12.2014	31.12.2013
Non-current			
Member States	2.6.1.1	305	478
Accrued income and deferred charges	2.6.1.2	853	–
Other recoverables		43	48
Total		1 201	526
Current			
Member States	2.6.1.1	10 623	5 509
Fines		2 270	4 071
Accrued income and deferred charges	2.6.1.2	740	2 722
Other recoverables		198	218
Total		13 831	12 521
Total		15 032	13 046

2.6.1.1. Recoverables from Member States

EUR millions

	31.12.2014	31.12.2013
<i>Recoverables related to own resources:</i>		
Established in the A account	2 789	47
Established in the separate account	1 617	1 228
Own resources to be received	5 413	3 054
Impairment	(1 144)	(743)
Other	12	6
Own resource recoverables	8 686	3 592
<i>Recoverables in the area of agriculture and rural development:</i>		
European Agricultural Guarantee Fund (EAGF)	2 250	2 294
European Agricultural Fund for Rural Development (EAFRD)	52	82
Temporary Rural Development Instrument (TRDI)	27	45
Special Accession Programme for Agriculture and Rural Development (SAPARD)	166	155
Impairment	(840)	(819)
EAGF and rural development recoverables	1 655	1 757
Pre-financing recovery expected	437	542
VAT paid and recoverable	16	20
Other recoverables from Member States	134	77
Total	10 928	5 987
Non-current	305	478
Current	10 623	5 509

2.6.1.2. Accrued income and deferred charges

EUR millions

	31.12.2014	31.12.2013
<i>Own resources accrued income</i>	–	2 424
<i>Cohesion, Agricultural & Rural Development Funds: financial corrections</i>	1 502	31
<i>Other accrued income</i>	69	201
<i>Deferred charges relating to non-exchange transactions</i>	22	66
Total	1 593	2 722
<i>Non-current</i>	853	–
<i>Current</i>	740	2 722

2.6.2. Receivables from exchange transactions

EUR millions

	31.12.2014	31.12.2013
Non-current		
<i>Other receivables</i>	29	4
Total	29	4
Current		
<i>Customers</i>	160	329
<i>Impairment on receivables from customers</i>	(101)	(100)
<i>Deferred charges relating to exchange transactions</i>	146	150
<i>Others</i>	157	107
Total	361	486
Total	390	490

2.7. INVENTORIES

EUR millions

	31.12.2014	31.12.2013
<i>Scientific materials</i>	66	70
<i>Other</i>	15	15
Total	82	85

2.8. CASH AND CASH EQUIVALENTS

EUR millions

	31.12.2014	31.12.2013
<i>Accounts with Treasuries and Central Banks</i>	11 840	2 505
<i>Current accounts</i>	303	168
<i>Imprest accounts</i>	4	4
<i>Transfers (cash in transit)</i>	–	(1)
<i>Other term deposits</i>	28	29
Bank accounts for budget implementation & other term deposits	12 174	2 705
Cash belonging to financial instruments	1 275	1 406
Cash relating to fines	2 738	4 165
Total	16 187	8 275

LIABILITIES

2.9. PENSION AND OTHER EMPLOYEE BENEFITS

EUR millions

	31.12.2014	31.12.2013
Pensions – staff	50 897	40 933
Pensions – other	751	301
Joint Sickness Insurance Scheme	6 396	4 869
Total	58 045	46 103

2.9.1. Pensions – staff

Actuarial assumptions - staff pension liability	31.12.2014	31.12.2013
Nominal discount rate	2.0%	3.7%
Expected inflation rate	1.3%	1.9%
Real discount rate	0.7%	1.8%
Probability of marriage: man/woman	81%/49%	81%/49%
General salary growth/pension revaluation	(0.2)%	(0.2)%
International Civil Servants Life Table (ICSLT)	ICSLT 2013	ICSLT 2013

EUR millions

Movement in gross employee benefits liability	Pensions - staff	Pensions - other	Joint Sickness Insurance Scheme
Gross liability at previous year-end	45 947	345	5 133
Transfers from other institutions	-	303	-
Service/normal cost	2 153	61	-
Interest cost	1 683	25	49
Benefits paid	(1 368)	(19)	(68)
Actuarial losses	8 255	82	1 554
Change due to newcomers	461	67	-
Gross liability at year-end	57 131	864	6 668
Correction coefficients applied to pensions	1 371	N/A	N/A
Deduction of taxes on pensions	(7 605)	(113)	N/A
Plan assets	N/A	N/A	(272)
Net liability at 31.12.2014	50 897	751	6 396
Net liability at 31.12.2013	40 933	301	4 869

EUR millions

	2010	2011	2012	2013	2014
Employee benefits liability	36 415	34 138	41 620	46 103	58 045

2.10. PROVISIONS

EUR millions

	Amount at 31.12.2013	Additional provisions	Unused amounts reversed	Amounts used	Transfer to current	Change in estimation	Amount at 31.12.2014
Legal cases	481	480	(95)	(227)	-	0	638
Nuclear site dismantling	963	-	-	(31)	-	159	1 091
Financial	282	117	0	(76)	-	9	332
Fines	-	30	-	-	-	-	30
Other	65	16	(40)	(20)	-	-	22
Total	1 792	642	(135)	(354)	-	168	2 113
Non-current	1 303	85	(93)	(12)	(69)	164	1 378
Current	489	557	(41)	(343)	69	4	734

2.11. FINANCIAL LIABILITIES

EUR millions

	Note	31.12.2014	31.12.2013
Non-current financial liabilities			
Borrowings	2.11.1	49 551	53 964
Other financial liabilities	2.11.2	1 381	1 442
Total		50 932	55 406
Current financial liabilities			
Borrowings	2.11.1	8 716	3 064
Other financial liabilities	2.11.2	66	60
Total		8 783	3 124
Total		59 714	58 530

2.11.1. Borrowings

EUR millions

	31.12.2014	31.12.2013
Borrowings	58 287	57 048
Elimination Guarantee Fund*	(20)	(20)
Total	58 267	57 028

*The Guarantee Fund holds EFSM bonds issued by the Commission, so these need to be eliminated.

Borrowings by Financial Instrument

EUR millions

	MFA	Euratom	BOP	EFSM	Total
Total at 31.12.2013	569	387	11 623	44 468	57 047
New borrowings	1 360	-	-	3 000	4 360
Repayments	(96)	(39)	(3 000)	-	(3 135)
Exchange differences	-	1	-	-	1
Changes in carrying amounts	9	-	(33)	39	15
Total at 31.12.2014	1 842	349	8 590	47 507	58 288
Non-current	1 762	299	5 700	41 800	49 561
Current	80	50	2 890	5 707	8 727

Borrowings effective interest rates (expressed as a range of interest rates):

Borrowings	31.12.2014	31.12.2013
Macro Financial Assistance (MFA)	0.181%-4.54%	0.27%-4.54%
Euratom	0.138%-5.6775%	0.291%-5.6775%
Balance of Payment (BOP)	2.375%-3.625%	2.375%-3.625%
European Financial Stability Mechanism (EFSM)	1.875%-3.750%	2.375%-3.750%

2.11.2. Other financial liabilities

EUR millions

	31.12.2014	31.12.2013
Non-current		
Finance lease liabilities	1 041	1 084
Buildings bought on credit	318	336
Other	22	23
Total	1 381	1 442
Current		
Finance lease liabilities	48	44
Buildings bought on credit	17	16
Other	1	1
Total	66	61
Total	1 447	1 503

Finance lease liabilities:

EUR millions

Description	Future amounts to be paid			Total Liability
	< 1 year	> 1 year	> 5 years	
Land and buildings	42	205	828	1 075
Other tangible assets	6	8	–	14
Total at 31.12.2014	48	213	828	1 089
Interest element	61	216	293	569
Total future minimum lease payments at 31.12.2014	109	429	1 121	1 658
Total future minimum lease payments at 31.12.2013	107	426	1 227	1 760

2.12. PAYABLES

EUR millions

	Gross Amount	Adjustments*	Net Amount
2014			
Cost claims and invoices received from:			
Member States			
European Agricultural Fund for Rural Development & other rural development instruments	318	(23)	296
European Regional Development Fund & Cohesion Fund	19 928	(2 306)	17 623
European Social Fund	5 893	(272)	5 621
Other	751	(93)	658
Private and public entities	1 718	(106)	1 612
Total costs claims & invoices received	28 609	(2 800)	25 810
European Agricultural Guarantee Fund	11 066	N/A	11 066
Own Resources Payables	5 945	N/A	5 945
Sundry Payables	166	N/A	166
Total at 31.12.2014	45 786	(2 800)	42 986
2013			
Total costs claims & invoices received	27 304	(2 918)	24 386
European Agricultural Guarantee Fund	11 252	N/A	11 252
Own Resources Payables	244	N/A	244
Sundry Payables	132	N/A	132
Total at 31.12.2013	38 932	(2 918)	36 015

* Estimated non-eligible amounts and pending prepayments.

2.13. ACCRUED CHARGES AND DEFERRED INCOME

EUR millions

	31.12.2014	31.12.2013
Accrued charges	55 436	55 725
Deferred income	122	138
Other	16	18
Total	55 575	55 881

The split of accrued charges is as follows:

	EUR millions	
	31.12.2014	31.12.2013
<i>European Agricultural Guarantee Fund</i>	33 667	33 491
<i>European Agricultural Fund for Rural Development & other rural development instruments</i>	13 414	12 458
<i>European Regional Development Fund and Cohesion Fund</i>	3 157	4 371
<i>European Social Fund</i>	976	1 109
<i>Other</i>	4 222	4 296
Total	55 436	55 725

NET ASSETS

2.14. RESERVES

		EUR millions	
	Note	31.12.2014	31.12.2013
<i>Fair value reserve</i>	2.14.1	202	83
<i>Guarantee Fund reserve</i>		2 372	2 125
<i>Other reserves</i>		66	90
Total		2 641	2 299

2.14.1. Fair value reserve

	EUR millions	
	2014	2013
<i>Movements of fair value reserve during the period</i>		
<i>Included in fair value reserve</i>	107	(13)
<i>Included in statement of financial performance</i>	(3)	–
Total	104	(13)

In addition, an amount of EUR 15 million in the overall movement of the fair value reserve relates to investments accounted for using the equity method.

2.15. AMOUNTS TO BE CALLED FROM MEMBER STATES

	EUR millions
<i>Amounts to be called from Member States at 31.12.2013</i>	52 913
<i>Return of 2013 budget surplus to Member States</i>	1 005
<i>Movement in Guarantee Fund reserve</i>	247
<i>Other reserve movements</i>	(17)
<i>Economic result of the year</i>	11 226
Total amounts to be called from Member States at 31.12.2014	65 374

3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

REVENUE

REVENUE FROM NON-EXCHANGE TRANSACTIONS: TAXES

3.1. TRADITIONAL OWN RESOURCES

	EUR millions	
	2014	2013
Customs duties	17 204	15 268
Sugar levies	(67)	199
Total	17 137	15 467

REVENUE FROM NON-EXCHANGE TRANSACTIONS: TRANSFERS

3.2. RECOVERY OF EXPENSES

	EUR millions	
	2014	2013
Shared management	3 328	1 628
Direct management	46	55
Indirect management	44	6
Decentralised management	–	41
Joint management	–	33
Total	3 418	1 764

3.3. OTHER REVENUE FROM NON-EXCHANGE TRANSACTIONS

	EUR millions	
	2014	2013
Transfer of assets	1 448	–
Budgetary adjustments	794	1 187
Staff taxes and contributions	975	878
Contribution of third countries	331	364
Agricultural levies	409	48
Adjustments/provisions	349	174
Funding of institutions	(3 000)	(3 075)
Other	631	944
Total	1 936	520

REVENUE FROM EXCHANGE TRANSACTIONS

3.4. FINANCIAL INCOME

EUR millions

	2014	2013
<i>Interest income on:</i>		
<i>Pre-financing</i>	16	29
<i>Late payments</i>	387	88
<i>Available for sale financial assets</i>	47	45
<i>Loans</i>	1 709	1 698
<i>Cash and cash equivalents</i>	6	18
Interest income	2 165	1 878
Dividend income	6	6
Realised gains on sale of financial assets	9	3
Other financial income	61	40
Total	2 241	1 926

Net gains and losses on financial assets

EUR millions

	2014	2013
<i>Net gains/(loss) on available for sale financial assets</i>	13	3

3.5. OTHER REVENUE FROM EXCHANGE TRANSACTIONS

EUR millions

	2014	2013
<i>Property, plant and equipment related revenue</i>	9	13
<i>Foreign exchange gains</i>	466	326
<i>Sales revenue</i>	21	32
<i>Other</i>	303	595
Total	798	965

EXPENSES

TRANSFER PAYMENTS AND SUBSIDIES BY MANAGEMENT MODE

3.6. SHARED MANAGEMENT

EUR millions

	2014	2013
Implemented by Member States		
<i>European Agricultural Guarantee Fund</i>	44 465	45 067
<i>European Agricultural Fund for Rural Development & other rural development instruments</i>	14 046	13 585
<i>European Regional Development Fund and Cohesion Fund</i>	43 345	47 767
<i>European Social Fund</i>	12 651	12 126
<i>Other</i>	2 307	1 525
Total	116 814	120 070

3.7. DIRECT MANAGEMENT

EUR millions

	2014	2013
Implemented by the Commission	10 447	8 688
Implemented by EU Executive Agencies	4 881	3 798
Total	15 328	12 486

3.8. INDIRECT MANAGEMENT

EUR millions

	2014	2013
Implemented by other EU agencies & bodies	1 362	1 017
Implemented by third countries	1 005	720
Implemented by international organisations	1 765	1 745
Implemented by other entities	1 799	1 694
Total	5 931	5 176

3.9. STAFF AND PENSION COSTS

EUR millions

	2014	2013
Staff costs	3 161	3 080
Pension costs	4 195	3 765
Total	7 357	6 845

3.10. FINANCE COSTS

EUR millions

	2014	2013
Interest expenses:		
Borrowings	1 696	1 682
Other	21	21
Finance leases	61	64
Impairment losses on available for sale financial assets	3	7
Impairment loss on loans and receivables	1 030	469
Realised loss on sale of financial assets	17	(0)
Other finance costs	49	85
Total	2 877	2 327

3.11. OTHER EXPENSES

EUR millions

	2014	2013
Adjustments/provisions	687	400
Property, plant and equipment related expenses	547	532
Foreign exchange losses	359	382
Administrative and IT expenses	998	1 059
Funding and contributions to other EU bodies	439	436
Other	175	36
Total	3 204	2 844

Included under property, plant and equipment are operating leases expenses. Amounts committed to be paid during the remaining term of these lease contracts are as follows:

EUR millions

	Future amounts to be paid			Total
	< 1 year	1- 5 years	> 5 years	
Buildings	124	429	367	920
IT materials and other equipment	3	4	–	7
Total	127	433	367	927

Expenses relating to research and development are as follows:

	EUR millions	
	2014	2013
Research costs	353	329
Non-capitalised development costs	54	50
Total	406	379

3.12. SEGMENT REPORTING BY MULTI FINANCIAL FRAMEWORK HEADINGS

	Smart and inclusive growth	Sustainable growth	Security and citizenship	Global Europe	Administration	Not assigned to MFF headings*	EUR millions Total
<i>GNI resources</i>	–	–	–	–	–	104 688	104 688
<i>Traditional own resources</i>	–	–	–	–	–	17 137	17 137
<i>VAT</i>	–	–	–	–	–	17 462	17 462
<i>Fines</i>	–	–	–	–	–	2 297	2 297
<i>Recovery of expenses</i>	1 136	2 226	3	53	–	–	3 418
<i>Other</i>	1 981	508	4	53	995	(1 605)	1 936
Non-exchange revenue	3 117	2 734	6	106	995	139 979	146 938
<i>Financial income</i>	66	3	0	36	(1)	2 136	2 241
<i>Other</i>	119	(11)	(4)	97	131	465	798
Exchange revenue	185	(8)	(4)	134	131	2 601	3 039
Total revenue	3 302	2 726	2	240	1 126	142 580	149 977
<i>Expenses implemented by Member States:</i>							
<i>EAGF</i>	–	(44 465)	–	–	–	–	(44 465)
<i>EAFRD & other rural development instruments</i>	–	(14 033)	–	(12)	–	–	(14 046)
<i>ERDF & CF</i>	(43 345)	–	–	–	–	–	(43 345)
<i>ESF</i>	(12 651)	–	–	–	–	–	(12 651)
<i>Other</i>	(561)	(542)	(1 109)	(94)	–	–	(2 307)
<i>Implemented by the Commission and executive agencies</i>	(9 809)	(339)	(1 114)	(4 046)	9	(29)	(15 328)
<i>Implemented by other EU agencies and bodies</i>	(792)	(58)	(473)	(40)	–	–	(1 362)
<i>Implemented by third countries and international organisations</i>	(246)	4	(8)	(2 520)	(0)	–	(2 770)
<i>Implemented by other entities</i>	(1 317)	–	(5)	(478)	(0)	1	(1 799)
<i>Staff and pension costs</i>	(1 538)	(324)	(362)	(566)	(4 566)	–	(7 357)
<i>Changes in employee benefits actuarial assumptions</i>	–	–	–	–	(9 052)	–	(9 052)
<i>Finance costs</i>	(152)	(25)	(1)	(26)	(527)	(2 146)	(2 877)
<i>Share of net deficit of joint ventures and associates</i>	(640)	–	–	–	–	–	(640)
<i>Other expenses</i>	(1 397)	(60)	(115)	(126)	(1 152)	(354)	(3 204)
Total expenses	(72 446)	(59 843)	(3 189)	(7 908)	(15 289)	(2 527)	(161 203)
Economic result of the year	(69 144)	(57 117)	(3 186)	(7 668)	(14 163)	140 053	(11 226)

*Including off-budget operations and unallocated immaterial programmes.

3.13. Reclassification of 2013 figures:

So as to better present information to the users of these accounts, the layout of the statement of financial performance has been restructured in the 2014 annual accounts. As required by the EU accounting rules, a reclassification of the 2013 figures is made, noting that no amounts have been changed, only the presentation of existing figures – revenues, expenses and the result remain as originally published in the 2013 accounts. An overview of the impact of the changes is given below:

	Own resource and contributions revenue	Other operating revenue	Total operating revenue	Admini- strative expenses	Operating expenses	Total operating expenses	Surplus from operating activities	Financial revenue	Financial expenses	Movement pension and other employee benefits liability	Share of net deficit of joint ventures and associates	Economic result of the year	2013 (reclassified) EUR millions
2013 (published)	138 156	7 484	145 640	(5 107)	(138 886)	(143 993)	1 647	1 972	(1 990)	(5 706)	(608)	(4 685)	
Non-exchange revenue													
<i>GNI Resources</i>	110 194	–	110 194	–	–	–	–	–	–	–	–	–	110 194
<i>Traditional own resources</i>	15 467	–	15 467	–	–	–	–	–	–	–	–	–	15 467
<i>VAT</i>	14 019	–	14 019	–	–	–	–	–	–	–	–	–	14 019
<i>Fines</i>	–	2 757	2 757	–	–	–	–	–	–	–	–	–	2 757
<i>Recovery of expenses</i>	–	1 764	1 764	–	–	–	–	–	–	–	–	–	1 764
<i>Other</i>	(1 524)	2 044	520	–	–	–	–	–	–	–	–	–	520
Total non-exchange revenue	138 156	6 565	144 721	–	–	–	–	–	–	–	–	–	144 721
Exchange revenue													
<i>Financial income</i>	–	–	–	–	–	–	–	1 926	–	–	–	–	1 926
<i>Other exchange revenue</i>	–	919	919	–	–	–	–	46	–	–	–	–	965
Total exchange revenue	–	919	919	–	–	–	–	1 972	–	–	–	–	2 891
TOTAL REVENUE	138 156	7 484	145 640	–	–	–	–	1 972	–	–	–	–	147 613

Annual accounts of the European Commission 2014

EUR millions													
	Own resource and contributions revenue	Other operating revenue	Total	Admini- strative expenses	Operating expenses	Total operating expenses	Surplus from operating activities	Financial revenue	Financial expenses	Movement pension and other employee benefits liability	Share of net deficit of joint ventures and associates	Economic result of the year	2013 (reclassified)
Expenses implemented by													
Member States:													
European Agricultural Guarantee Fund	-	-	-	-	(45 067)	(45 067)	-	-	-	-	-	-	(45 067)
European Agricultural Fund for Rural Development & other rural development instruments	-	-	-	-	(13 585)	(13 585)	-	-	-	-	-	-	(13 585)
European Regional Development Fund & Cohesion Fund	-	-	-	-	(47 767)	(47 767)	-	-	-	-	-	-	(47 767)
European Social Fund	-	-	-	-	(12 126)	(12 126)	-	-	-	-	-	-	(12 126)
Other	-	-	-	-	(1 525)	(1 525)	-	-	-	-	-	-	(1 525)
Implemented by the Commission and executive agencies	-	-	-	-	(12 486)	(12 486)	-	-	-	-	-	-	(12 486)
Implemented by other EU agencies and bodies	-	-	-	-	(1 017)	(1 017)	-	-	-	-	-	-	(1 017)
Implemented by third countries and intern. Organisations	-	-	-	-	(2 465)	(2 465)	-	-	-	-	-	-	(2 465)
Implemented by other entities	-	-	-	-	(1 694)	(1 694)	-	-	-	-	-	-	(1 694)
Staff and pension costs	-	-	-	(3 080)	-	(3 080)	-	-	-	(3 765)	-	-	(6 845)
Changes in employee benefits actuarial assumptions	-	-	-	-	-	-	-	-	-	(1 941)	-	-	(1 941)
Finance costs	-	-	-	-	(469)	(469)	-	-	(1 858)	-	-	-	(2 327)
Share of net deficit of joint ventures and associates	-	-	-	-	-	-	-	-	-	-	(608)	-	(608)
Other expenses	-	-	-	(2 027)	(686)	(2 713)	-	-	(131)	-	-	-	(2 844)
TOTAL EXPENSES	-	-	-	(5 107)	(138 886)	(143 993)	-	-	(1 990)	(5 706)	(608)	-	(152 298)
Economic result of the year	138 156	7 484	145 640	(5 107)	(138 886)	(143 993)	1 647	1 972	(1 990)	(5 706)	(608)		(4 685)

4. CONTINGENT ASSETS & LIABILITIES AND OTHER SIGNIFICANT DISCLOSURES

4.1. CONTINGENT ASSETS

	EUR millions	
	31.12.2014	31.12.2013
<i>Guarantees received:</i>		
<i>Performance guarantees</i>	193	226
<i>Other guarantees</i>	3	3
<i>Other contingent assets</i>	45	13
Total	241	243

4.2. CONTINGENT LIABILITIES

		EUR millions	
	Note	31.12.2014	31.12.2013
<i>Guarantees given</i>	4.2.1	20 846	22 162
<i>Fines</i>		5 602	5 227
<i>EAGF, rural development and pre-accession</i>		505	1 537
<i>Cohesion policy</i>		9	137
<i>Legal cases and other disputes</i>		774	685
<i>Other contingent liabilities</i>		3	1
Total		27 739	29 749

4.2.1. Guarantees given

	EUR millions	
	31.12.2014	31.12.2013
Guarantees on loans granted by the EIB		
65% guarantee	18 283	19 077
70% guarantee	447	1 361
75% guarantee	168	257
100% guarantee	300	461
Total	19 198	21 156
Other guarantees given	1 648	1 006
Total	20 846	22 162

4.3. OTHER SIGNIFICANT DISCLOSURES

4.3.1. Outstanding budgetary commitments not yet expensed

EUR millions

	31.12.2014	31.12.2013
<i>Outstanding budgetary commitments not yet expensed</i>	141 600	175 828

4.3.2. Significant legal commitments*

EUR millions

	Note	31.12.2014	31.12.2013
<i>Structural Actions</i>	4.3.2.1	433 527	150
<i>Protocol with Mediterranean countries</i>		264	264
<i>Fisheries agreements</i>		176	79
<i>Galileo</i>		719	–
<i>Copernicus</i>		3 476	–
<i>Trans-European Transport Networks (TEN-T)</i>		–	850
<i>Other contractual commitments</i>		496	522
Total		438 657	1 864

* These concern legal commitments where the budgetary commitment has not yet been made.

4.3.2.1. Structural Actions

EUR millions

Funds	Financial framework 2014-2020 (A)	Legal commitments concluded (B)	Budget commitments (C)	Decommitments (D)	Legal commitments less budget commitments (=B-C+D)	Future obligations (=A-C)
<i>European Regional Development Fund and Cohesion Fund</i>	259 799	133 163	16 837	–	116 325	242 962
<i>European Social Fund</i>	89 624	57 828	9 273	–	48 555	80 350
<i>Fund for European Aid to the most Deprived</i>	3 814	3 723	501	–	3 222	3 313
HEADING 1B: COHESION POLICY FUNDS	353 236	194 714	26 611	–	168 102	326 625
<i>European Agricultural Fund for Rural Development</i>	99 348	20 707	3 295	–	17 413	96 053
<i>European Maritime and Fisheries Fund</i>	5 749	140	19	–	121	5 730
HEADING 2: NATURAL RESOURCES	105 097	20 847	3 314	–	17 533	101 783
<i>Asylum and Migration Fund</i>	2 752	–	–	–	–	2 752
<i>Internal Security Fund</i>	2 367	–	–	–	–	2 367
HEADING 3: SECURITY & CITIZENSHIP	5 119	–	–	–	–	5 119
Total	463 452	215 561	29 925	–	185 636	433 527

5. FINANCIAL INSTRUMENTS DISCLOSURES

5.1. RECONCILIATION OF CARRYING AMOUNT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

Reconciliation of the carrying amounts and fair value of financial assets by class:

	31.12.2014		31.12.2013	
	Carrying amount	Fair value	Carrying amount	Fair value
<i>EUR millions</i>				
Financial assets at fair value				
<i>Available for sale financial assets</i>	7 707	7 707	6 098	6 098
<i>Cash and cash equivalents</i>	16 187	16 187	8 275	8 275
Total	23 895	23 895	14 373	14 373
Financial assets at amortised cost				
<i>Loans</i>	58 454	58 454	57 213	57 213
<i>Exchange receivables and non-exchange recoverables</i>	15 422	15 422	13 536	13 536
Total	73 876	73 876	70 749	70 749
Total	97 770	97 770	85 122	85 122

Reconciliation of the carrying amounts and fair value of financial liabilities by class:

	31.12.2014		31.12.2013	
	Carrying amount	Fair value	Carrying amount	Fair value
<i>EUR millions</i>				
Financial liabilities at fair value	–	–	–	–
Financial liabilities at amortised cost				
<i>Borrowings</i>	58 267	58 267	57 028	57 028
<i>Finance lease liabilities</i>	1 089	1 089	1 128	1 128
<i>Payables</i>	42 986	42 986	36 014	36 014
<i>Other</i>	359	359	376	376
Total	102 701	102 701	94 545	94 545

5.2. CURRENCY RISKS

Exposure of the EC to currency risk at year end – net position

EUR millions

	31.12.2014							31.12.2013						
	USD	GBP	DKK	SEK	EUR	Other	Total	USD	GBP	DKK	SEK	EUR	Other	Total
Financial assets														
Available for sale financial assets	68	77	7	9	7 504	42	7 707	39	66	13	19	5 960		6 097
Loans*	2	–	–	–	135	28	165	1				157	8	166
Receivables and recoverables	–	4 098	49	87	11 057	131	15 422		1 043	40	78	12 157	217	13 536
Cash and cash equivalents	38	1 126	467	926	12 878	752	16 187	33	136	441	257	7 026	382	8 275
Total	108	5 301	523	1 022	31 575	953	39 482	73	1 245	494	354	25 300	607	28 074
Financial liabilities														
Payables	–	–	–	–	(42 986)	–	(42 986)					(36 014)		(36 014)
Total	–	–	–	–	(42 986)	–	(42 986)	–	–	–	–	(36 014)	–	(36 014)
Total	108	5 301	523	1 022	(11 411)	953	(3 504)	73	1 245	494	354	(10 714)	607	(7 940)

*excluding back-to-back operations.

If the EUR had strengthened against the currency concerned by 10% then this would have had the following impact:

EUR millions					
	Economic result				
	USD	GBP	DKK	SEK	Other
31.12.2014	(4)	(475)	(47)	(92)	-
31.12.2013	(3)	(107)	(44)	(30)	-

EUR millions					
	Net assets				
	USD	GBP	DKK	SEK	Other
31.12.2014	(6)	(7)	(1)	(1)	-
31.12.2013	(4)	(6)	(1)	(2)	-

If the EUR had weakened against the currency concerned by 10% then this would have had the following impact:

EUR millions					
	Economic result				
	USD	GBP	DKK	SEK	Other
31.12.2014	4	580	57	113	-
31.12.2013	4	131	53	38	-

EUR millions					
	Net assets				
	USD	GBP	DKK	SEK	Other
31.12.2014	8	9	1	1	-
31.12.2013	4	7	1	2	-

5.3. INTEREST RATE RISK

The following table illustrates the sensitivity of available for sale financial assets with variable interest rates (cashflow risk) and fixed interest rates (price risk) in relation to the economic result of the year and net assets to a reasonably possible change in interest rates of +/- 1%.

EUR millions		
	Increase (+) / decrease (-) in basis points	Effect on economic result and net assets
31.12.2014: Available for sale financial assets	+100	(96)
	-100	103
31.12.2013: Available for sale financial assets	+100	(58)
	-100	60

5.4. CREDIT RISK

Financial assets that are neither past due nor impaired

EUR millions					
	Total	Neither past due nor impaired	Past due but not impaired		
			< 1 year	1-5 years	> 5 years
Loans	58 454	58 454	-	-	-
Receivables and recoverables	15 422	7 815	5 622	1 846	138
Total at 31.12.2014	73 875	66 269	5 622	1 846	138
Loans	57 213	57 211	1	1	-
Receivables and recoverables	13 536	9 898	1 081	2 115	443
Total at 31.12.2013	70 749	67 109	1 082	2 116	443

Financial assets by risk category

EUR millions

	31.12.2014				31.12.2013			
	Available for sale	Loans & receivables	Cash	Total	Available for sale	Loans & receivables	Cash	Total
Counterparties with external credit rating								
<i>Prime and high grade</i>	6 192	2 549	12 821	21 562	4 680	4 450	6 266	15 396
<i>Upper medium grade</i>	150	25 017	2 800	27 967	72	143	1 572	1 787
<i>Lower medium grade</i>	177	5 996	249	6 422	160	31 886	182	32 228
<i>Non-investment grade</i>	27	28 186	307	28 520	33	26 781	253	27 067
Total	6 545	61 748	16 178	84 471	4 945	63 260	8 273	76 478
Counterparties without external credit rating								
<i>Group 1 (debtors without defaults in the past)</i>	15	4 385	10	4 409	–	3 712	2	3 714
<i>Group 2 (debtors with defaults in the past)</i>	–	136	–	136	–	137	–	137
Total	15	4 521	10	4 545	–	3 849	2	3 851
Total	6 560	66 269	16 187	89 016	4 945	67 109	8 275	80 329

5.5. LIQUIDITY RISK

Maturity analysis of financial liabilities by remaining contractual maturity

EUR millions

	< 1 year	1-5 years	> 5 years	Total
Borrowings	8 716	15 194	34 357	58 267
Finance lease liabilities	48	213	828	1 089
Payables	42 983	2	0	42 986
Other financial liabilities	17	84	234	335
Total at 31.12.2014	51 764	15 493	35 420	102 677
Borrowings	3 065	21 368	32 595	57 028
Finance lease liabilities	44	199	885	1 128
Payables	36 014	–	–	36 014
Other financial liabilities	16	78	258	352
Total at 31.12.2013	39 139	21 645	33 738	94 522

6. RELATED PARTIES

The related parties of the entity are the EU consolidated entities and the key management personnel of these entities. Transactions between these entities take place as part of the normal operations of the EU and as this is the case, no specific disclosure requirements are necessary for these transactions in accordance with the EU accounting rules.

Details on key management entitlements are provided in note 8 of the EU consolidated annual accounts.

7. EVENTS AFTER THE BALANCE SHEET DATE

At the date of transmission of these accounts, no material issues had come to the attention of the Accounting Officer of the Commission or were reported to him that would require separate disclosure under this section. The accounts and related notes were prepared using the most recently available information and this is reflected in the information presented.

REPORTS ON THE IMPLEMENTATION OF THE BUDGET AND EXPLANATORY NOTES

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

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EU BUDGET RESULT

	EUR millions	
	2014	2013
Revenue for the financial year	143 940	149 504
Payments against current year's budget appropriations	(141 193)	(147 567)
Payments against assigned revenue appropriations	–	–
Payment appropriations carried over to year N+1	(1 787)	(1 329)
Cancellation of unused payment appropriations carried over from year N-1	25	34
Evolution of assigned revenue	336	403
Exchange differences for the year	110	(42)
Budget result*	1 432	1 002

* Of which EFTA result is EUR (3) million in 2014 and EUR (4) million in 2013.

RECONCILIATION OF ECONOMIC RESULT WITH BUDGET RESULT

EUR millions

	2014	2013
ECONOMIC RESULT OF THE YEAR	(11 226)	(4 685)
Revenue		
<i>Entitlements established in current year but not yet collected</i>	(6 567)	(2 062)
<i>Entitlements established in previous years and collected in current year</i>	4 798	3 343
<i>Accrued revenue (net)</i>	(4 877)	(134)
Expenses		
<i>Accrued expenses (net)</i>	9 230	3 217
<i>Amount from liaison accounts</i>	3 000	3 075
<i>Expenses prior year paid in current year</i>	(821)	(1 123)
<i>Net-effect pre-financing</i>	530	(823)
<i>Payment appropriations carried over to next year</i>	(1 365)	(908)
<i>Payments made from carry-overs & cancellation of unused payment appropriations</i>	1 238	899
<i>Movement in provisions</i>	12 263	4 323
<i>Other</i>	(1 705)	(1 069)
BUDGET RESULT OF THE YEAR (COMMISSION)	4 497	4 053
BUDGET RESULT OTHER INSTITUTIONS	(3 065)	(3 051)
BUDGET RESULT OF THE YEAR (EU)	1 432	1 002

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

BUDGET REVENUE

	Initial adopted budget	Amending budgets	Final adopted budget	Revenue
	EUR millions			
1. Own resources	133 960	(5 572)	128 388	128 867
<i>Of which Customs duties</i>	16 186	(12)	16 174	16 499
<i>Of which VAT</i>	17 882	(192)	17 690	17 746
<i>Of which GNI</i>	99 767	(5 154)	94 614	94 863
3. Surpluses, balances and adjustments	–	5 101	5 101	5 100
4. Revenue accruing from persons working with the institutions and with other Union bodies	939	–	939	927
5. Revenue accruing from the administrative operation of the institutions	52	–	52	256
6. Contributions and refunds in connection with Union agreements and programmes	60	–	60	3 213
7. Interests on late payments and fines	123	3 850	3 973	4 607
8. Borrowing and lending operations	2	151	153	297
9. Miscellaneous revenue	30	–	30	14
Total	135 167	3 530	138 697	143 280

BUDGET EXPENDITURE: COMMITMENTS BY MULTIANNUAL FINANCIAL FRAMEWORK (MFF) HEADING

EUR millions

	Initial adopted budget	Amending budgets & transfers	Final adopted budget	Additional appropriations*	Total appropriations available	Commitments made
1. Smart and inclusive growth	63 986	–	63 986	3 625	67 611	45 972
1a: Competitiveness for growth and jobs	16 484	–	16 484	2 645	19 129	18 018
1b: Economic, social and territorial cohesion	47 502	–	47 502	980	48 482	27 954
2. Sustainable growth: natural resources	59 267	(76)	59 191	2 105	61 296	48 263
of which: market related expenditure and direct payments	43 778	–	43 778	1 724	45 502	44 293
3. Security and citizenship	2 172	–	2 172	84	2 256	1 507
4. Global Europe	8 325	98	8 423	577	9 000	8 489
5. Administration	4 873	(0)	4 873	366	5 240	5 094
of which: Administrative expenditure of the institutions	–	–	–	–	–	–
6. Compensations	29	–	29	–	29	29
8. Negative reserve	–	–	–	–	–	–
9. Special Instruments	456	29	485	92	577	64
Total	139 109	50	139 159	6 849	146 008	109 418

* Additional appropriations include appropriations carried over from last year, assigned revenue and appropriations made available again following decommitments.

BUDGET EXPENDITURE: PAYMENTS BY MULTIANNUAL FINANCIAL FRAMEWORK (MFF) HEADING

EUR millions

	Initial adopted budget	Amending budgets & transfers	Final adopted budget	Additional appropriations*	Total appropriations available	Payments made
1. Smart and inclusive growth	62 393	3 470	65 863	3 836	69 699	67 683
1a: Competitiveness for growth and jobs	11 441	415	11 857	3 451	15 308	13 331
1b: Economic, social and territorial cohesion	50 951	3 055	54 006	385	54 392	54 352
2. Sustainable growth: natural resources	56 459	(500)	55 959	2 003	57 962	56 584
of which: market related expenditure and direct payments	43 777	(1)	43 776	1 738	45 514	44 287
3. Security and citizenship	1 677	(17)	1 660	88	1 747	1 711
4. Global Europe	6 191	734	6 925	556	7 481	7 206
5. Administration	4 874	1	4 875	690	5 565	5 090
of which: Administrative expenditure of the institutions	–	–	–	–	–	–
6. Compensations	29	–	29	–	29	29
8. Negative reserve	–	–	–	–	–	–
9. Special Instruments	350	(157)	193	344	536	465
Total	131 973	3 530	135 503	7 517	143 020	138 768

* Additional appropriations include appropriations carried over from last year, assigned revenue and appropriations made available again following decommitments.

1. IMPLEMENTATION OF EC BUDGET REVENUE

1.1. SUMMARY OF THE IMPLEMENTATION OF BUDGET REVENUE

Title	Income appropriations		Entitlements established				Revenue		Receipts as % of budget	Outstanding
	Initial adopted budget	Final adopted budget	Current	year	Carried over	Total	On entitlements current year	On entitlements carried over	Total	
1. Own resources	133 960	128 388	128 853	46	128 899	128 841	25	128 867	100.37%	32
3. Surpluses, balances and adjustments	–	5 101	10 507	–	10 507	5 100	–	5 100	99.98%	5 407
4. Revenue accruing from persons working with the institutions and other Union bodies	939	939	924	11	934	916	11	927	98.73%	7
5. Revenue accruing from the administrative operation of the institutions	52	52	259	13	272	247	9	256	487.61%	16
6. Contributions and refunds in connection with Union agreements and programmes	60	60	3 257	208	3 465	3 110	102	3 213	5354.83%	252
7. Interests on late payments and fines	123	3 973	2 206	10 416	12 622	1 131	3 475	4 607	115.95%	8 016
8. Borrowing and lending operations	2	153	46	255	301	43	254	297	193.72%	3
9. Miscellaneous revenue	30	30	14	9	23	12	1	14	45.83%	9
Total	135 167	138 697	146 066	10 957	157 023	139 403	3 878	143 280	103.30%	13 743

Detail Title 1: Own resources										EUR millions
Chapter	Income appropriations		Entitlements established				Revenue		Receipts as % of budget	Outstanding
	Initial budget voted	Final adopted budget	Current	year	Carried over	Total	On entitlements current year	On entitlements carried over	Total	
11. Sugar levies	125	(90)	(69)	–	(69)	(69)	–	–	(69)	77.12%
12. Customs duties	16 186	16 174	16 485	46	16 531	16 473	25	16 499	102.01%	32
13. VAT	17 882	17 690	17 746	–	17 746	17 746	–	17 746	100.32%	–
14. GNI	99 767	94 614	94 863	–	94 863	94 863	–	94 863	100.26%	–
15. Correction of budgetary imbalances	–	–	(172)	–	(172)	(172)	–	–	(172)	0.00%
Total	133 960	128 388	128 853	46	128 899	128 841	25	128 867	100.37%	32

EUR millions

Detail Title 3: Surpluses, balances and adjustments										
Chapter	Income appropriations		Entitlements established				Revenue		Receipts as % of budget	Outstanding
	Initial budget voted	Final adopted budget	Current	year	Carried over	Total	On entitlements current year	On entitlements carried over	Total	
30. Surplus from previous year	–	1 005	1 005	–	–	1 005	1 005	–	1 005	100.00%
31. VAT balances	–	(81)	(284)	–	–	(284)	(79)	–	(79)	97.59%
32. GNI balances	–	4 176	9 825	–	–	9 825	4 212	–	4 212	100.87%
34. Adjustment for non- participation in JHAP	–	–	(2)	–	–	(2)	(2)	–	(2)	0.00%
35. United Kingdom correction - adjustments	–	–	(18)	–	–	(18)	(18)	–	(18)	0.00%
36. United Kingdom correction - Intermediate calculation	–	–	(19)	–	–	(19)	(19)	–	(19)	0.00%
Total	–	5 101	10 507	–	–	10 507	5 100	–	5 100	99.98%

2. IMPLEMENTATION OF EC BUDGET EXPENDITURE

2.1. MFF: BREAKDOWN & CHANGES IN COMMITMENT & PAYMENT APPROPRIATIONS

EUR millions

MFF Heading	Commitment appropriations						Payment appropriations					
	Budget appropriations			Additional appropriations		Total appropriations available	Budget appropriations			Additional appropriations		Total appropriations available
	Initial adopted budget	Amending budgets & Transfers	Final adopted budget	Carry-overs	Assigned revenue		Initial adopted budget	Amending budgets & Transfers	Final adopted budget	Carry-overs	Assigned revenue	
	1	2	3=1+2	4	5	6=3+4+5	7	8	9=7+8	10	11	12=9+10+11
1. Smart and inclusive growth	63 986	–	63 986	150	3 474	67 611	62 393	3 470	65 863	289	3 548	69 699
1a: Competitiveness for growth and jobs	16 484	–	16 484	0	2 645	19 129	11 441	415	11 857	128	3 323	15 308
1b: Economic, social and territorial cohesion	47 502	–	47 502	150	830	48 482	50 951	3 055	54 006	161	224	54 392
2. Sustainable growth: natural resources	59 267	(76)	59 191	–	2 105	61 296	56 459	(500)	55 959	35	1 968	57 962
of which: market related expenditure and direct payments	43 778	–	43 778	–	1 724	45 502	43 777	(1)	43 776	13	1 724	45 514
3. Security and citizenship	2 172	–	2 172	3	81	2 256	1 677	(17)	1 660	10	78	1 747
4. Global Europe	8 325	98	8 423	6	571	9 000	6 191	734	6 925	35	521	7 481
5. Administration	4 873	–	4 873	–	366	5 240	4 874	1	4 875	320	370	5 565
of which: Administrative expenditure of the institutions	–	–	–	–	–	–	–	–	–	–	–	–
6. Compensations	29	–	29	–	–	29	29	–	29	–	–	29
8. Negative reserve	–	–	–	–	–	–	–	–	–	–	–	–
9. Special Instruments	456	29	485	18	74	577	350	(157)	193	270	74	536
Total	139 109	50	139 159	178	6 671	146 008	131 973	3 530	135 503	958	6 559	143 020

2.2. MFF: IMPLEMENTATION OF COMMITMENT APPROPRIATIONS

EUR millions

MFF Heading	Total appropriations available	From final adopted budget	Commitments made		Total	%	Appropriations carried over to 2015				From final adopted budget	From carry-overs	Appropriations lapsing		%
			From carry-overs	From assigned revenue			Assigned revenue	Carry-overs by decision	Total	%			Assigned revenue (EFTA)	Total	
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10=9/1	11	12	13	14=11+12+13	15=14/1
1. Smart and inclusive growth	67 611	44 260	150	1 561	45 972	67.99%	1 913	8 480	10 392	15.37%	11 246	–	0	11 247	16.63%
1a: Competitiveness for growth and jobs	19 129	16 466	0	1 552	18 018	94.19%	1 092	–	1 092	5.71%	18	–	0	19	0.10%
1b: Economic, social and territorial cohesion	48 482	27 794	150	9	27 954	57.66%	820	8 480	9 300	19.18%	11 228	–	–	11 228	23.16%
2. Sustainable growth: natural resources	61 296	46 866	–	1 397	48 263	78.74%	708	2 866	3 575	5.83%	9 458	–	–	9 458	15.43%
of which: market related expenditure and direct payments	45 502	42 910	–	1 383	44 293	97.34%	341	868	1 209	2.66%	0	–	–	0	0.00%
3. Security and citizenship	2 256	1 463	3	41	1 507	66.81%	40	254	294	13.02%	455	–	–	455	20.17%
4. Global Europe	9 000	8 280	6	203	8 489	94.32%	368	136	504	5.60%	7	–	0	7	0.07%
5. Administration	5 240	4 867	–	227	5 094	97.23%	139	–	139	2.66%	6	–	–	6	0.11%
of which: Administrative expenditure of the institutions	–	–	–	–	–	0.00%	–	–	–	0.00%	–	–	–	–	0.00%
6. Compensations	29	29	–	–	29	100.00%	–	–	–	0.00%	–	–	–	–	0.00%
8. Negative reserve	–	–	–	–	–	0.00%	–	–	–	0.00%	–	–	–	–	0.00%
9. Special Instruments	577	45	18	–	64	11.06%	74	361	435	75.37%	78	–	–	78	13.57%
Total	146 008	105 811	178	3 429	109 418	74.94%	3 242	12 097	15 339	10.51%	21 251	–	0	21 251	14.55%

2.3. MFF: IMPLEMENTATION OF PAYMENT APPROPRIATIONS

EUR millions

MFF Heading	Total appropriations available	Payments made					Appropriations carried over					Appropriations lapsing				
		From final adopted budget	From carry-overs	From assigned revenue	Total	%	Automatic carry-overs	Carry-overs by decision	Assigned revenue	Total	%	From final adopted budget	From carry-overs	Assigned revenue (EFTA)	Total	%
	1	2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11=10/1	12	13	14	15=12+13+14	16= 15/1
1. Smart and inclusive growth	69 699	65 730	267	1 686	67 683	97.11%	121	0	1 860	1 980	2.84%	12	22	2	36	0.05%
1a: Competitiveness for growth and jobs	15 308	11 740	108	1 483	13 331	87.09%	104	0	1 838	1 943	12.69%	12	20	2	33	0.22%
1b: Economic, social and territorial cohesion	54 392	53 990	159	203	54 352	99.93%	16	–	21	38	0.07%	0	2	–	2	0.00%
2. Sustainable growth: natural resources	57 962	55 050	33	1 502	56 584	97.62%	34	868	467	1 369	2.36%	7	2	–	9	0.02%
of which: market related expenditure and direct payments	45 514	42 891	12	1 383	44 287	97.30%	16	868	341	1 226	2.69%	0	1	–	2	0.00%
3. Security and citizenship	1 747	1 648	8	55	1 711	97.94%	8	0	23	31	1.75%	4	2	0	5	0.31%
4. Global Europe	7 481	6 880	29	297	7 206	96.32%	34	9	224	267	3.57%	2	6	0	8	0.10%
5. Administration	5 565	4 615	294	180	5 090	91.46%	255	–	190	446	8.01%	4	25	–	30	0.53%
of which: Administrative expenditure of the institutions	–	–	–	–	–	0.00%	–	–	–	–	0.00%	–	–	–	–	0.00%
6. Compensations	29	29	–	–	29	100.00%	–	–	–	–	0.00%	–	–	–	–	0.00%
8. Negative reserve	–	–	–	–	–	0.00%	–	–	–	–	0.00%	–	–	–	–	0.00%
9. Special Instruments	536	157	270	38	465	86.70%	0	36	35	71	13.28%	0	0	–	0	0.02%
Total	143 020	134 108	902	3 758	138 768	97.03%	452	913	2 799	4 164	2.91%	29	56	2	88	0.06%

2.4. MFF: MOVEMENTS IN COMMITMENTS OUTSTANDING (RAL)

EUR millions

MFF Heading	Commitments outstanding at the end of the previous year				Commitments of the year				Total Commitments outstanding at year-end
	Commitments carried forward from previous year	Decommitments /Revaluations/ Cancellations	Payments	Commitments outstanding at year-end	Commitments made during the year	Payments	Cancellation of commitments which cannot be carried over	Commitments outstanding at year-end	
1. Smart and inclusive growth	166 761	(2 037)	(60 662)	104 062	45 972	(7 021)	(4)	38 947	143 009
1a: Competitiveness for growth and jobs	29 657	(808)	(8 167)	20 681	18 018	(5 164)	(4)	12 850	33 532
1b: Economic, social and territorial cohesion	137 105	(1 229)	(52 494)	83 381	27 954	(1 857)	–	26 096	109 477
2. Sustainable growth: natural resources	27 978	(275)	(11 930)	15 773	48 263	(44 655)	–	3 609	19 382
of which: market related expenditure and direct payments	40	(3)	(21)	16	44 293	(44 266)	–	27	43
3. Security and citizenship	3 092	(306)	(944)	1 841	1 507	(767)	–	740	2 582
4. Global Europe	23 285	(721)	(5 490)	17 075	8 489	(1 716)	(1)	6 772	23 846
5. Administration	335	(26)	(307)	1	5 094	(4 783)	–	312	313
of which: Administrative expenditure of the institutions	–	–	–	–	–	–	–	–	–
6. Compensations	–	–	–	–	29	(29)	–	–	–
8. Negative reserve	–	–	–	–	–	–	–	–	–
9. Special Instruments	401	–	(401)	–	64	(64)	–	0	0
Total	221 853	(3 366)	(79 734)	138 753	109 418	(59 034)	(5)	50 379	189 132

2.5. MFF: BREAKDOWN OF COMMITMENTS OUTSTANDING BY YEAR OF ORIGIN

EUR millions

MFF Heading	<2008	2008	2009	2010	2011	2012	2013	2014	Total
1. Smart and inclusive growth	2 915	414	1 578	4 327	11 007	27 951	55 870	38 947	143 009
1a: Competitiveness for growth and jobs	255	211	1 260	2 274	3 001	5 451	8 230	12 850	33 532
1b: Economic, social and territorial cohesion	2 660	203	318	2 053	8 007	22 500	47 640	26 096	109 477
2. Sustainable growth: natural resources	338	50	93	116	193	3 524	11 459	3 609	19 382
of which: market related expenditure and direct payments	0	–	–	0	0	9	7	27	43
3. Security and citizenship	14	31	73	158	261	497	807	740	2 582
4. Global Europe	944	539	842	1 336	2 800	4 686	5 928	6 772	23 846
5. Administration	–	–	–	–	–	0	1	312	313
of which: Administrative expenditure of the institutions	–	–	–	–	–	–	–	–	–
6. Compensations	–	–	–	–	–	–	–	–	–
8. Negative reserve	–	–	–	–	–	–	–	–	–
9. Special Instruments	–	–	–	–	–	–	–	0	0
Total	4 211	1 034	2 586	5 937	14 261	36 658	74 066	50 379	189 132

2.6. POLICY AREA: BREAKDOWN AND CHANGES IN COMMITMENT AND PAYMENT APPROPRIATIONS

EUR millions

Policy Area	Commitment appropriations						Payment appropriations					
	Budget appropriations			Additional appropriations		Total apppr. available	Budget appropriations			Additional appropriations		Total apppr. available
	Initial adopted budget	Amending budgets & Transfers	Final adopted budget	Carried over	Assigned revenue		Initial adopted budget	Amending budgets & Transfers	Final adopted budget	Carried over	Assigned revenue	
	1	2	3=1+2	4	5	6=3+4+5	7	8	9=7+8	10	11	12=9+10+11
01 Economic and financial affairs	213	20	233	–	118	351	297	2	300	8	121	429
02 Enterprise and Industry	2 536	(10)	2 526	–	228	2 754	2 105	60	2 165	14	308	2 486
03 Competition	94	(1)	93	–	6	100	94	(1)	93	8	6	107
04 Employment, social affairs and inclusion	13 839	90	13 929	168	581	14 678	11 622	(341)	11 280	51	191	11 522
05 Agriculture and rural development	58 047	(22)	58 025	–	2 117	60 141	55 635	(518)	55 117	22	1 981	57 120
06 Mobility and transport	2 867	(7)	2 860	–	71	2 931	1 003	1	1 004	6	80	1 089
07 Environment	407	1	408	–	22	430	346	1	347	18	19	384
08 Research and Innovation	6 215	(53)	6 162	–	1 031	7 193	4 107	(11)	4 096	35	1 490	5 621
09 Communications networks, content and technology	1 637	(26)	1 612	–	148	1 759	961	107	1 068	16	259	1 343
10 Direct research	425	(23)	401	–	580	982	420	(23)	397	55	497	949
11 Maritime affairs and Fisheries	1 066	(76)	991	–	30	1 021	780	8	788	5	30	823
12 Internal market and services	117	1	118	0	15	133	117	(3)	114	6	15	134
13 Regional and urban policy	33 073	81	33 154	–	354	33 508	40 223	3 244	43 467	391	136	43 995
14 Taxation and customs union	157	–	158	–	7	164	122	10	133	7	6	146
15 Education and culture	2 820	57	2 877	–	453	3 330	2 242	178	2 420	12	537	2 969
16 Communication	246	2	248	–	11	259	245	6	251	14	11	276
17 Health and consumer protection	618	(2)	616	1	26	643	567	(13)	553	12	25	590
18 Home affairs	1 201	–	1 202	2	39	1 243	763	5	768	4	31	803
19 Foreign policy instruments	733	(55)	678	5	55	739	463	74	537	3	52	593
20 Trade	121	(2)	119	–	3	122	115	1	116	3	3	123
21 Development and Cooperation	5 084	121	5 204	1	263	5 469	3 658	286	3 944	26	222	4 192
22 Enlargement	1 520	(45)	1 475	–	13	1 488	904	(12)	892	5	12	908
23 Humanitarian aid and Civil protection	1 006	158	1 164	–	75	1 240	851	564	1 415	8	75	1 498
24 Fight against fraud	78	(2)	77	–	1	77	75	–	75	9	1	84
25 Commission's policy coordination & legal advice	194	–	194	–	11	205	195	–	195	15	11	221

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26	Commission's administration	1 001	(40)	961	0	162	1 124	991	(30)	961	160	164	1 285
27	Budget	96	(11)	84	–	8	92	96	(11)	84	7	8	99
28	Audit	12	–	12	–	1	12	12	–	12	1	1	13
29	Statistics	132	–	132	–	14	146	152	(21)	131	6	22	160
30	Pensions and related expenditure	1 450	44	1 494	–	2	1 495	1 450	44	1 494	–	2	1 495
31	Language Services	388	3	391	–	87	478	388	3	391	20	87	498
32	Energy	933	24	958	–	128	1 086	588	68	656	5	144	805
33	Justice	203	2	205	–	11	216	193	(6)	187	4	12	202
34	Climate action	121	–	122	–	1	122	43	9	52	3	1	55
40	Reserves	456	(179)	277	–	–	277	150	(150)	–	–	–	–
Total		139 109	50	139 159	178	6 671	146 008	131 973	3 530	135 503	958	6 559	143 020

2.6.1. POLICY AREA: COMPARISON OF BUDGET AND ACTUAL COMMITMENTS

EUR millions

Policy Area	Initial adopted budget	Amending budgets & transfers	Final adopted budget	Additional appropriations*	Total appropriations available	Commitments made
01 Economic and financial affairs	213	20	233	118	351	236
02 Enterprise and Industry	2 536	(10)	2 526	228	2 754	2 608
03 Competition	94	(1)	93	6	100	97
04 Employment, social affairs and inclusion	13 839	90	13 929	750	14 678	10 312
05 Agriculture and rural development	58 047	(22)	58 025	2 117	60 141	47 789
06 Mobility and transport	2 867	(7)	2 860	71	2 931	2 879
07 Environment	407	1	408	22	430	423
08 Research and Innovation	6 215	(53)	6 162	1 031	7 193	7 002
09 Communications networks, content and technology	1 637	(26)	1 612	148	1 759	1 708
10 Direct research	425	(23)	401	580	982	535
11 Maritime affairs and Fisheries	1 066	(76)	991	30	1 021	218
12 Internal market and services	117	1	118	16	133	123
13 Regional and urban policy	33 073	81	33 154	354	33 508	17 078
14 Taxation and customs union	157	–	158	7	164	160
15 Education and culture	2 820	57	2 877	453	3 330	3 223
16 Communication	246	2	248	11	259	252
17 Health and consumer protection	618	(2)	616	27	643	624
18 Home affairs	1 201	–	1 202	41	1 243	523
19 Foreign policy instruments	733	(55)	678	61	739	687
20 Trade	121	(2)	119	3	122	120
21 Development and Cooperation	5 084	121	5 204	264	5 469	5 353
22 Enlargement	1 520	(45)	1 475	13	1 488	1 440
23 Humanitarian aid and Civil protection	1 006	158	1 164	75	1 240	1 187
24 Fight against fraud	78	(2)	77	1	77	77
25 Commission's policy coordination & legal advice	194	–	194	11	205	198
26 Commission's administration	1 001	(40)	961	162	1 124	1 070
27 Budget	96	(11)	84	8	92	89
28 Audit	12	–	12	1	12	12
29 Statistics	132	–	132	14	146	140
30 Pensions and related expenditure	1 450	44	1 494	2	1 495	1 493
31 Language Services	388	3	391	87	478	444
32 Energy	933	24	958	128	1 086	990
33 Justice	203	2	205	11	216	209
34 Climate action	121	–	122	1	122	122
40 Reserves	456	(179)	277	–	277	–
Total	139 109	50	139 159	6 849	146 008	109 418

* Additional appropriations include appropriations carried over from previous year, assigned revenue and appropriations made available again following decommitments.

2.7. POLICY AREA: IMPLEMENTATION OF COMMITMENT APPROPRIATIONS

EUR millions

Policy Area	Total appropriation s available	From final adopted budget	Commitments made		Total	%	Appropriations carried over to 2015				From final adopted budget	Appropriations lapsing			
			From carry-overs	From assigned revenue			Assigned revenue	Carry-overs by decision	Total	%		From carry-overs	Assigned revenue (EFTA)	Total	%
	1	2	3	4	5=2+3+4	6=5/1	7	8	9=7+8	10=9/1	11	12	13	14=11+12+13	15=14/1
01 Economic and financial affairs	351	233	–	3	236	67.1%	115	–	115	32.9%	0	–	–	0	0.1%
02 Enterprise and Industry	2 754	2 526	–	82	2 608	94.7%	146	–	146	5.3%	0	–	–	0	0.0%
03 Competition	100	93	–	3	97	97.2%	3	–	3	2.8%	0	–	–	0	0.1%
04 Employment, social affairs and inclusion	14 678	10 139	168	5	10 312	70.3%	576	2 161	2 737	18.6%	1 629	–	0	1 629	11.1%
05 Agriculture and rural development	60 141	46 400	–	1 389	47 789	79.5%	728	2 912	3 640	6.1%	8 712	–	–	8 712	14.5%
06 Mobility and transport	2 931	2 854	–	25	2 879	98.2%	46	–	46	1.6%	6	–	0	7	0.2%
07 Environment	430	407	–	16	423	98.3%	6	–	6	1.4%	1	–	–	1	0.3%
08 Research and Innovation	7 193	6 162	–	840	7 002	97.3%	191	–	191	2.7%	–	–	–	–	0.0%
09 Communications networks, content and technology	1 759	1 612	–	97	1 708	97.1%	51	–	51	2.9%	0	–	–	0	0.0%
10 Direct research	982	401	–	134	535	54.5%	447	–	447	45.5%	–	–	–	–	0.0%
11 Maritime affairs and Fisheries	1 021	216	–	2	218	21.4%	28	28	56	5.5%	746	–	–	746	73.1%
12 Internal market and services	133	118	0	5	123	92.3%	10	–	10	7.5%	0	–	–	0	0.1%
13 Regional and urban policy	33 508	17 066	–	11	17 078	51.0%	343	6 481	6 824	20.4%	9 607	–	–	9 607	28.7%
14 Taxation and customs union	164	157	–	2	160	97.2%	5	–	5	2.8%	0	–	–	0	0.0%
15 Education and culture	3 330	2 877	–	347	3 223	96.8%	106	–	106	3.2%	0	–	–	0	0.0%
16 Communication	259	246	–	6	252	97.3%	5	–	5	1.8%	3	–	–	3	1.0%
17 Health and consumer protection	643	604	1	19	624	97.0%	7	7	13	2.1%	6	–	–	6	0.9%
18 Home affairs	1 243	508	2	13	523	42.1%	26	247	273	22.0%	447	–	–	447	36.0%
19 Foreign policy instruments	739	661	5	21	687	93.1%	34	15	49	6.6%	2	–	–	2	0.3%
20 Trade	122	118	–	2	120	97.9%	2	0	2	1.4%	1	–	–	1	0.7%
21 Development and Cooperation	5 469	5 195	1	157	5 353	97.9%	107	7	114	2.1%	2	–	–	2	0.0%
22 Enlargement	1 488	1 434	–	6	1 440	96.8%	6	40	46	3.1%	1	–	0	1	0.1%
23 Humanitarian aid and Civil protection	1 240	1 163	–	24	1 187	95.8%	52	–	52	4.2%	1	–	–	1	0.1%
24 Fight against fraud	77	77	–	–	77	98.9%	1	–	1	1.0%	0	–	–	0	0.1%
25 Commission's policy coordination & legal advice	205	192	–	6	198	96.6%	5	–	5	2.5%	2	–	–	2	0.8%
26 Commission's administration	1 124	960	0	110	1 070	95.3%	52	–	52	4.6%	1	–	–	1	0.1%
27 Budget	92	84	–	4	89	96.6%	3	–	3	3.4%	–	–	–	–	0.1%
28 Audit	12	12	–	0	12	96.6%	0	–	0	3.2%	0	–	–	0	0.2%
29 Statistics	146	131	–	8	140	95.7%	5	–	5	3.7%	1	–	–	1	0.6%
30 Pensions and related expenditure	1 495	1 493	–	–	1 493	99.8%	2	–	2	0.1%	1	–	–	1	0.0%
31 Language Services	478	391	–	53	444	92.9%	34	–	34	7.1%	0	–	–	0	0.0%
32 Energy	1 086	955	–	34	990	91.1%	94	–	94	8.6%	3	–	0	3	0.3%
33 Justice	216	205	–	4	209	96.5%	7	–	7	3.2%	1	–	–	1	0.4%
34 Climate action	122	121	–	0	122	99.4%	0	–	0	0.4%	0	–	–	0	0.2%
40 Reserves	277	–	–	–	–	0.0%	–	199	199	71.8%	78	–	–	78	28.2%
Total	146 008	105 811	178	3 429	109 418	74.9%	3 242	12 097	15 339	10.5%	21 251	–	0	21 251	14.6%

2.7.1. POLICY AREA: COMPARISON OF BUDGET AND ACTUAL COMMITMENTS

EUR millions

Policy Area	Initial adopted budget	Amending budgets & transfers	Final adopted budget	Additional appropriations*	Total appropriations available	Payments made
01 Economic and financial affairs	297	2	300	129	429	306
02 Enterprise and Industry	2 105	60	2 165	322	2 486	2 237
03 Competition	94	(1)	93	14	107	96
04 Employment, social affairs and inclusion	11 622	(341)	11 280	242	11 522	11 403
05 Agriculture and rural development	55 635	(518)	55 117	2 003	57 120	55 766
06 Mobility and transport	1 003	1	1 004	85	1 089	1 037
07 Environment	346	1	347	37	384	362
08 Research and Innovation	4 107	(11)	4 096	1 525	5 621	4 918
09 Communications networks, content and technology	961	107	1 068	275	1 343	1 184
10 Direct research	420	(23)	397	552	949	508
11 Maritime affairs and Fisheries	780	8	788	35	823	805
12 Internal market and services	117	(3)	114	21	134	119
13 Regional and urban policy	40 223	3 244	43 467	528	43 995	43 979
14 Taxation and customs union	122	10	133	13	146	138
15 Education and culture	2 242	178	2 420	549	2 969	2 673
16 Communication	245	6	251	25	276	257
17 Health and consumer protection	567	(13)	553	37	590	571
18 Home affairs	763	5	768	35	803	789
19 Foreign policy instruments	463	74	537	55	593	552
20 Trade	115	1	116	7	123	118
21 Development and Cooperation	3 658	286	3 944	248	4 192	4 133
22 Enlargement	904	(12)	892	17	908	898
23 Humanitarian aid and Civil protection	851	564	1 415	83	1 498	1 430
24 Fight against fraud	75	–	75	9	84	75
25 Commission's policy coordination & legal advice	195	–	195	26	221	199
26 Commission's administration	991	(30)	961	324	1 285	1 060
27 Budget	96	(11)	84	14	99	88
28 Audit	12	–	12	1	13	12
29 Statistics	152	(21)	131	28	160	139
30 Pensions and related expenditure	1 450	44	1 494	2	1 495	1 493
31 Language Services	388	3	391	107	498	445
32 Energy	588	68	656	149	805	733
33 Justice	193	(6)	187	16	202	193
34 Climate action	43	9	52	4	55	50
40 Reserves	150	(150)	–	–	–	–
Total	131 973	3 530	135 503	7 517	143 020	138 768

* Additional appropriations include appropriations carried over from previous year, assigned revenue and appropriations made available again following decommitments.

2.8. POLICY AREA: IMPLEMENTATION OF PAYMENT APPROPRIATIONS

EUR millions																
Policy Area	Total appropriations available 1	Payments made					Appropriations carried over					Appropriations lapsing				
		From final adopted budget	From carry-overs	From assigned revenue	Total	%	Automatic carry-overs	Carry-overs by decision	Assigned revenue	Total	%	From final adopted budget	From carry-overs	Assigned revenue (EFTA)	Total	%
		2	3	4	5=2+3+4	6=5/1	7	8	9	10=7+8+9	11=10/1	12	13	14	15=12+13+14	16=15/1
01 Economic and financial affairs	429	293	7	5	306	71.2%	7	–	116	122	28.5%	0	1	–	1	0.3%
02 Enterprise and Industry	2 486	2 144	12	81	2 237	90.0%	18	–	227	245	9.9%	3	2	–	4	0.2%
03 Competition	107	87	7	3	96	90.0%	7	–	3	10	9.5%	0	0	–	1	0.5%
04 Employment, social affairs and inclusion	11 522	11 226	48	129	11 403	99.0%	15	36	62	112	1.0%	4	2	–	6	0.1%
05 Agriculture and rural development	57 120	54 224	20	1 522	55 766	97.6%	23	868	459	1 350	2.4%	2	2	–	4	0.0%
06 Mobility and transport	1 089	997	5	35	1 037	95.2%	5	–	44	49	4.5%	2	1	0	2	0.2%
07 Environment	384	330	18	15	362	94.5%	16	–	4	20	5.2%	1	0	–	1	0.3%
08 Research and Innovation	5 621	4 080	28	810	4 918	87.5%	16	–	680	696	12.4%	–	8	–	8	0.1%
09 Communications networks, content and technology	1 343	1 052	15	117	1 184	88.2%	16	–	142	158	11.7%	0	1	0	1	0.1%
10 Direct research	949	353	47	108	508	53.6%	43	–	389	433	45.6%	–	8	–	8	0.8%
11 Maritime affairs and Fisheries	823	782	4	19	805	97.8%	3	–	11	14	1.7%	3	1	–	4	0.5%
12 Internal market and services	134	109	5	5	119	88.6%	4	–	10	14	10.1%	1	0	–	2	1.3%
13 Regional and urban policy	43 995	43 456	390	133	43 979	100.0%	11	–	3	14	0.0%	0	1	–	2	0.0%
14 Taxation and customs union	146	128	6	3	138	94.7%	4	–	3	7	5.1%	0	–	–	0	0.2%
15 Education and culture	2 969	2 405	11	257	2 673	90.1%	13	–	280	293	9.9%	1	1	–	2	0.1%
16 Communication	276	241	13	4	257	93.3%	10	0	7	17	6.2%	0	1	–	1	0.5%
17 Health and consumer protection	590	543	11	17	571	96.7%	10	–	8	18	3.0%	0	2	0	2	0.3%
18 Home affairs	803	762	4	22	789	98.2%	3	–	8	12	1.5%	2	0	–	3	0.4%
19 Foreign policy instruments	593	527	2	24	552	93.2%	4	6	29	39	6.6%	0	1	–	1	0.2%
20 Trade	123	113	3	2	118	95.9%	3	–	2	5	3.9%	0	–	–	0	0.3%
21 Development and Cooperation	4 192	3 917	23	193	4 133	98.6%	25	–	29	54	1.3%	1	3	–	5	0.1%
22 Enlargement	908	885	4	9	898	98.8%	6	–	3	9	1.0%	1	1	0	2	0.2%
23 Humanitarian aid and Civil protection	1 498	1 405	8	17	1 430	95.4%	7	3	58	68	4.5%	1	0	0	1	0.1%
24 Fight against fraud	84	68	6	0	75	88.6%	7	0	1	7	8.8%	0	2	–	2	2.7%
25 Commission's policy coordination & legal advice	221	180	13	5	199	90.1%	13	–	6	19	8.5%	2	1	–	3	1.4%
26 Commission's administration	1 285	833	150	77	1 060	82.5%	128	–	87	215	16.7%	1	10	–	11	0.8%
27 Budget	99	79	6	3	88	89.2%	6	–	4	10	10.3%	0	0	–	1	0.5%
28 Audit	13	11	0	0	12	92.6%	0	–	0	1	6.7%	0	0	–	0	0.8%
29 Statistics	160	126	5	8	139	86.9%	5	–	15	20	12.2%	–	1	–	1	0.8%
30 Pensions and related expenditure	1 495	1 493	–	–	1 493	99.8%	0	–	2	2	0.1%	1	–	–	1	0.0%
31 Language Services	498	377	19	49	445	89.5%	14	–	38	52	10.4%	0	1	–	1	0.2%
32 Energy	805	650	4	79	733	91.0%	5	–	63	69	8.5%	1	1	2	4	0.4%
33 Justice	202	183	3	7	193	95.1%	3	–	5	8	4.1%	1	1	–	2	0.8%
34 Climate action	55	48	2	0	50	91.1%	3	–	1	4	6.4%	1	1	–	1	2.4%
40 Reserves	–	–	–	–	–	0.0%	–	–	–	–	0.0%	–	–	–	–	0.0%
Total	143 020	134 108	902	3 758	138 768	97.0%	452	913	2 799	4 164	2.9%	29	56	2	88	0.1%

2.9. POLICY AREA: MOVEMENTS IN COMMITMENTS OUTSTANDING

EUR millions

Policy Area	Commitments outstanding at end of the previous year				Commitments of the year				Total commitments outstanding at year-end
	Commitments carried forward from previous year	Decommitments /Revaluations/Cancellations	Payments	Commitments outstanding at year-end	Commitments made during the year	Payments	Cancellation commitments which cannot be carried over	Commitments outstanding at year-end	
01 Economic and financial affairs	739	(3)	(122)	615	236	(184)	–	52	667
02 Enterprise and Industry	1 855	(23)	(724)	1 109	2 608	(1 513)	–	1 095	2 204
03 Competition	8	–	(7)	–	97	(89)	–	7	7
04 Employment, social affairs and inclusion	27 559	(344)	(10 165)	17 049	10 312	(1 238)	–	9 074	26 124
05 Agriculture and rural development	25 354	(70)	(11 148)	14 136	47 789	(44 618)	–	3 171	17 308
06 Mobility and transport	3 994	(188)	(867)	2 939	2 879	(170)	–	2 708	5 647
07 Environment	1 055	(22)	(245)	788	423	(117)	–	306	1 093
08 Research and Innovation	12 907	(161)	(3 551)	9 194	7 002	(1 367)	(3)	5 631	14 826
09 Communications networks, content and technology	2 823	(42)	(1 000)	1 781	1 708	(184)	–	1 524	3 305
10 Direct research	202	(21)	(122)	59	535	(386)	–	149	208
11 Maritime affairs and Fisheries	2 360	(202)	(683)	1 475	218	(122)	–	96	1 571
12 Internal market and services	21	(3)	(14)	3	123	(105)	–	19	22
13 Regional and urban policy	112 172	(1 033)	(43 087)	68 052	17 078	(892)	–	16 185	84 237
14 Taxation and customs union	106	(5)	(65)	36	160	(73)	–	86	122
15 Education and culture	2 387	(58)	(989)	1 341	3 223	(1 684)	–	1 539	2 879
16 Communication	125	(9)	(92)	24	252	(165)	–	86	110
17 Health and consumer protection	616	(134)	(271)	211	624	(300)	–	324	535
18 Home affairs	1 992	(141)	(431)	1 421	523	(358)	–	165	1 586
19 Foreign policy instruments	770	(42)	(367)	360	687	(185)	(1)	501	862
20 Trade	21	(1)	(13)	7	120	(105)	–	15	22
21 Development and Cooperation	15 617	(457)	(3 266)	11 894	5 353	(867)	–	4 486	16 379
22 Enlargement	3 206	(79)	(804)	2 323	1 440	(94)	(1)	1 346	3 669
23 Humanitarian aid and Civil protection	918	(5)	(654)	259	1 187	(775)	–	412	671
24 Fight against fraud	38	(9)	(21)	8	77	(54)	–	23	31
25 Commission's policy coordination & legal advice	15	(1)	(14)	–	198	(185)	–	14	14
26 Commission's administration	201	(11)	(177)	13	1 070	(883)	–	187	201
27 Budget	7	–	(6)	–	89	(82)	–	7	7
28 Audit	1	–	–	–	12	(12)	–	0	0
29 Statistics	113	(9)	(58)	46	140	(81)	–	59	105
30 Pensions and related expenditure	–	–	–	–	1 493	(1 493)	–	–	–
31 Language Services	20	(1)	(19)	–	444	(426)	–	18	18
32 Energy	4 434	(274)	(648)	3 512	990	(85)	–	904	4 416
33 Justice	183	(18)	(81)	84	209	(112)	–	97	181
34 Climate action	36	(1)	(20)	14	122	(30)	–	91	105
40 Reserves	–	–	–	–	–	–	–	–	–
Total	221 853	(3 366)	(79 734)	138 753	109 418	(59 034)	(5)	50 379	189 132

2.10. POLICY AREA: BREAKDOWN OF COMMITMENTS OUTSTANDING BY YEAR OF ORIGIN

		EUR millions							
Policy Area	<2008	2008	2009	2010	2011	2012	2013	2014	Total
01 Economic and financial affairs	30	–	0	0	160	178	246	52	667
02 Enterprise and Industry	14	13	34	54	192	349	452	1 095	2 204
03 Competition	–	–	–	–	–	–	–	7	7
04 Employment, social affairs and inclusion	538	6	70	189	1 603	4 687	9 956	9 074	26 124
05 Agriculture and rural development	150	–	0	0	183	3 061	10 742	3 171	17 308
06 Mobility and transport	84	23	128	238	588	746	1 132	2 708	5 647
07 Environment	28	49	84	105	146	174	201	306	1 093
08 Research and Innovation	62	86	226	477	1 288	2 840	4 216	5 631	14 826
09 Communications networks, content and technology	16	13	54	82	183	516	917	1 524	3 305
10 Direct research	5	5	2	4	4	11	29	149	208
11 Maritime affairs and Fisheries	160	1	7	10	43	514	739	96	1 571
12 Internal market and services	–	0	0	1	0	0	2	19	22
13 Regional and urban policy	2 439	197	249	1 871	6 732	18 311	38 253	16 185	84 237
14 Taxation and customs union	–	–	–	0	2	9	25	86	122
15 Education and culture	27	34	44	66	164	391	615	1 539	2 879
16 Communication	–	0	0	1	1	2	20	86	110
17 Health and consumer protection	1	6	18	30	23	30	103	324	535
18 Home affairs	12	23	53	120	217	425	571	165	1 586
19 Foreign policy instruments	4	6	13	23	44	108	162	501	862
20 Trade	–	–	–	0	0	2	4	15	22
21 Development and Cooperation	500	450	708	1 061	1 825	3 245	4 106	4 486	16 379
22 Enlargement	111	76	109	227	410	606	784	1 346	3 669
23 Humanitarian aid and Civil protection	2	8	13	25	26	33	151	412	671
24 Fight against fraud	0	1	1	0	0	2	4	23	31
25 Commission's policy coordination & legal advice	–	–	–	–	–	–	–	14	14
26 Commission's administration	–	–	–	0	0	1	12	187	201
27 Budget	–	–	–	–	–	–	–	7	7
28 Audit	–	–	–	–	–	–	–	0	0
29 Statistics	1	0	0	1	4	12	28	59	105
30 Pensions and related expenditure	–	–	–	–	–	–	–	(0)	–
31 Language Services	–	–	–	–	–	–	–	18	18
32 Energy	25	36	770	1 349	411	386	534	904	4 416
33 Justice	–	0	1	2	11	18	52	97	181
34 Climate action	–	–	–	0	1	3	11	91	105
40 Reserves	–	–	–	–	–	–	–	–	–
Total	4 211	1 034	2 586	5 937	14 261	36 658	74 066	50 379	189 132