

Annual Accounts 2015

Final version of 27/06/2016



EUIPO
EUROPEAN UNION
INTELLECTUAL PROPERTY OFFICE

15

DECLARATION OF ASSURANCE

2015 Declaration of Assurance by the Executive Director of the Office

I, the undersigned, António Campinos, Executive Director of the Office, in my capacity as authorizing officer, Declare that the information contained in the Final Annual Accounts 2015 give a true and fair view¹ of the financial position of the European Union Intellectual Property Office.

State that I have reasonable assurance that the resources assigned to the activities described in these reports have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions. This reasonable assurance is based on my own judgment and on the information at my disposal.

Confirm that I am not aware of anything not reported in the annual report which could harm the interests of the European Union Intellectual Property Office.

Alicante, 27 June 2016



António Campinos
Executive Director

2015 Declaration of Assurance by Accounting Officer of the Office

The Final Annual Accounts of the European Union Intellectual Property Office have been prepared in accordance with Title X of the European Union Intellectual Property Office's Financial Regulation as well as the accounting rules and methods adopted by the European Commission's accounting officer.

I acknowledge my responsibility for the preparation and presentation of the annual accounts in accordance with article 48 of the Office's Financial Regulation.

I have obtained from the authorising officer, who certified its reliability, all the information necessary for the production of the accounts that show the Office'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 reasonable assurance that the accounts present a true and fair view of the financial position of the European Union Intellectual Property Office in all material aspects.

Alicante, 27 June 2016



Peter Rodinger
Accounting Officer

¹ True and fair in this context means a reliable, complete and correct view on the information included in the annual report.

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1. FINANCIAL STATEMENTS

1.1. BALANCE SHEET

in euro

31-Dec-15

A S S E T S			
	2015	2014	Note
NON CURRENT ASSETS	116,760,850.70	110,968,238.87	
INTANGIBLE ASSETS	25,624,978.83	25,608,965.93	(1)
- Intangible assets	18,101,282.64	16,751,085.68	
- Intangible assets under construction	7,523,696.19	8,857,880.25	
TANGIBLE ASSETS	89,637,544.55	84,423,482.98	(1)
- Land	2,750,000.00	2,750,000.00	
- Buildings	72,637,095.55	27,538,301.80	
- Plant, machinery and tools	5,143,285.41	4,081,753.81	
- Computer hardware	5,421,678.21	6,423,168.88	
- Furniture and vehicles	2,917,443.59	2,025,872.04	
- Tangible fixed assets under construction	768,041.79	41,604,386.45	
LONG TERM RECEIVABLES	1,498,327.32	935,789.96	(2)
CURRENT ASSETS	459,175,571.52	468,578,726.78	
SHORT-TERM PRE-FINANCING	4,882,912.51		(3)
SHORT-TERM RECEIVABLES	4,712,936.28	6,946,146.66	
- Current receivables	101,170.98	1,730,594.12	(4)
- Sundry accounts receivables	545,608.35	294,360.96	(4)
- Accrued income or deferred expenditure	4,066,156.95	4,921,191.58	(4)
CASH AND BANKS	449,579,722.73	461,632,580.12	(5)
TOTAL ASSETS	575,936,422.22	579,546,965.65	

L I A B I L I T I E S			
	2015	2014	Note
CAPITAL	519,083,364.92	521,007,753.13	(6)
RESERVE FUND	201,208,415.16	201,208,415.16	
ACCUMULATED SURPLUS/DEFICIT	319,799,337.97	331,669,503.22	
FINANCIAL PERFORMANCE FOR THE YEAR (PROFIT+/-LOSS-)	-1,924,388.21	-11,870,165.25	
NON CURRENT LIABILITIES	5,751,366.91	2,901,237.12	
PROVISIONS FOR RISKS AND LIABILITIES	834,000.00	924,000.00	(8)
OTHER LONG-TERM LIABILITIES	4,917,366.91	1,977,237.12	(9)
CURRENT LIABILITIES	51,101,690.39	55,637,975.40	
PROVISIONS	2,539,000.00	1,168,875.00	
- Provision for risks and liabilities	772,000.00	867,875.00	(8)
- Provision for procedural expenditure	1,767,000.00	301,000.00	(7)
ACCOUNTS PAYABLE	48,562,690.39	54,469,100.40	
- Advanced payments by customers	28,231,173.46	26,523,099.35	(10)
- Current payables	2,223,682.50	3,818,507.33	(11)
- Sundry payables	29,331.74	37,886.52	(11)
- Other short-term liabilities			(11)
- Accrued expenditure or deferred income	18,078,502.69	24,089,607.20	(11)
TOTAL LIABILITIES	575,936,422.22	579,546,965.65	

1.2. STATEMENT OF FINANCIAL PERFORMANCE

in euro

31-Dec-15

	2015	2014	Note
OWN REVENUE			
Revenue from TM fees	188,691,789.75	170,597,764.10	(12)
Revenue from RCD fees	23,869,252.25	23,863,132.15	(12)
Other operating revenue	2,459,199.73	2,381,772.22	(12)
OPERATING REVENUE	215,020,241.73	196,842,668.47	(12)
Staff expenditure	86,446,100.63	87,002,262.21	(13)
Operating expenditure	79,963,063.12	74,409,357.79	(14)
Publication, promotion, cooperation and Observatory	14,633,458.34	12,964,462.61	(15)
Trade mark and design related expenditure	17,764,642.89	20,126,672.65	(16)
Fixed assets expenses	16,322,322.26	14,331,665.97	(17)
Provision for procedural expenditure	1,466,000.00		(18)
Provision for risks and liabilities		312,875.00	(18)
Other current operating expenditure	260,318.27	22,783.20	(19)
OPERATING EXPENDITURE	216,855,905.51	209,170,079.43	
OPERATING REVENUE LESS OPERATING EXPENDITURE	-1,835,663.78	-12,327,410.96	
Financial revenue	302,978.98	694,745.36	(20)
Financial expenditure	391,703.41	237,499.65	(21)
FINANCIAL RESULT	-88,724.43	457,245.71	
RESULT FROM ORDINARY ACTIVITIES	-1,924,388.21	-11,870,165.25	
Extraordinary revenue			
Extraordinary expenditure			
EXTRAORDINARY RESULT			
FINANCIAL PERFORMANCE FOR THE YEAR	-1,924,388.21	-11,870,165.25	

1.3. CASH-FLOW TABLE

	in euro	
	2015	2014
<i>31-Dec-15</i>		
CASH FLOWS FROM OPERATING ACTIVITIES		
RESULT FROM OPERATING ACTIVITIES	-1,835,663.78	-12,327,410.96
Depreciation intangible fixed assets	8,506,077.92	8,578,580.41
Depreciation tangible fixed assets	7,506,124.54	5,740,875.78
Increase/(decrease) in Provisions for risks and liabilities	-185,875.00	64,457.49
Increase/(decrease) in Provisions for procedural expenditure	1,466,000.00	-145,000.00
Increase/(decrease) in Welfare benefits		
Increase/(decrease) in Value reduction for doubtful debts		
(Increase)/decrease in Long term Pre-financing		
(Increase)/decrease in Short Term Pre-financing	-4,882,912.51	10,291.24
(Increase)/decrease in Long term Receivables	-562,537.36	-536,511.66
(Increase)/decrease in Short term Receivables	2,233,210.38	-372,792.30
Increase/(decrease) in Other Long term liabilities	2,940,129.79	-1,264,961.88
Increase/(decrease) in Accounts payable	-5,906,410.01	4,028,980.68
(Gains)/losses on sale of property, plant and equipment		
Extraordinary items		
NET CASH FLOW FROM OPERATING ACTIVITIES	A	3,776,508.80
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible and intangible fixed assets (-)	-21,552,396.73	-48,292,336.27
Income/loss from tangible and intangible fixed assets (+)	310,119.80	11,486.58
Purchase of investments		
Income of investments		
Extraordinary items		
NET CASH FLOW FROM INVESTING ACTIVITIES	B	-48,280,849.69
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) other financial liabilities		
Extraordinary items		
Financial expenditure	-391,703.41	-237,499.65
Revenue of funds in banks (financial revenue)	302,978.98	694,745.36
NET CASH FLOW FROM FINANCING ACTIVITIES	C	457,245.71
VARIATION OF CASH AND BANKS	A + B + C	-44,047,095.18
Cash and banks at the beginning of the period	461,632,580.12	505,679,675.30
Cash and banks at the end of the period	449,579,722.73	461,632,580.12

1.4. STATEMENT OF CHANGES IN CAPITAL

in euro 31-Dec-15

Capital	Reserves		Accumulated Surplus / Deficit	Financial performance for the year	Capital (total)
	Fair value reserve	Other reserves			
Balance as of 31 December N-1		201,208,415.16	331,669,503.22	-11,870,165.25	521,007,753.13
Changes in accounting policies or reclassifications					
Balance as of 31 December N-1 (if restated)					
Other revaluations					
Allocation of the financial performance N-1 Reserve fund			-11,870,165.25	11,870,165.25	
Financial performance for the year				-1,924,388.21	-1,924,388.21
Balance as of 31 December N		201,208,415.16	319,799,337.97	-1,924,388.21	519,083,364.92

1.5. SUMMARY OF MAIN ACCOUNTING PRINCIPLES

1.5.1. Activity

The main activities of the European Union Intellectual Property Office (the 'Office') concern the registration of European Union trade marks and designs and work of the European Observatory on Infringements of Intellectual Property Rights. Its main building is located at Avenida de Europa, 4, Alicante, Spain.

1.5.2. Basis of presentation

a) True and fair view

The accounts have been prepared on the basis of the agency's accounting records and are presented in compliance with the requirements of the "Financial Regulation CB-1-15" of the European Union Intellectual Property Office, adopted by the Budget Committee of the Office on 26 November 2015 and Regulation CB-2-15 laying down detailed rules for the implementation of certain provisions of that Regulation adopted by the Budget Committee on 26 November 2015.

The financial year begins on 1 January and ends on 31 December.

The accounts are kept in euro. Amounts in national currencies are converted into euro at the monthly rates published in the European Commission's internal document "Infor-Euro".

b) Grouping of accounts

For clarity, the accounts are presented in a summarised form. Where appropriate, an analysis is provided in the relevant note to the accounts.

1.5.3. Accounting policies

a) The going-concern principle

The Office considers that the agency will continue its activity indefinitely. Consequently, in applying accounting principles, the aim is not to establish the net worth in the event of total or partial transfer nor the realisable value in the event of liquidation.

b) The principle of prudence

The Office has only entered into the accounts those profits realised before the end of the financial year. In contrast, foreseeable risks and contingent liabilities arising in the financial year, or in any other year, are entered into the accounts as soon as they arise; with regard to such items, a distinction is made between those that can be rectified or are contingent and those that have arisen or cannot be rectified.

Consequently, at the end of the financial year, all foreseeable risks and liabilities are entered into the accounts, irrespective of when they arose. Where such risks and losses arise between the end of the financial year and the date on which the annual accounts are drawn up, without prejudice to their inclusion in the

balance sheet and statement of financial performance, every endeavour is made to include the information in the notes on the accounts.

c) Principle of consistency

Having adopted one of the possible options available as a criterion for the application of accounting principles, the Office continues to apply this criterion to asset items with the same characteristics, in so far as they satisfy the grounds for applying this criterion.

The criterion may be deviated from where necessary, but this must be indicated in the notes on the accounts, as must the quantitative and qualitative impact of the deviation on the annual accounts.

d) Principle of comparability of information

The principle of comparability of information means that for each item the financial statements shall also show the amount of the corresponding item for the previous year.

Where the presentation or the classification of one of the components of the financial statements is changed, the corresponding amounts for the previous year is made comparable and reclassified. Where it is impossible to reclassify items, this is explained in the explanatory notes.

e) The principle of materiality

The Office acknowledges that it does not always strictly comply with certain accounting principles where the relative significance of a deviation, in quantitative terms, is immaterial and consequently does not alter the true and fair view presented by the annual accounts.

f) The gross presentation principle: no-netting principle

The Office does not offset assets against liabilities in the balance sheet nor expenditure against income in the statement of financial performance, as established in the annual accounts models. Each item entered under the asset and liability headings is valued separately.

g) Principle of reality over appearance

The principle of reality over appearance means that accounting events recorded in the financial statements shall be presented by reference to their economic nature.

h) The entry principle: accrual-based accounting

The Office enters transactions into the accounts as and when the ensuing rights or obligations arise.

The accrual-based accounting principle means that transactions and events shall be entered in the accounts when they occur and not when amounts are actually paid or recovered. They shall be booked to the financial years to which they relate.

i) The acquisition-cost principle

In general, all goods and rights are entered into the accounts at their acquisition price or at their cost price.

However, the value of non-financial fixed assets and formation expenses shall be written down for depreciation. In addition a write-down may be applied where the value of an asset decreases and an increase in the value of a liability may be covered by a provision.

j) Intangible fixed assets

Items acquired whose purchase price or production cost is €420 or more, with a period of use greater than one year, and which are not consumables, are recorded in the intangible assets accounts.

Intangible fixed assets consist of computer software, licences and trade marks registered under the name of the Office.

Intangible fixed assets are valued at their acquisition price converted into euros at the rate applying when they were purchased, less depreciation and impairment. The exception to this rule are assets acquired free of charge, which are valued at their market value.

Should the software be developed internally, it is recorded at its directly attributable costs of development, the threshold being €0. However, in accordance with international accounting standards, this can only be done if these costs can be measured reliably.

Intangible fixed assets are subject to monthly depreciation based on their useful lives. The depreciation is calculated using the linear method and coefficients of depreciation of 10% for trade marks and 25% for software.

k) Tangible fixed assets

Items acquired whose purchase price or production cost is €420 or more, with a period of use greater than one year, and which are not consumables are recorded in the fixed assets accounts.

Tangible fixed assets are stated at cost, i.e. purchase value, then converted into euro at the currency rate obtained from "Infor-Euro" published by the European Commission and applied at the time of payment. Improvements, which extend the useful lives of existing assets, are capitalised. Differences in exchange rates, directly related to tangible fixed assets accruing before such assets are brought into use, are also capitalised.

The purchase costs of an item of tangible fixed assets are taken into account as from the moment of bringing it into use. Tangible fixed assets are subject to monthly depreciation based on their estimated useful lives. The depreciation is calculated using the linear method. The coefficients of depreciation used are the following:

Buildings	4%
Smart phones, tablets, laptops	40%
Computer hardware	25%
Plant, machinery and tools	12.5%, 25%
Furniture and vehicles	10%, 12.5%, 25%

The depreciation rates are the coefficients used at the European Commission, except for smart phones, tablets and laptops where the Office considers more convenient a speedier depreciation following the quickly moving technology. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, where appropriate, only when it is probable that future economic benefits associated with the item will flow to the Agency and the cost of the item can be measured reliably.

Repairs and maintenance are charged to the statement of financial performance during the financial period in which they are incurred.

When tangible fixed assets are removed, decommissioned or otherwise disposed of, the asset accounts and the depreciation accounts are adjusted accordingly.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, on a regular basis. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of financial performance.

l) Impairment of assets

Assets that have an indefinite useful life are not subject to depreciation and will be tested regularly for impairment. Assets that are subject to 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 amount. The recoverable amount for an individual asset is the highest amount between either an asset's fair value less costs to sell or the value in use.

m) Transactions and balances denominated in foreign currencies

The open balances of debtors and creditors denominated in foreign currencies at the year-end are converted into euro at the currency rate obtained from "Infor-Euro", published by the European Commission, on 31 December.

Purchases of tangible and intangible assets retain their value in euros at the rate that was applicable on the date when they were purchased.

Transactions in foreign currencies are recorded in the statement of financial performance at the exchange rates prevailing at the dates of the transactions. Realised gains, together with realised losses on exchange, are taken into account in the statement of financial performance of the corresponding year.

n) Receivables

Receivables are carried at original invoice amount less write-down for impairment. A write-down for impairment of receivables is established when there is objective evidence that the Agency will not be able to collect all amounts due according to the original terms of receivables.

o) 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 of returning the pre-financing advance to the Agency. The amount of the pre-financing is reduced (wholly or partially) by the acceptance of eligible costs and amounts returned.

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

Interest on pre-financing is recognised as it is earned in accordance with the provisions of the relevant agreement.

Pre-financing which extends beyond one year is considered long term and short term if it is to be settled in a period shorter than one year.

p) Payables

Short and long-term creditors are stated at the amount they are to be paid. Short-term creditors are defined as balances maintained for a period of less than one year and long-term creditors as over one year.

There are also amounts under this heading corresponding to pre-financing from third parties; these correspond to funds advanced by clients and managed by the Office.

q) Deferrals and accruals

Accrued income or deferred expenditure is prepared and based on accounting information as at 31 December provided by the authorising officers.

r) Revenue

Revenue from fees and other miscellaneous revenue are entered in the accounts once the corresponding service is considered rendered to the client and when it is considered to be certain, regardless of when the corresponding collection of payment is made.

In the case of the basic fee, revenue is recorded when the filing date has been assigned. The opposition fee is recorded as revenue when the decision on the opposition has been taken, i.e. when the file is to be closed.

s) Expenditure

Expenditure is entered into the accounts once the service or good has been received in the Office, regardless of when the payment is made.

t) Adjustment for provision for procedural expenditure

A provision is made if the following conditions are satisfied:

- (a) a current obligation exists as a result of a past event;
- (b) resources representing economic benefits will probably have to be used to extinguish the obligation;
- (c) the amount of the obligation can be reliably estimated.

In accordance with Articles 2(3) and 20(1) of 4th Council Directive 78/660/EEC of 25 July 1978 based on Article 54(3)(g) of the Treaty on the annual accounts of certain types of companies and with the Financial Regulation, the Office decided to create a provision in 2001 covering the statutory obligations vis-à-vis applicants for services to be rendered (although there is a legal obligation, this has not yet given rise to any commitment of expenditure), in particular search reports, translation and publication. This provision is updated on a yearly basis.

1.6. NOTES TO THE FINANCIAL STATEMENTS

1.6.1. Notes to the balance sheet

1 – FIXED ASSETS

Intangible assets on 31 December are set out in the following table:

	<i>e u r o</i>				
	<i>Internally generated computer software</i>	<i>Other computer software</i>	<i>Other intangible assets</i>	<i>Intangible assets under construction</i>	<i>Total</i>
PURCHASE VALUE					
Balance on 1/1	28,034,188	10,343,921	23,475	8,857,880	47,259,464
Acquisitions	5,100,037	707,515	0	2,798,123	8,605,675
Disposal	-364,729	0	0	0	-364,729
Reclassifications	4,132,307	0	0	-4,132,307	0
Balance on 31/12	36,901,802	11,051,437	23,475	7,523,696	55,500,410
DEPRECIATION					
Balance on 1/1	12,591,206	9,035,818	23,475	0	21,650,499
Increase	7,849,159	656,918	0	0	8,506,078
Disposal	-281,145	0	0	0	-281,145
Reclassifications	0	0	0	0	0
Balance on 31/12	20,159,220	9,692,736	23,475	0	29,875,431
NET VALUE					
Balance on 1/1	15,442,982	1,308,103	0	8,857,880	25,608,966
Balance on 31/12	16,742,583	1,358,700	0	7,523,696	25,624,979

Capitalisation of software developed internally and expenditure on research

Investment into internally generated computer software and intangible assets under construction amounts to €8,605,674.61 and concerns Cooperation Fund projects, e-filing improvements, projects for the Observatory and other IT projects in line with the Strategic Plan.

Research costs in relation to software developed internally amounted to € 194,580 and were included as an expense.

Tangible assets on 31 December were as follows:

euro

	<i>Land</i>	<i>Buildings</i>	<i>Plant and equipment</i>	<i>Computer hardware</i>	<i>Furniture and vehicles</i>	<i>Other fixtures and fittings</i>	<i>Tangible assets under construction</i>	<i>Total</i>
PURCHASE VALUE								
Balance on 1/1	2,750,000	45,994,589	6,642,538	20,007,837	5,016,872	3,230,030	41,604,386	125,246,253
Acquisitions	0	6,754,286	753,350	1,982,366	1,380,681	1,307,998	768,042	12,946,722
Disposal	0	0	-657,198	-4,672,884	-662,018	-126,743	0	-6,118,843
Reclassifications	0	41,604,386	0	0	0	0	-41,604,386	0
Balance on 31/12	2,750,000	94,353,262	6,738,689	17,317,319	5,735,535	4,411,285	768,042	132,074,132
DEPRECIATION								
Balance on 1/1	0	18,456,288	4,134,791	13,584,668	2,991,000	1,656,023	0	40,822,770
Increase	0	3,259,879	591,866	2,898,462	421,976	333,942	0	7,506,125
Disposal	0	0	-585,094	-4,587,489	-594,885	-124,840	0	-5,892,307
Reclassifications	0	0	0	0	0	0	0	0
Balance on 31/12	0	21,716,167	4,141,563	11,895,641	2,818,091	1,865,126	0	42,436,588
NET VALUE								
Balance on 1/1	2,750,000	27,538,302	2,507,747	6,423,169	2,025,872	1,574,007	41,604,386	84,423,483
Balance on 31/12	2,750,000	72,637,096	2,597,126	5,421,678	2,917,444	2,546,160	768,042	89,637,545

Totally depreciated fixed assets

The purchase value of fixed assets in use, which were totally depreciated on 31 December, amounted to €27,145,987 (N-1: €23,112,094).

Capitalised exchange rate differences

No exchange rate differences have been capitalised during the year (N-1: €0).

Buildings

The Office's headquarter include the initial building based on a co-operation agreement signed in 1997 for the value of €23,350,000 for the construction and acquisition of the permanent seat of the Office, with Cosoami, a consortium made up of representatives of the Spanish authorities in order to assist with the establishment of the Office in Alicante. The building was finished in June 2000.

The land where the permanent seat of the Office has been built was donated by the Spanish authorities (for the symbolic price of one peseta). The contract of donation stipulates that, in the event that the Office changes seat, the real value of the land will be returned to the Spanish authorities.

A refurbishment project of the permanent seat that started in 2009 was finally finished in 2013, enlarging the capacity of the building by one third.

In November 2014, the extension of the Office's headquarters was finished. This new building with 38,000 square meters of new construction includes two three-story office blocks on the north flank of the existing headquarters and a 450-seat auditorium in the main entrance to the new complex, taking the total built-up area of Office's headquarters to almost 80,000 square meters. With its completion and the creation of the Office Campus, which integrates all staff on a unified site, all rented accommodation could be surrendered at the end of April 2015. However, the potential for more buildings on the original site had been exhausted.

Given the steady growth in demand and the possibility of new responsibilities in the future, the Office bought an area of land which directly faces Office. The decision to purchase this particular plot, which measures 12,000 square meters, was based on proximity, a lack of suitable alternative sites that would allow for future growth and the current state of the Spanish property market with very favourable prices.

For 2016, the Office plans to build on that newly acquired plot a first module capable of housing some 120 workspaces, including associated support facilities (meeting rooms, logistics, etc.), connected to the second phase of the headquarters, as part of a future modular accommodation to be constructed on the recently acquired plot of land.

2 – LONG-TERM RECEIVABLES

The long-term receivables correspond to expenses carried out in relation to the technical cooperation projects mentioned in note 22 for which at the year-end it is not foreseen to have implementation reports submitted to or being accepted by the European Commission during the year 2016.

3 – SHORT-TERM PRE-FINANCING

The short-term pre-financing corresponds to an advanced payment to the contractor of the third phase of the building mentioned in note 1 for an amount of € 4,700,000 and short-term pre-financing specifically related to grants:

The Office has signed grant agreements related to the co-financing up to a maximum of 80% of the eligible costs initiatives of raising public awareness about the value, benefits of intellectual property as well as the damages of infringement in line with the Observatory's activities and plans. Pre-financing payments in relation to those grants are reported as receivables and cleared after the agreed deliverables and corresponding cost statements are submitted by the beneficiaries to the Office and accepted and cleared by the Office.

The total amount of pre-financings related to grants paid but not cleared, accrued as well as open on 31 December are as follows:

• Non cleared pre-financing	€ 349,196.60
• Accrued charges on pre-financing	€ 166,284.09
• Open pre-financing	€ 182,912.51

4 – RECEIVABLES

Current receivables

The current receivables on 31 December were as follows:

	<i>euro</i>	
	2015	2014
Recovery orders pending	101,170.98	13,044.09
Current receivables in relation to technical cooperation projects	0.00	1,716,681.03
Other current receivables	0.00	869.00
TOTAL	<u>101,170.98</u>	<u>1,730,594.12</u>

The recovery orders pending collection on 31 December were all established in euro. The balance corresponded principally to amounts related to trade mark cases before the Court of Justice in which the Office was the successful party.

The current receivables reported during the exercise 2014 correspond to expenses carried out in relation to the technical cooperation projects mentioned in note 22 for which implementation reports submitted were expected to be accepted by the European Commission during the year 2015.

Sundry accounts receivables

Sundry account receivables are principally related to staff transactions and on 31 December they included various advanced payments which can be broken down as follows:

	<i>euro</i>	
	2015	2014
Pay advances	6,550.00	17,166.67
Others	539,058.35	277,194.29
TOTAL	<u>545,608.35</u>	<u>294,360.96</u>

Pay advances: This heading principally includes advance payments on salaries in accordance with the Staff Regulations. It also includes deductions by instalments due to overpayments of salaries. This balance is to be settled in the salary payments during the following year.

Others: This heading includes recovery orders pending concerning staff-related transactions and amounts to be settled with institutions or agencies related to staff mobility (adjustments of salaries due to leave, principally) as well as a smaller amount to be recovered in relation to a member of staff working in Brussels. € 440,831 concerns the outcome of the 2015 salary adjustments which will be deducted from the salary payments to staff members in 2016.

Accrued income or deferred expenditure

Accrued income or deferred expenditure on 31 December can be broken down as follows:

	<i>euro</i>	
	<i>2015</i>	<i>2014</i>
Accrued income	3,049,789.24	4,101,120.52
Deferred expenditure	1,016,367.71	820,071.06
TOTAL	4,066,156.95	4,921,191.58

Accrued income: This heading corresponds principally to accrued income related to the fees from the Madrid Protocol, fees coming from the Hague agreement (Designs) and bank interest accrued.

Deferred expenditure: This heading principally includes expenditure to be booked in the following financial year. This figure includes, amongst others, licences, subscriptions paid for in the current year but covering part of the following year.

5 – CASH AND BANKS

The cash and bank balances of the Office on 31 December were as follows:

	<i>euro</i>	
	<i>2015</i>	<i>2014</i>
Short-term deposits	96,700,000.00	210,000,000.00
Current accounts	349,155,564.65	249,290,655.66
Funds for EU technical cooperation projects	3,723,963.34	2,341,535.80
Petty cash	194.74	388.66
TOTAL	449,579,722.73	461,632,580.12

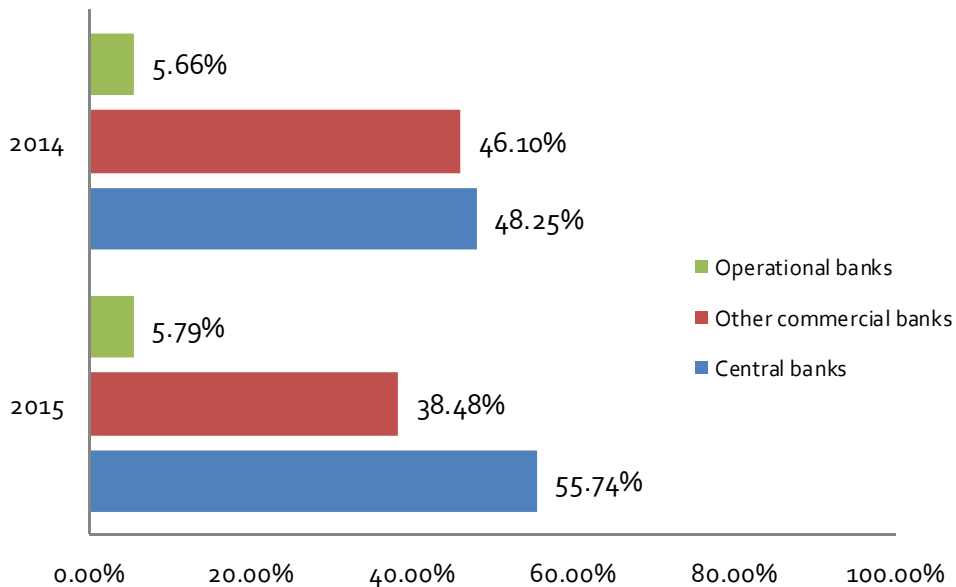
General information about cash and banks

The Office had its treasury surplus distributed between 3 commercial banks that complied with the minimum rating –AA from at least one of the three credit agencies Fitch, Standard & Poor's and Moody's and 3 central banks.

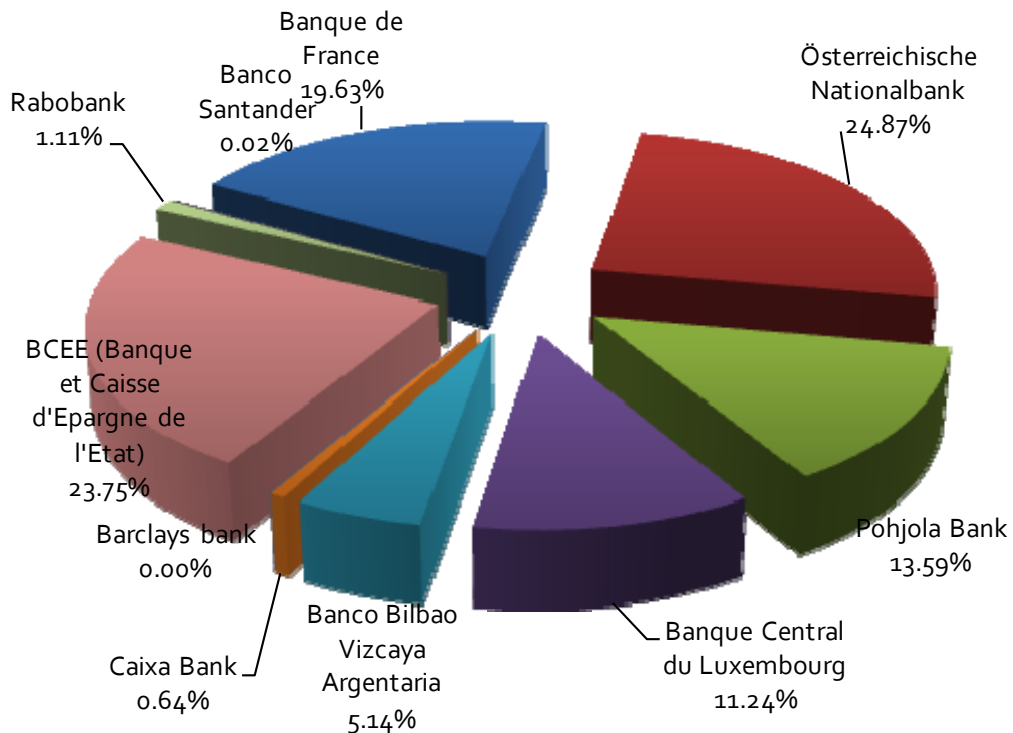
Funds for carrying out daily transactions are with operational banks that comply with a minimum rating of –BBB in accordance with the updated guidelines on treasury management that received a positive opinion from the Office's Budget Committee on 15 November 2012.

At the year-end, all balances in banks were held in euro.

Distribution of treasury per type of bank at year-end



Distribution of treasury per bank at year-end



Current accounts

The balances in current accounts on 31 December stood as follows:

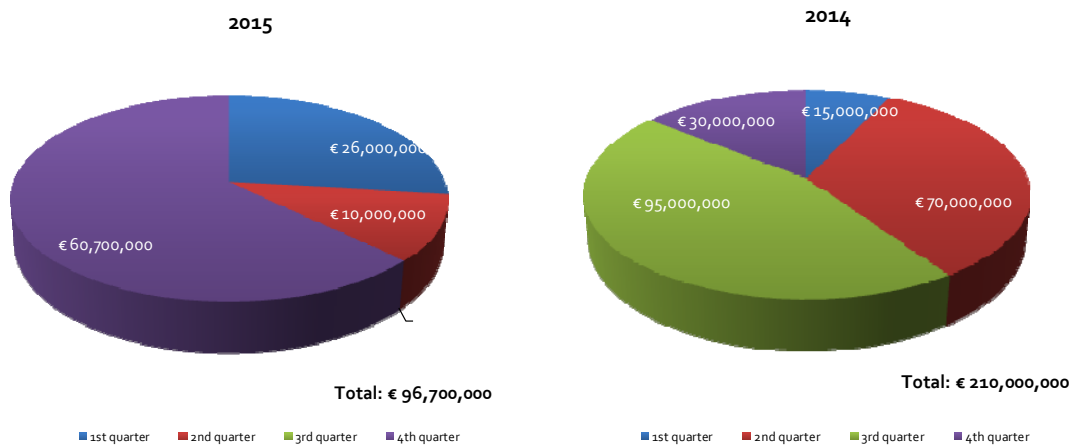
<i>euro</i>		
<i>Current accounts</i>	<i>2015</i>	<i>2014</i>
Central banks	240,580,651.09	172,729,161.85
Other commercial banks	86,288,042.04	52,790,691.77
Operational banks	22,286,871.52	23,770,802.04
TOTAL	349,155,564.65	249,290,655.66

It should be noted that, on 31 December, the bank accounts included € 23,240,825 by way of funds advanced by clients.

Short-term deposits

The Office makes short-term investments in order to make the most profitable use of its financial resources. Following the evolution of interest rates, short-term investments on 31 December were as follows:

Short-term deposits falling due in the following year, quarterly



Bank guarantees

The Office requires its suppliers to constitute performance bank guarantees where there are potential risks of non-fulfilment of the contract after its execution period. These guarantees must be established in the name of the Office before they start to supply services or products to the Office. At 31 December, these guarantee deposits amount to € 18,109,508 and will only be executed, and consequently be considered as revenue if the supplier does not comply with the contract or does not supply the agreed services or products. Therefore, these deposits do not affect the statement of financial performance.

6 – CAPITAL

In 2005, the Budget Committee decided - as foreseen in Article 16 of the Financial Regulation - to create a reserve fund as from 2006, to enable the Office to comply with all legal obligations and to ensure that it would continue to function should there be major changes in the economic context or should any other event with major consequences jeopardise the level of activity of the Office and consequently its financial situation.

The amount assigned to this reserve fund is based on the budgetary surpluses arising from the financial years for which discharge has already been given by the Budget Committee. On 31 December, the accumulated reserve fund stood at €201,208,415.16 (see the statement of changes in capital, included in this report).

7 – PROVISION FOR PROCEDURAL EXPENDITURE

The Office decided to create a provision in 2001 covering statutory obligations vis-à-vis applicants for services to be rendered (although there is a legal obligation, this has not yet given rise to any commitment of expenditure), in particular regarding translation.

8 – PROVISION FOR RISKS AND LIABILITIES

Provisions for risks and liabilities on 31 December were as follows:

euro

<i>Provision for risks and liabilities (non current liabilities)</i>	<i>2015</i>	<i>2014</i>
Appeals to the Courts against Office decisions in the context of EUTMs	804,000.00	924,000.00
Lawsuits related to staff	30,000.00	0.00
TOTAL	<u>834,000.00</u>	<u>924,000.00</u>

euro

<i>Provision for risks and liabilities (current liabilities)</i>	<i>2015</i>	<i>2014</i>
Appeals to the Courts against Office decisions in the context of EUTMs	649,000.00	663,000.00
Lawsuits related to staff	60,000.00	204,875.00
Lawsuits related to procurement	63,000.00	0.00
TOTAL	<u>772,000.00</u>	<u>867,875.00</u>

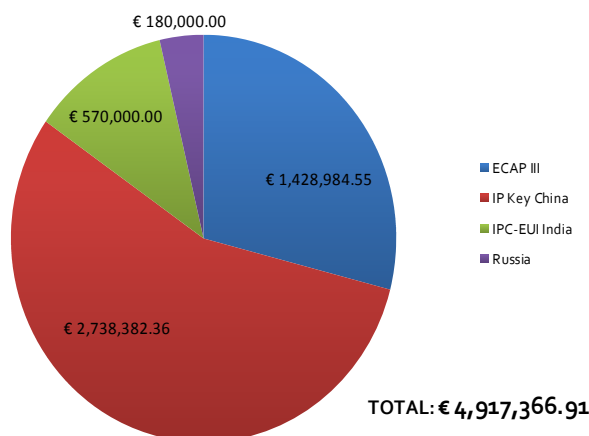
This heading is reflected in non-current (long term) and current (short term) liabilities. If an item is foreseen to be settled within 12 months from the closure date of 31 December, it is presented under the heading

"Current liabilities" and if it is foreseen that it will be settled more than 12 months after this closure date, it appears under the heading "Non-current liabilities".

9 – OTHER LONG-TERM LIABILITIES

The other long-term liabilities relate to the technical cooperation projects mentioned in note 22, as well as an additional technical cooperation project for Russia. They reflect the total amount received for these projects from the European Commission and for which the approval of the implementation reports is still outstanding. Their breakdown is as follows:

Funds for technical cooperation projects



10 – ADVANCED PAYMENTS BY CUSTOMERS

The Office does not have an immediate claim on the amounts corresponding to the payment of fees that are paid into accounts held by the Office as they represent advanced payments from the Office's clients. The Financial Regulation of the Office forbids any automatic registration of such payments as revenue of the Office. Revenue must be registered as such only after the service has been rendered.

The balance of clients' accounts on 31 December was as follows:

	<i>euro</i>	
	2015	2014
Current accounts according to Decision EX-96-1 of the Executive Director of the Office (amended by EX-06-1)	23,240,824.67	21,781,815.75
Client accounts relating to individual payments	1,190,048.79	993,483.60
Fees for registration via Madrid Protocol	81,650.00	115,500.00
Payments obtained for opposition fees on standby until starting-up of procedure (Rule 18 of Regulation (EC) No 2868/95)	3,718,650.00	3,632,300.00
TOTAL	28,231,173.46	26,523,099.35

11 – PAYABLES

Current payables

On 31 December, this heading included mainly guarantee deposits to be settled the following year. In 2014, this heading also covered the amounts included in implementation reports submitted which are expected to be accepted by the European Commission during the year 2015 (see note 4).

Sundry payables

On 31 December, respectively, it comprised the following:

	<i>euro</i>	
	<i>2015</i>	<i>2014</i>
Contribution owed to the Spanish Government (withholding tax)	7,291.50	11,789.76
Debts to institutions or agencies within the EU	13,074.12	1,308.17
Others	8,966.12	24,788.59
TOTAL	29,331.74	37,886.52

The heading “Debts to institutions or agencies within the EU” includes Office’s staff-related debts to different agencies and to the European Commission.

Accrued expenditure or deferred income

Accrued expenditure or deferred income on 31 December can be broken down as follows:

	<i>euro</i>	
	<i>2015</i>	<i>2014</i>
Accrued expenditure	16,831,497.67	23,681,277.20
Deferred income	1,247,005.02	408,330.00
TOTAL	18,078,502.69	24,089,607.20

Accrued expenditure: This heading includes expenditure related to goods and services received by the Office but not yet invoiced by the corresponding supplier, i.e. a financial obligation towards third parties. The counter-entry is expenditure. This covers mainly expenses related to the cooperation with Member States, expenses related to the contribution to the European School, as well as IT projects, staff members’ vacations not taken by year-end and expenditure related to end of temporary agent contracts (employee benefits).

Deferred income: This heading corresponds to deferred income related the application of the reduced renewal fee for trade marks.

1.6.2. Notes to the statement of financial performance

12 – OWN REVENUE

Revenue from EUTM fees

The revenue from European Union Trade Mark fees as at 31 December is detailed below:

	2015			2014		
	Number of files	Amount in Euro	%	Number of files	Amount in Euro	%
Basic fees	125,850	116,079,624.00	61.52%	114,651	103,995,718.00	60.96%
Fees for additional classes	75,196	11,279,308.00	5.98%	68,084	10,192,015.00	5.97%
Opposition fees	10,983	3,844,050.00	2.04%	10,465	3,662,750.00	2.15%
Renewal fees	32,633	50,154,342.00	26.58%	28,947	45,199,539.00	26.49%
Appeal fees	2,480	1,984,000.00	1.05%	3,045	2,436,000.00	1.43%
Cancellation fees	1,990	1,393,000.00	0.74%	1,381	966,700.00	0.57%
Inspection fees	6,971	479,624.00	0.25%	8,414	598,995.00	0.35%
Recordal fees	2,694	538,800.00	0.29%	2,702	540,400.00	0.32%
International applications fees	7,920	2,376,000.00	1.26%	7,328	2,198,400.00	1.29%
Search fees	787	60,163.00	0.03%	878	83,688.00	0.05%
Miscellaneous fees		502,878.75	0.27%		723,559.10	0.42%
TOTAL		188,691,789.75	100.00%		170,597,764.10	100.00%

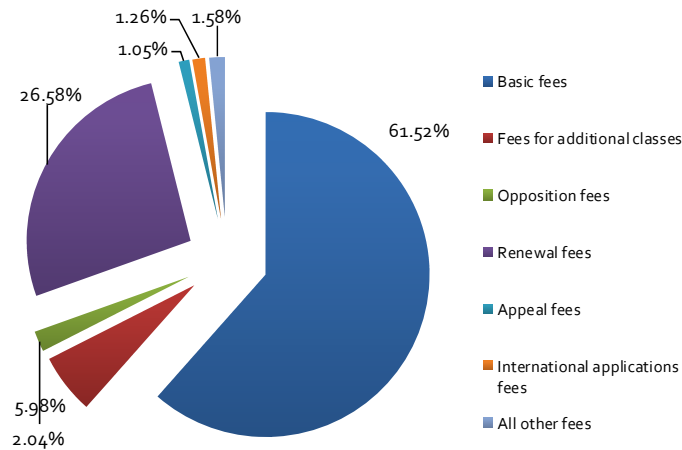
Revenue is entered in the accounts when the service is rendered.

The heading "Basic fees" also includes € 21,512,339 representing incoming revenue from WIPO in the framework of the Madrid Protocol. The total revenue coming from WIPO represents around 16.4% of the total fee revenue.

The heading "International applications fees" corresponds to the filing of an international application based on a EUTM application or registration that the Office forwards to WIPO.

The adjustment related to reduced renewal fees for trade marks mentioned under deferred income are included in the revenue figures for the year 2015.

% of revenue from European Union trade mark fees at year end

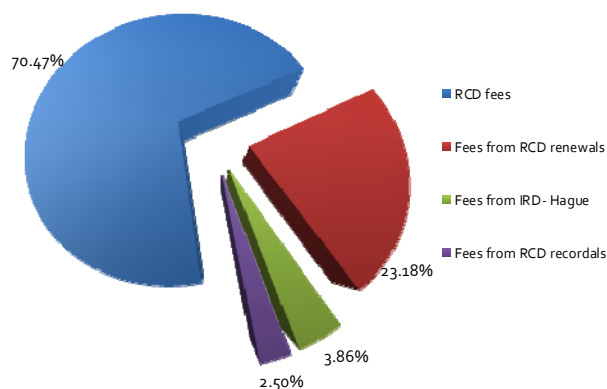


Revenue from RCD fees

The revenue from Registered Community design (RCD) fees as at 31 December is shown in the table below:

	2015			2014		
	Number of files	Amount in Euro	%	Number of files	Amount in Euro	%
RCD fees	85,996	16,819,684.25	70.47%	87,190	17,545,867.15	73.53%
Fees from RCD renewals	55,229	5,532,870.00	23.18%	50,598	5,020,050.00	21.04%
Fees from IRD- Hague	17,144	920,698.00	3.86%	10,788	689,815.00	2.89%
Fees from RCD recordals	2,980	596,000.00	2.50%	3,039	607,400.00	2.55%
TOTAL		23,869,252.25	100.00%		23,863,132.15	100.00%

% of revenue from design fees at year end



Other operating revenue

This heading comprises all revenue not included in revenue from fees:

	<i>euro</i>	
	2015	2014
Positive adjustment of provisions (note 7 and 8)	185,875.00	393,417.51
Fee reimbursements not carried out due to the impossibility of contacting the users	26,728.07	23,427.55
Positive exchange rate difference	157,128.69	470,081.93
Other revenue	2,089,467.97	1,494,845.23
TOTAL	<u>2,459,199.73</u>	<u>2,381,772.22</u>

Other revenue relates principally to a credit note from the Translation Centre in Luxembourg in return for excessive payments made.

13 – STAFF EXPENDITURE

Staff expenditure on 31 December can be detailed as follows:

	2015		2014	
	euro	%	euro	%
Basic salaries	51,919,437.63	60.06%	50,529,344.79	58.08%
Pension rights for officials and temporary staff	10,714,376.53	12.39%	10,210,221.47	11.74%
Expatriation and foreign residence allowances	6,190,595.82	7.16%	5,982,802.10	6.88%
Family allowances	6,485,229.69	7.50%	6,419,681.38	7.38%
Sickness insurance	1,876,600.27	2.17%	1,825,701.52	2.10%
Annual travel costs to place of origin	1,390,926.54	1.61%	1,434,508.73	1.65%
Contract agents	2,051,572.11	2.37%	1,970,428.27	2.26%
National experts	4,480,366.28	5.18%	4,224,282.49	4.86%
Contribution to the European School	3,595,140.52	4.16%	4,783,409.41	5.50%
Weightings	-4,471,574.01	-5.17%	-3,081,406.48	-3.54%
Others	2,213,429.25	2.56%	2,703,288.53	3.11%
TOTAL	86,446,100.63	100.00%	87,002,262.21	100.00%

Remuneration is established on a yearly basis by the Council of the European Union, based on a proposal made by the European Commission. As the Office is self-financed since 1997, it transfers the employer's contribution to the funding of its staff pensions to the European Commission.

In the context of the 2014 audit of the EU agencies, the European Court of Auditors identified salary underpayments dating back to 2005 for some staff members who had already been employed before the 2004 Staff Regulations entered into force. The error is arising from the non-respect of the requirement that the basic salary under the 2004 Staff Regulations should not be less than that under the previous Staff Regulations (individual guarantee of basic salary amount). The Office analysed the situation of more than 600 staff members. Underpayments affect 4 staff members amounting to less than €100,000. In addition, 9 cases were identified where excessive pension contributions lead to a positive financial impact for the Office. All in all, there was a positive net impact in financial terms for the Office of approximately €200,000. The necessary adjustments are included in the 2015 accounts.

14 – OPERATING EXPENDITURE

Operating expenditure on 31 December is distributed in the following manner:

	2015		2014	
	euro	%	euro	%
IT maintenance, service staff, licences, analysis and programming	35,911,120.05	44.91%	30,321,005.94	40.75%
Consultancy (non IT)	10,553,122.38	13.20%	7,060,506.51	9.49%
Administrative translations / Interpretation	5,178,570.12	6.48%	8,454,452.41	11.36%
Facilities management expenditure (cleaning, maintenance, supplies, security, etc.)	6,937,628.76	8.68%	6,309,766.01	8.48%
Agency Staff	3,192,035.32	3.99%	4,029,983.04	5.42%
Telecom and postal charges	2,857,587.51	3.57%	2,939,665.76	3.95%
Building project related expenditure	4,114,173.61	5.15%	2,008,167.47	2.70%
Rent	903,883.06	1.13%	2,206,530.69	2.97%
Furniture and electronic office equipment	1,522,345.55	1.90%	2,525,329.13	3.39%
Missions	1,084,491.26	1.36%	1,893,156.00	2.54%
Training	358,832.06	0.45%	775,586.15	1.04%
Meetings and conferences	3,255,511.53	4.07%	1,233,313.67	1.66%
Stationary and office supplies	433,439.25	0.54%	466,268.33	0.63%
Trainees	666,093.20	0.83%	494,935.97	0.67%
Recruitment expenses	94,192.66	0.12%	631,101.62	0.85%
Others	2,900,036.80	3.63%	3,059,589.09	4.11%
TOTAL	<u>79,963,063.12</u>	<u>100.00%</u>	<u>74,409,357.79</u>	<u>100.00%</u>

15 – PUBLICATION, PROMOTION, COOPERATION AND OBSERVATORY

Expenditure at 31 December includes the following:

	2015		2014	
	euro	%	euro	%
General publications	440,425.20	3.01%	723,362.74	5.58%
Expenditure on promotion of the Office, the EUTM and CD	8,465,106.57	57.85%	8,326,057.85	64.22%
Cooperation Fund	1,990,343.30	13.60%	1,926,221.79	14.86%
Support for the work of the Observatory	3,095,418.44	21.15%	1,159,163.13	8.94%
Convergence Programme	642,164.83	4.39%	829,657.10	6.40%
TOTAL	<u>14,633,458.34</u>	<u>100.00%</u>	<u>12,964,462.61</u>	<u>100.00%</u>

The heading "Expenditure on promotion of the Office, the EUTM and CD" includes principally expenditure of the bilateral cooperation agreements with EU member states. The "Cooperation Fund" and "Convergence Programme" headings include expenses that enable the creation of the European Trade Mark and Designs Network.

The heading "Support for the work of the Observatory" includes essentially expenses related to public awareness raising.

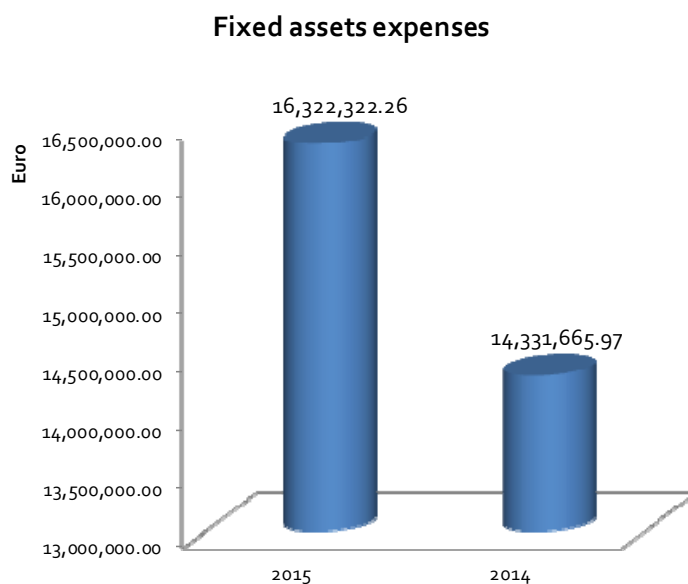
16 – TRADE MARK AND DESIGN RELATED EXPENDITURE

Expenditure regarding the EUTM (European Union Trade Mark) and RCD (Registered Community Design) registration procedure can be detailed as follows on 31 December:

	2015		2014	
	euro	%	euro	%
Translations of EUTM and RCD applications	16,333,103.07	91.94%	18,787,342.57	93.35%
Search reports	78,880.00	0.44%	98,096.00	0.49%
Expenditure on external services related to EUTM & RCD	1,208,887.03	6.81%	1,127,819.27	5.60%
Expenditure on litigation relating to EUTM & RCD	143,772.79	0.81%	113,414.81	0.56%
TOTAL	<u>17,764,642.89</u>	<u>100.00%</u>	<u>20,126,672.65</u>	<u>100.00%</u>

17 – FIXED ASSETS EXPENSES

Under the heading “Fixed assets expenses” as at 31 December the amount corresponds to the depreciation (see table above to Note 1) and € 310,120 corresponds to the net book value of assets disposed of by the Disposal Committee which were not totally depreciated.



18 – PROVISION FOR RISKS AND LIABILITIES

This heading includes increases of the provisions in comparison to the previous year’s figures (see note 7 and 8).

19 – OTHER CURRENT OPERATING EXPENDITURE

This heading includes exchange rate expenditure.

20 – FINANCIAL REVENUE

This heading includes interest from bank accounts. The details of this heading at 31 December were as follows:

euro

	2015	2014
Current account interest	99,676.33	199,904.48
Short term deposit interest	203,302.65	494,840.88
TOTAL	<u>302,978.98</u>	<u>694,745.36</u>

The policy of the Office has been to benefit from financial instruments while at the same time exercising prudence. The decrease in revenue from interest in the year is due to a decrease of the average monthly Euribor on the capital market and the prudent treasury policy when it comes to the portfolio of financial entities.

As a consequence of the European Central Bank's policy that set the deposit facility rate at – 0.3%, some Central Banks applied negative interests, which have been booked under financial expenditure.

21 – FINANCIAL EXPENDITURE

This heading includes bank charges as well as an amount of € 177,093 negative interests paid during the year.

1.6.3. Off balance sheet information

22 – COOPERATION PROGRAMMES

Cooperation programmes with the National Trade Mark and Design Offices

Expenditure related to the governing bodies of the EU Members for technical cooperation programmes are detailed below:

	<i>euro</i>	
	2015	2014
AT Österreichisches Patentamt	323,357.08	313,429.07
BG Patent Office of the Republic of Bulgaria	214,046.58	224,003.51
BX Office Benelux de la Propriété Intellectuelle	554,115.02	1,066,060.73
CY Department of the Registrar of Companies and Official Receiver of the Republic of Cyprus	380,743.52	129,037.13
CZ Industrial Property Office of the Czech Republic	291,044.53	257,177.86
DE Deutsches Patent- und Markenamt	244,677.27	306,330.66
DK Danish Patent and Trademark Office	462,770.67	451,313.31
EE The Estonian Patent Office	708,570.85	385,582.68
ES Oficina Española de Patentes y Marcas	429,670.63	506,149.86
FI National Board of Patents and Registration of Finland	258,134.29	507,395.22
FR Institut National de la Propriété Industrielle	419,201.35	383,521.17
GR Greek Offices	235,759.76	629,651.81
HU Hungarian Patent Office	382,730.74	374,164.35
HR State Intellectual Property Office of the Republic of Croatia	286,865.41	149,297.01
IE Patents Office	385,272.35	244,755.77
IT Ufficio Italiano Brevetti e Marchi	418,502.43	370,772.98
LT State patent Bureau of the Republic of Lithuania	385,334.21	317,391.19
LV Patent Office of the Republic of Latvia	434,072.44	433,164.77
MT Industrial Property of Malta	266,919.95	400,012.33
PL Patent Office of the Republic of Poland	355,738.28	376,905.46
PT Instituto Nacional da Propriedade Industrial	596,342.49	377,790.07
RO State Office for Inventions and Trademarks	350,617.32	269,601.60
SE Patent-och Registreringsverket	558,630.28	464,083.49
SK Industrial Property Office of the Slovak Republic	267,463.42	270,082.88
SL Slovenian Intellectual Property Office	249,611.67	372,089.06
UK UK Intellectual Property Office	488,141.76	336,594.50
TOTAL	9,948,334.30	9,916,358.47

Approximately half of this amount corresponds to the TMview and Designview running costs, whereas the rest is split between bilateral cooperation agreements, Cooperation Fund and Convergence Program expenses.

Funds for EU technical cooperation projects

The Office takes part in technical cooperation projects with other countries in the area of industrial property on behalf of the European Commission. These projects are funded by the European Commission. The Office performs all budget implementation tasks. Therefore the funds are handled separately from the Office's budget.

The amount shown under "cash and bank balances" relates to the funds received from the European Commission less those funds already used in implementation of the following projects:

- ECAP III: The contract with the European Commission for the ASEAN Project on Intellectual Property Rights (ECAP III) has been signed on 19/12/2012. This action will be implemented over a period of three years (2013 – 2015) with a total amount of €3,844,751 foreseen.
- IP Key China: The contract with the European Commission for the implementation of the Action "Intellectual property: A key to sustainable competitiveness (IP KEY)" was signed on 19/12/2012. The implementation period of the Agreement is 36 months and started on 01/07/2013. The total cost of the Action is € 7,500,000.
- IPC-EUI India: The contract with the European Commission for EU-India Intellectual Property Cooperation project was signed on 15/12/2014. This action will be implemented over a period of 32 months (February 2015 – October 2017) with a total amount of €1,920,000.

	<i>euro</i>	
	<i>2015</i>	<i>2014</i>
ECAP III	1,722,068.25	1,519,771.45
IP Key China	1,470,956.96	821,764.35
IPC-EUI India	530,938.13	0.00
TOTAL	3,723,963.34	2,341,535.80

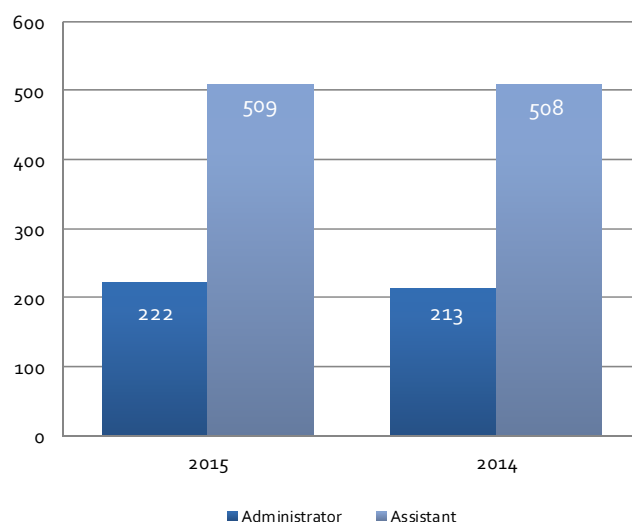
These amounts are considered as a liability towards the European Commission for technical cooperation projects (note 9).

23 – STAFF

The distribution of staff (officials, temporary agents) by category on 31 December was as follows:

	Number of staff (officials, temporary agents)	
	2015	2014
Administrator	222	213
Assistant	509	508
TOTAL	731	721

Number of officials and temporary agents



Furthermore, in addition to the staff included above, the Office employs contract agents, agency staff, seconded national experts, trainees and special advisors. A detailed breakdown of the Office's overall staff, on 31 December, is given in the following table:

<i>N° of staff in place</i>							
Officials	Temporary agents	Contract agents	Agency staff (*)	Seconded national experts	Trainees	Special advisors	Total
467	264	54	66	63	76	8	998
	785						

Agency staff is mainly employed at the Office replacing officials who are absent, e.g. on sickness or maternity leave. Most of the posts they occupy are therefore already reflected under the "Officials" or "Temporary agents" heading.

24 – RELATED PARTIES

As at 31 December, no related parties were identified and the key management personnel forming part of the Office's Management Committee is shown below:

<i>Grade</i>	<i>No of persons</i>
AD 16	1
AD 15	1
AD 14	2
AD 13	8
AD 12	2
AD 11	0
AD 10	1
AD 9	2
TOTAL	17

Among the members of the Management and Advisory Committee included in the above table, 5 are not authorizing officers or delegated authorizing officers. Their remuneration is in accordance with the Staff Regulations of the Officials of the European Communities. As at 31 December, there was a total of one authorizing officer and 41 delegated and sub delegated authorizing officers in the Office.

25 – THE MANAGEMENT BOARD AND THE BUDGET COMMITTEE

The members of the Management Board and the Budget Committee do not receive any payment for their duties, except the reimbursement of travelling expenses.

26 – CONTINGENT LIABILITIES/ASSETS

As at 31 December, contingent liabilities amounted to € 786,000.

Contingent assets amount to € 18,109,508 and correspond to guarantee deposits (see note 5 - subheading "Bank guarantees").

27 – POST BALANCE SHEET EVENTS

The process to update the existing Trade Mark Directive (Directive 2008/95/EC of the European Parliament and the Council) and Trade Mark Regulation (Council Regulation (EC) No 2017/2009) – the so-called "trade mark reform package" – has come to an end with the final approval by the European Council and the European Parliament and the publication of the final text.

Under the provisions of the amending Regulation, the name of the Office will change to the European Union Intellectual Property Office. This change will come into effect on March 23, 2016, when the legislation enters into force.

The Community trade mark, administered by the Office since 1996, will be renamed the European Union trade mark on March 23, 2016. On that date all Community trade marks will automatically become European Union trade marks.

Furthermore, certain articles, basically those that need to be developed by secondary legislation, will enter into force on October 1, 2017.

Also, the fees payable to the Office will change under the amending Regulation. There will be a new one-fee-per-class system for trade mark application and renewal fees on the one hand and a change in the trade mark application and renewal fees on the other, leading to a considerable reduction of the renewal fees.

Indeed, regarding these two most frequently paid fees, the basic fee for the application for an individual trade mark by electronic means decreases from € 900 to € 850 for one class, whereas the basic fee for the renewal of a trade mark by electronic means decreases from € 1,350 to € 850 for one class. The amount of the decreases are however different in case of 2, 3 or more classes.

The overall effect of these changes will lead to a decrease in the Office's own revenues for the benefit of its users, which is expected to be partially set off by the additional revenue coming from the second renewals of trade marks filed from 1996 onwards. The total amount of the reduction will however depend a lot on the behaviour of the users and the elasticity of their demand in front of the new prices schema, in particular in front of the one-fee-per-class system. Anyway, the reduction is expected to contribute to a more balanced budget of the Office in the long term.

There are no other relevant post balance sheet events to be reported.

28 – OPERATING LEASE

As at 31 December the operating lease of the Office was the following:

	<i>Charges paid during the year</i>	<i>Charges still to be paid</i>		
		<i><1 yr</i>	<i>1-5 yrs</i>	<i>Total charges to be paid</i>
	<i>A</i>	<i>B</i>	<i>C</i>	<i>D=B+C</i>
IT materials and other equipments	104,262.08	104,262.08	26,065.52	130,327.60
Buildings	903,883.06	299,517.40	369,535.70	669,053.10
TOTAL	1,008,145.14	403,779.48	395,601.22	799,380.70

2. REPORT ON THE BUDGET IMPLEMENTATION

2.1. BUDGETARY PRINCIPLES (summary based on the Financial Regulation)

a) Principle of unity and budget accuracy

The budget is the instrument which, for each financial year, forecasts and authorises the revenue and expenditure considered necessary for the Office.

No revenue shall be collected and no expenditure effected unless booked to a line in the budget.

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

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

b) Principle of annuality

The appropriations entered are authorised for one financial year and must therefore be used during that year.

Commitments shall be entered in the accounts on the basis of the legal commitments entered into up to 31 December.

Payments shall be entered in the accounts for a financial year on the basis of the payments effected by the accounting officer by 31 December of that year at the latest.

c) Principle of equilibrium

The Office's budget revenue and expenditure must be in balance.

d) Principle of unit of account

The budget shall be drawn up and implemented in euro and the accounts shall be presented in euro.

The rate of conversion between the euro and other currencies is taken from the monthly publication "Infor-Euro". Open balances at year-end in foreign currencies are evaluated at the year-end rate.

e) Principle of universality

Total revenue shall cover all expenditure. All revenue and expenditure shall be entered in full without any adjustment against each other.

f) Principle of specification

The appropriations shall be earmarked for specific purposes by title and chapter; the chapters shall be further subdivided into articles and items.

g) Principle of sound financial management

Budget appropriations shall be used in accordance with the principle of sound financial management, that is to say, in accordance with the principles of economy, efficiency and effectiveness.

h) Principle of transparency

The budget shall be drawn up and implemented and the accounts presented in compliance with the principle of transparency.

The budget and the amending budgets, as finally adopted, shall be published in the Official Journal of the European Union Intellectual Property Office (Trade Marks and Designs) within two months of their adoption.

2.1.1. Types of appropriation

The Office makes use of non-differentiated appropriations for its budget due to the fact that it only has administrative expenditure.

The Office makes use of automatic carryovers of appropriations.

2.2. BUDGETARY RESULT

in euro 31-Dec-15

R E V E N U E		
	2015	2014
OWN REVENUE	215,674,777.97	195,241,523.80
Revenue from fees	212,608,315.00	194,159,428.15
Other revenue	3,066,462.97	1,082,095.65
INTEREST	396,641.16	825,801.14
TOTAL	216,071,419.13	196,067,324.94

E X P E N D I T U R E		
	2015	2014
STAFF EXPENDITURE (TITLE 1)	92,918,677.09	92,513,879.01
Staff expenditure paid during the financial year	92,265,610.88	91,464,506.17
Carryover of staff expenditure	653,066.21	1,049,372.84
OPERATING EXPENDITURE (TITLE 2)	96,900,217.35	117,092,509.38
Operating expenditure paid during the financial year	81,074,966.98	92,273,132.91
Carryover of operating expenditure	15,825,250.37	24,819,376.47
SPECIFIC EXPENDITURE (TITLE 3)	36,270,537.14	36,597,777.84
Specific expenditure paid during the financial year	23,302,715.86	22,539,431.19
Carryover of specific expenditure	12,967,821.28	14,058,346.65
TOTAL	226,089,431.58	246,204,166.23

Result before carry over not used	-10,018,012.45	-50,136,841.29
Carryover not used	5,143,659.35	5,079,420.28
Exchange rate differences for the year (gain+/loss-)	353,819.58	27,776.93
RESULT OF THE YEAR	-4,520,533.52	-45,029,644.08

Balance from the previous year	189,768,920.15	234,798,564.23
Allocation to reserves	0.00	0.00
Adjustment of accumulated provision	0.00	0.00
RESULT TO CARRY OVER	189,768,920.15	234,798,564.23
Extraordinary result	0.00	0.00

CARRYOVER OF RESULT	185,248,386.63	189,768,920.15
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The carryover of result corresponds to the accumulated budgetary surplus and does not include the reserve fund of €201,208,415.16.

2.3. RECONCILIATION OF BUDGETARY RESULT AND STATEMENT OF FINANCIAL PERFORMANCE

OUTTURN OF ADJUSTMENTS	in euro	
	2015	31-Dec-15 2014
POSITIVE ADJUSTMENTS		
Purchases of assets with appropriations N , received and paid in N	21,552,396.73	48,292,336.27
Variation of provisions		80,542.51
Cancellation of carried over appropriations N / N+1	29,446,137.86	39,927,095.96
Adjustment of revenue of interest accrued in year N	22,594.57	116,256.75
Adjustments of expenditure reversed from restated N-1	19,208,495.24	10,883,375.71
Adjustments of own revenue N	2,196,676.86	3,614,401.79
New pre-financing paid in the year and remaining open	4,700,000.00	
TOTAL POSITIVE ADJUSTMENTS A	77,126,301.26	102,914,008.99
NEGATIVE ADJUSTMENTS		
Allocations to depreciations	-16,322,322.26	-14,330,942.77
Variation of provisions	-1,280,125.00	
Carried over appropriation N-1 / N used in N	-34,783,436.61	-32,948,843.71
Expenditure related to sale of assets		
Carried over appropriations N-1 not used	-5,143,659.35	-5,079,420.28
Balance from previous year N-1	-189,768,920.15	-234,798,564.23
Adjustment of revenue of interest reversed from restated N-1	-116,256.75	-247,312.53
Adjustments of expenditure N	-13,269,954.19	-14,691,439.31
Adjustments of own revenue reversed from restated N-1	-3,614,401.79	-2,456,571.56
TOTAL NEGATIVE ADJUSTMENTS B	-264,299,076.10	-304,553,094.39
RESULT OF ADJUSTMENTS IN THE FINANCIAL YEAR A + B	-187,172,774.84	-201,639,085.40

FINANCIAL PERFORMANCE	in euro	
	2015	2014
BUDGETARY RESULT	185,248,386.63	189,768,920.15
RESULT OF ADJUSTMENTS IN THE FINANCIAL YEAR	-187,172,774.84	-201,639,085.40
FINANCIAL PERFORMANCE FOR THE FINANCIAL YEAR	-1,924,388.21	-11,870,165.25

3. REPORT ON BUDGETARY AND FINANCIAL MANAGEMENT

3.1. BUDGETARY EXECUTION – REVENUE

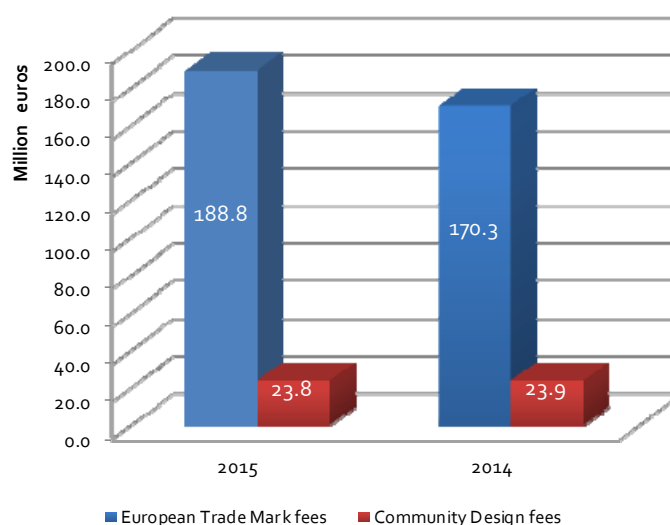
The budgetary execution of revenue on 31 December was as follows:

	euro (million)				
	2015				
	Initial budget (A)	Transfers (B)	Final budget (C=A+B)	Executed budget (D)	% E=D/C
European Trade Mark fees	180.6	0.0	180.6	188.8	104.54%
Community Design fees	24.4	0.0	24.4	23.8	97.54%
Interests	0.8	0.0	0.8	0.4	50.00%
Other income	0.4	0.0	0.4	3.1	775.00%
Total operational revenue	206.2	0.0	206.2	216.1	104.80%
<i>Balance from previous financial year</i>	<i>178.0</i>	<i>0.0</i>	<i>178.0</i>	<i>0.0</i>	<i>n/a</i>
Total revenue	384.2	0.0	384.2	216.1	

The EUTM fees collected during the year were above the initial estimates (€8.2 Mio.) which included EUTM application fees (€8.1 Mio.) and renewal fees (+€0.2 Mio.). Other EUTM fee (-€0.1 Mio.)

The total volume of fees collected relating to Designs was lower than the initial estimates (-€0.6 Mio.) mainly due to a lower number of applications received.

Revenue from fees as per executed budget



Other revenue includes extraordinary revenue received from the Translation Centre of the bodies of the European Union (+€2.7 Mio).

Revenue from interest was lower than the budget forecast (-€0.4 Mio.).

The balance from the previous year corresponds to the annual result of last year and the accumulated budgetary result (after the deduction of the reserve fund).

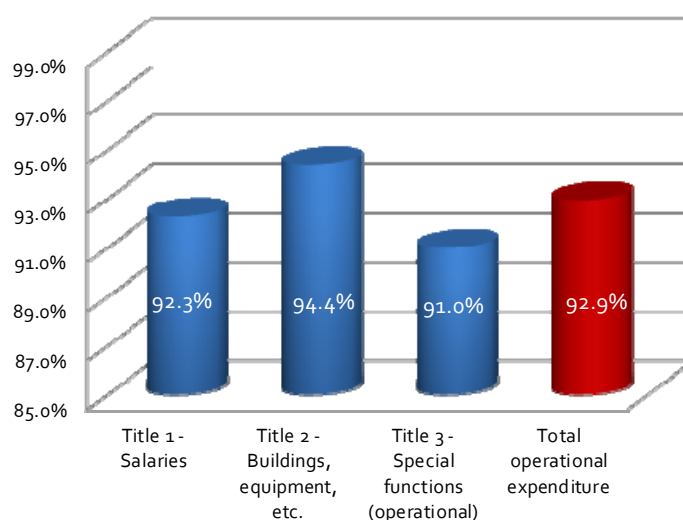
3.2. BUDGETARY EXECUTION – EXPENDITURE

As at 31 December the execution of the budget including all the payments made against the year's appropriations as well as the carryover of appropriations, which cover outstanding commitments was as follows:

	<i>euro (million)</i>				
	2015				
	<i>Initial budget (A)</i>	<i>Transfers (B)</i>	<i>Final budget (C=A+B)</i>	<i>Executed budget (D)</i>	<i>% E=D/C</i>
Title 1 - Salaries	101.2	-0.5	100.7	92.9	92.3%
Title 2 - Buildings, equipment, etc.	107.0	-4.3	102.7	96.9	94.4%
Title 3 - Special functions (operational)	40.9	-1.0	39.9	36.3	91.0%
Total operational expenditure	249.1	-5.8	243.3	226.1	92.9%
<i>Title 10 - Expenditure for unforeseen events</i>	<i>135.1</i>	<i>5.8</i>	<i>140.9</i>	<i>0.0</i>	<i>n/a</i>
Total expenditure	384.2	0.0	384.2	226.1	

The heading "Final Budget" above corresponds to the final appropriations (i.e. after budgetary transfers). Expenditure reached €226.1 Mio., which represents 92.9% of the available appropriations in the Budget.

Budget execution per title and overall



The execution rate of staff expenditure (Title 1) was lower than last year (92.3% versus 93.8%) taking into account final appropriations.

When it comes to the rate of implementation in relation to initial appropriations, the execution rate amounted to 91.8% in 2015.

Staff related expenditure was less than foreseen (-€8.3 Mio.) due to: delay of the recruitment process of statutory staff as resulted on less agents on the payroll than budgeted (-€1.1 Mio.), the adjustments of the pension contribution rate for 2015 (see Official Journal of the European Union 2015/C 415/04) (-€1.0 Mio.), the application of the new weighting factor of 94.50% (see Official Journal of the European Union 2014/C444/04) with effect from 01/07/2014 (-€2.4 Mio.), less contract agents on the payroll than budgeted (-€0.6 Mio.) and less expenditure on staff exchanges as the requests for experts were lower than the initial estimation (-€0.4 Mio.) due to the delay of the entering into force of the legislative reform, the expenditure related to training of staff was lower than initially foreseen (-€0.6 Mio.), the annual contribution for the European School of Alicante was lower than expected (-€0.3 Mio.). The remainder of the difference in Title 1 (-€1.9 Mio.) is due to less expenditure on other items.

Operating expenditure (Title 2) showed a lower execution rate compared with last year (94.3% versus 97.2%) taking into account appropriations after budget transfers. When it comes to initial appropriations the execution rate amounted to 90.6%. The lower execution was mainly due to the delay of the entering into force of the legislative reform (-€3.7 Mio.), the reversion of the decision regarding the acquisition of a second plot of land and related works (-€8.2 Mio.), lower IT costs (-€1.4 Mio.), lower level of expenditure regarding EU cooperation activities (-€3.3 Mio.) partially counterbalanced by starting the construction of the new building and (+€5.2 Mio.), the increase of expenditure related to the occupation of the new wing of the existing building (+€1.0 Mio.) and other miscellaneous items (+€0.3 Mio.).

The execution rate of specific expenditure (Title 3) was lower than last year (91.0% versus 93.6%) taking into account final appropriations. Taking into account initial appropriations the execution rate amounted to 88.8%, i.e. specific expenditure (Title 3) showed a decrease of -€4.6 Mio. in comparison with the initial budget; expenditure on translations of IP rights was lower than foreseen (-€2.3 Mio.), communication, promotion of the office, as well as EUTM and RCD litigation and other related external services was lower than foreseen (-€1.6 Mio.). The remaining amount (-€0.7 Mio.) came from a decrease in expenditure on other miscellaneous items.

Appropriations foreseen under Title 10 in the budget are never spent directly in this title, but are allocated to the corresponding budget items in cases where they are really needed, in accordance with the provisions of the Financial Regulation. The amount executed under Title 10 is therefore zero. The initial figure budgeted in Title 10 amounting to €135.1 Mio. was adjusted to the year-end figure of €140.9 Mio.

An amount of €5.8 Mio. was transferred from Title 2 to Title 10 due to the postponement of the implementation of the legal reform and the decision of not to purchase the budgeted plot of land.

3.3. BUDGETARY EXECUTION – CARRY OVER

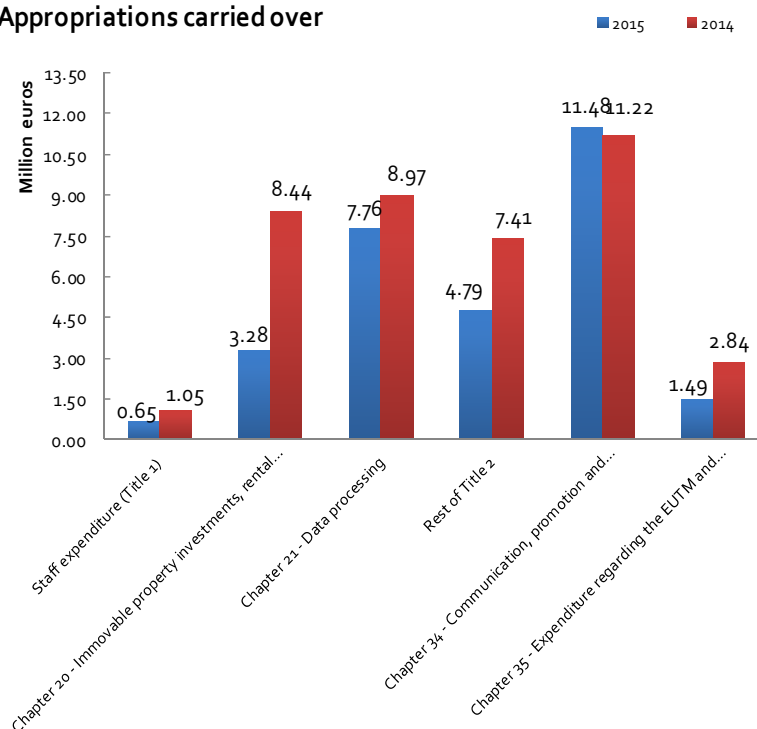
1 – APPROPRIATIONS CARRIED OVER

Appropriations carried over on 31 December were as follows:

	<i>euro</i>	
	2015	2014
Staff expenditure (Title 1)	653,066.21	1,049,372.84
Operating expenditure (Title 2)	15,825,250.37	24,819,376.47
Chapter 20 - Immovable property investments, rental of buildings and associated costs	3,277,799.88	8,435,481.72
Chapter 21 - Data processing	7,761,982.62	8,972,970.81
Rest of Title 2	4,785,467.87	7,410,923.94
Specific expenditure (Title 3)	12,967,821.28	14,058,346.65
Chapter 34 - Communication, promotion and integration	11,480,078.87	11,219,195.57
Chapter 35 - Expenditure regarding the EUTM and RCD registration procedure	1,487,742.41	2,839,151.08
TOTAL	29,446,137.86	39,927,095.96

The rate of appropriations carried over was lower than the previous year (13.0% versus 16.2%). The general decrease of the level of the carryover is the direct result of the additional measures implemented by Office which involved the revision of procedures, enlargement of the payment period and internal enforcement.

Appropriations carried over



2 – CARRYOVER NOT USED

Unused carryover for the previous to current year was as follows:

	<i>euro</i>		
	<i>Carryover</i> <i>2014/2015</i>	<i>Used</i>	<i>Unused</i> <i>(cancelled)</i>
Carryover of staff expenditure (Title 1)	1,049,372.84	537,553.01	511,819.83
Carryover of operating expenditure (Title 2)	24,819,376.47	23,082,650.98	1,736,725.49
Carryover of specific expenditure (Title 3)	14,058,346.65	11,163,232.62	2,895,114.03
TOTAL	39,927,095.96	34,783,436.61	5,143,659.35

A detailed breakdown of this expenditure by heading is attached (see closure of the budget).

The rate of carryovers of appropriations from 2014/2015 which were cancelled was lower than last year, amounting to 12.8% or €5.1 Mio. of the total amount, € 2.2 Mio. were related to Cooperation activities with EU Member States (Cooperation Fund, Convergence, bilateral technical agreements, and IT), €1.0 Mio. were related to translations (administrative and IP), €0.6 were related to buildings and IT and €1.3 Mio. related to miscellaneous items.

3.4. CARRYOVER OF RESULT

The carryover result as at 31 December amounts to €185.2 Mio. The accumulated budgetary surplus as at 31 December amounts to €386.4 Mio. This amount is reached by adding the accumulated reserves as at 31 December, namely €201.2 Mio. to the carryover of result from last year and to the annual result amounting to €-4.6 Mio.

euro (million)

	2015	2014
Total operational revenue	216.1	196.1
Total operational expenditure	-226.1	-246.2
Operational result	-10.0	-50.1
Carry over not used	5.1	5.1
Exchange rate differences	0.3	0.0
Budget result of the year	-4.6	-45.0
Balance from previous year	189.8	234.8
Carryover of result	<u>185.2</u>	<u>189.8</u>

3.5. TRANSFERS

euro

	<i>Total appropriation</i>	<i>Transfers</i>	<i>Final appropriation</i>
	<i>A</i>	<i>B</i>	<i>C = A + B</i>
Title 1 - Staff expenditure	101,237,000.00	-549,000.00	100,688,000.00
Title 2 - Operating expenditure	106,955,000.00	-4,231,000.00	102,724,000.00
Title 3 - Specific expenditure	40,907,000.00	-1,000,000.00	39,907,000.00
Title 10 - Expenditure for unforeseen events	135,103,180.00	5,780,000.00	140,883,180.00
TOTAL	<u>384,202,180.00</u>	<u>0.00</u>	<u>384,202,180.00</u>

3.6. ANNEX – CLOSURE OF THE BUDGET



EUROPEAN UNION INTELLECTUAL PROPERTY OFFICE

CLOSURE FOR THE BUDGET FOR 2015

OVERVIEW

Item	Heading	Initial appropriation A	Amending budget B	Total appropriation C = A + B	Transfers D	Final appropriation E = C + D	% of total	Commitments F	Payments G	% Payments /Final Appropriation H = G / E	Appropriations lapsing I = E - G - J	Carryovers J	Budget execution K = H + J	% Execution /Final appropriations L = K / E
	TOTAL TITLE 1	101,237,000.00	0.00	101,237,000.00	-549,000.00	100,688,000.00	26.21%	92,918,677.09	92,265,610.88	91.64%	7,769,322.91	653,066.21	92,918,677.09	92.28%
	Chapter 11	93,909,000.00	0.00	93,909,000.00	-251,000.00	93,658,000.00	24.38%	86,624,385.40	86,185,530.90	92.02%	7,033,614.60	438,854.50	86,624,385.40	92.49%
	Chapter 13	1,500,000.00	0.00	1,500,000.00	0.00	1,500,000.00	0.39%	1,304,836.16	1,169,986.77	78.00%	195,163.84	134,849.39	1,304,836.16	86.99%
	Chapter 14	399,000.00	0.00	399,000.00	0.00	399,000.00	0.10%	362,064.89	315,650.60	79.11%	36,935.11	46,414.29	362,064.89	90.74%
	Chapter 15	841,000.00	0.00	841,000.00	0.00	841,000.00	0.22%	669,597.22	664,597.22	79.02%	171,402.78	5,000.00	669,597.22	79.62%
	Chapter 16	4,551,000.00	0.00	4,551,000.00	-298,000.00	4,253,000.00	1.11%	3,934,308.15	3,911,452.25	91.97%	318,691.85	22,855.90	3,934,308.15	92.51%
	Chapter 17	37,000.00	0.00	37,000.00	0.00	37,000.00	0.01%	23,485.27	18,393.14	49.71%	13,514.73	5,092.13	23,485.27	63.47%
	TOTAL TITLE 2	106,955,000.00	0.00	106,955,000.00	-4,231,000.00	102,724,000.00	26.74%	96,900,217.88	81,074,966.98	78.93%	5,823,782.65	15,825,250.37	96,900,217.35	94.33%
	Chapter 20	25,122,000.00	0.00	25,122,000.00	-1,160,000.00	23,962,000.00	6.24%	23,064,150.63	19,786,350.65	82.57%	897,849.47	3,277,799.88	23,064,150.53	96.25%
	Chapter 21	46,330,000.00	0.00	46,330,000.00	-2,990,000.00	43,340,000.00	11.28%	42,648,490.81	34,886,508.14	80.49%	691,509.24	7,761,982.62	42,648,490.76	98.40%
	Chapter 22	4,749,000.00	0.00	4,749,000.00	110,000.00	4,859,000.00	1.26%	4,548,089.37	3,781,393.77	77.82%	310,910.63	766,695.60	4,548,089.37	93.60%
	Chapter 23	11,413,000.00	0.00	11,413,000.00	-1,364,000.00	10,049,000.00	2.62%	7,870,434.12	6,886,592.18	68.53%	2,178,565.88	983,841.94	7,870,434.12	78.32%
	Chapter 24	2,590,000.00	0.00	2,590,000.00	300,000.00	2,890,000.00	0.75%	2,775,124.67	2,551,254.57	88.28%	114,875.33	223,870.10	2,775,124.67	96.03%
	Chapter 25	5,938,000.00	0.00	5,938,000.00	-1,196,000.00	4,742,000.00	1.23%	4,056,615.28	3,711,858.27	78.28%	685,384.72	344,757.01	4,056,615.28	85.55%
	Chapter 26	10,813,000.00	0.00	10,813,000.00	2,069,000.00	12,882,000.00	3.35%	11,937,313.00	9,471,009.40	73.52%	944,687.38	2,466,303.22	11,937,312.62	92.67%
	TOTAL TITLE 3	40,907,000.00	0.00	40,907,000.00	-1,000,000.00	39,907,000.00	10.39%	36,270,537.14	23,302,715.86	58.39%	3,636,462.86	12,967,821.28	36,270,537.14	90.89%
	Chapter 34	19,755,000.00	0.00	19,755,000.00	500,000.00	20,255,000.00	5.27%	18,034,526.57	6,554,447.70	32.36%	2,220,473.43	11,480,078.87	18,034,526.57	89.04%
	Chapter 35	21,152,000.00	0.00	21,152,000.00	-1,500,000.00	19,652,000.00	5.12%	18,236,010.57	16,748,268.16	85.22%	1,415,989.43	1,487,742.41	18,236,010.57	92.79%
	TOTAL TITLE 10	135,103,180.00	0.00	135,103,180.00	5,780,000.00	140,883,180.00	36.67%	0.00	0.00	0.00%	0.00	0.00	0.00	N/A
	Chapter 10	135,103,180.00	0.00	135,103,180.00	5,780,000.00	140,883,180.00	36.67%	0.00	0.00	0.00%	0.00	0.00	0.00	N/A
	TOTAL expenditure	384,202,180.00	0.00	384,202,180.00	0.00	384,202,180.00	100.00%	226,089,432.11	196,643,293.72	51.18%	17,229,568.42	29,446,137.86	226,089,431.58	58.85%
	TOTAL expenditure - Title 10	249,099,000.00	0.00	249,099,000.00	-5,780,000.00	243,319,000.00	63.33%	226,089,432.11	196,643,293.72	80.82%	17,229,568.42	29,446,137.86	226,089,431.58	92.92%

Heading	Initial appropriation A	Amending budget (Variations) B	Total budget A + B = C	Revenue established	Revenue established and recorded
RECETTES					
Revenue accruing from European Union trade mark related fees received by the Office.	180,511,215.00	0.00	180,511,215.00	188,783,045.75	188,783,045.75
Revenue accruing from fees received by the Office relating to Community designs.	24,419,126.00	0.00	24,419,126.00	23,825,269.25	23,825,269.25
Revenue from deposited funds (bank interest and other income from the accounts of the Office).	835,000.00	0.00	835,000.00	396,641.16	396,641.16
Revenue accruing from administrative charges imposed for insufficient funds in current accounts.	200,000.00	0.00	200,000.00	70,706.00	70,706.00
Miscellaneous revenues	200,000.00	0.00	200,000.00	3,088,328.90	2,995,756.97
Balance from previous financial year	178,036,839.00	0.00	178,036,839.00	0.00	0.00
Total	384,202,180.00	0.00	384,202,180.00	216,163,991.06	216,071,419.13



EUROPEAN UNION INTELLECTUAL PROPERTY OFFICE

CLOSURE FOR THE BUDGET FOR 2015

EXPENDITURE

Item	Heading	Initial appropriation	Amending budget	Total appropriation	Transfers	Final appropriation	% of total	Commitments	Payments	% Payments /Final Appropriation s H = G/E	Appropriations lapsing I = E - G - J	Carryovers J	Budget execution K = H + J	% Execution /Final appropriations L = K / E
		A	B	C = A + B	D	E = C + D		F	G					
1100	Basic salaries	53,037,000.00	0.00	53,037,000.00	-502,000.00	52,535,000.00	13.67%	52,140,470.81	52,140,470.81	99.25%	394,529.19	0.00	52,140,470.81	99.25%
1101	Family allowances	6,763,000.00	0.00	6,763,000.00		6,763,000.00	1.76%	6,525,425.27	6,525,425.27	96.49%	237,574.73	0.00	6,525,425.27	96.49%
1102	Expatriation and foreign residence allowances	6,073,000.00	0.00	6,073,000.00	180,000.00	6,253,000.00	1.63%	6,228,538.68	6,228,538.68	99.61%	24,461.32	0.00	6,228,538.68	99.61%
1103	Fixed allowance	425,000.00	0.00	425,000.00	-36,000.00	389,000.00	0.10%	241,717.90	241,717.90	62.14%	147,282.10	0.00	241,717.90	62.14%
1113	Special advisers	224,000.00	0.00	224,000.00		224,000.00	0.06%	119,100.00	115,530.52	51.58%	104,900.00	3,569.48	119,100.00	53.17%
1115	Contract agents	2,620,000.00	0.00	2,620,000.00		2,620,000.00	0.68%	2,051,572.11	2,051,572.11	78.30%	568,427.89	0.00	2,051,572.11	78.30%
1120	Further training for the staff	986,000.00	0.00	986,000.00	-49,000.00	937,000.00	0.24%	420,736.89	335,093.40	35.76%	516,263.11	85,643.49	420,736.89	44.90%
1130	Insurance against sickness	1,910,000.00	0.00	1,910,000.00		1,910,000.00	0.50%	1,888,020.94	1,888,020.94	98.85%	21,979.06	0.00	1,888,020.94	98.85%
1131	Insurance against accidents and occupational disease	292,000.00	0.00	292,000.00		292,000.00	0.08%	278,311.59	278,311.59	95.31%	13,688.41	0.00	278,311.59	95.31%
1132	Unemployment insurance for temporary and contract staff	212,000.00	0.00	212,000.00	50,000.00	262,000.00	0.07%	246,875.32	246,875.32	94.23%	15,124.68	0.00	246,875.32	94.23%
1133	Establishment or maintenance of pension rights for temporary staff	11,800,000.00	0.00	11,800,000.00		11,800,000.00	3.07%	10,792,879.72	10,792,879.72	91.47%	1,007,120.28	0.00	10,792,879.72	91.47%
1141	Annual travel costs from place of employment to the place of origin	1,523,000.00	0.00	1,523,000.00		1,523,000.00	0.40%	1,399,977.13	1,399,977.13	91.92%	123,022.87	0.00	1,399,977.13	91.92%
1147	Allowances for shiftwork or standby duty at the official's place of work and/or at home	310,000.00	0.00	310,000.00		310,000.00	0.08%	285,241.73	285,241.73	92.01%	24,758.27	0.00	285,241.73	92.01%
1148	Exigencies of the service	174,000.00	0.00	174,000.00		174,000.00	0.05%	159,540.74	159,540.74	91.69%	14,459.26	0.00	159,540.74	91.69%
1149	Other allowances and repayments	135,000.00	0.00	135,000.00	36,000.00	171,000.00	0.04%	152,017.36	152,017.36	88.90%	18,982.64	0.00	152,017.36	88.90%
1150	Overtime	41,000.00	0.00	41,000.00		41,000.00	0.01%	38,803.70	38,803.70	94.64%	2,196.30	0.00	38,803.70	94.64%
1160	Staff Exchanges	4,865,000.00	0.00	4,865,000.00		4,865,000.00	1.27%	4,472,505.26	4,472,505.26	91.93%	392,494.74	0.00	4,472,505.26	91.93%
1175	Agency staff	3,500,000.00	0.00	3,500,000.00		3,500,000.00	0.91%	3,203,197.40	2,932,928.76	83.80%	296,802.64	270,268.64	3,203,197.40	91.52%
1180	Miscellaneous expenditure arising from recruitment procedures	355,000.00	0.00	355,000.00		355,000.00	0.09%	104,190.78	90,465.20	25.48%	250,809.22	13,725.58	104,190.78	29.35%
1181	Travel expenses (including members of the family)	42,000.00	0.00	42,000.00		42,000.00	0.01%	22,724.80	22,724.80	54.11%	19,275.20	0.00	22,724.80	54.11%
1182	Installation and resettlement allowances	207,000.00	0.00	207,000.00		207,000.00	0.05%	155,838.78	155,838.78	75.28%	51,161.22	0.00	155,838.78	75.28%
1183	Removal expenses	100,000.00	0.00	100,000.00	70,000.00	170,000.00	0.04%	147,465.12	81,817.81	48.13%	22,534.88	65,647.31	147,465.12	86.74%
1184	Temporary daily subsistence allowances	177,000.00	0.00	177,000.00		177,000.00	0.05%	45,934.47	45,934.47	25.95%	131,065.53	0.00	45,934.47	25.95%
1190	Weightings	-2,060,000.00	0.00	-2,060,000.00		-2,060,000.00	-0.54%	-4,496,701.10	-4,496,701.10	218.29%	2,436,701.10	0.00	-4,496,701.10	218.29%
1191	Provisional appropriation	198,000.00	0.00	198,000.00		198,000.00	0.05%	0.00	0.00	0.00%	198,000.00	0.00	0.00	0.00
1300	Mission expenses, travel expenses and incidental expenditure	1,500,000.00	0.00	1,500,000.00		1,500,000.00	0.39%	1,304,836.16	1,169,986.77	78.00%	195,163.84	134,849.39	1,304,836.16	86.99%
1400	Running costs and replacement of equipment of restaurants and canteens	61,000.00	0.00	61,000.00		61,000.00	0.02%	60,893.62	56,627.79	92.83%	106.38	4,265.83	60,893.62	99.83%
1410	Medical service	338,000.00	0.00	338,000.00		338,000.00	0.09%	301,171.27	259,022.81	76.63%	36,828.73	42,148.46	301,171.27	89.10%
1500	Organization expenses for traineeships in the Office services	841,000.00	0.00	841,000.00		841,000.00	0.22%	669,597.22	664,597.22	79.02%	171,402.78	5,000.00	669,597.22	79.62%
1600	European school Alicante	3,832,000.00	0.00	3,832,000.00	-298,000.00	3,534,000.00	0.92%	3,533,234.22	3,533,234.22	99.98%	765.78	0.00	3,533,234.22	99.98%
1610	Social contacts between staff	275,000.00	0.00	275,000.00		275,000.00	0.07%	43,926.68	39,575.68	14.39%	231,073.32	4,351.00	43,926.68	15.97%
1620	Other welfare expenditure	200,000.00	0.00	200,000.00		200,000.00	0.05%	157,794.90	140,290.00	70.15%	42,205.10	17,504.90	157,794.90	78.90%
1630	Early Childhood Centre and other crèches	244,000.00	0.00	244,000.00		244,000.00	0.06%	199,352.35	198,352.35	81.29%	44,647.65	1,000.00	199,352.35	81.70%
1700	Entertainment and representation expenses	37,000.00	0.00	37,000.00		37,000.00	0.01%	23,485.27	18,393.14	49.71%	13,514.73	5,092.13	23,485.27	63.47%



EUROPEAN UNION INTELLECTUAL PROPERTY OFFICE

CLOSURE FOR THE BUDGET FOR 2015

EXPENDITURE

Item	Heading	Initial appropriation A	Amending budget B	Total appropriation C = A + B	Transfers D	Final appropriation E = C + D	% of total	Commitments F	Payments G	% Payments /Final Appropriation s H = G/E	Appropriations lapsing I = E - G - J	Carryovers J	Budget execution K = H + J	% Execution /Final appropriations L = K / E
2000	Rent	920,000.00	0.00	920,000.00		920,000.00	0.24%	903,883.06	903,883.06	98.25%	16,116.94	0.00	903,883.06	98.25%
2010	Insurance	102,000.00	0.00	102,000.00		102,000.00	0.03%	90,712.88	90,712.88	88.93%	11,287.12	0.00	90,712.88	88.93%
2020	Water, gas, electricity, heating and other miscellaneous expenditure	2,115,000.00	0.00	2,115,000.00	-275,000.00	1,840,000.00	0.48%	1,692,213.47	1,379,188.26	74.96%	147,786.53	313,025.21	1,692,213.47	91.97%
2030	Cleaning and maintenance	3,090,000.00	0.00	3,090,000.00	1,083,000.00	4,173,000.00	1.09%	4,137,660.58	3,957,882.62	94.85%	35,339.42	179,777.96	4,137,660.58	99.15%
2040	Fitting-out of premises	11,204,000.00	0.00	11,204,000.00	-3,133,000.00	8,071,000.00	2.10%	7,457,641.83	5,311,705.80	65.81%	613,358.17	2,145,936.03	7,457,641.83	92.40%
2050	Security and surveillance of premises	1,779,000.00	0.00	1,779,000.00	450,000.00	2,229,000.00	0.58%	2,202,684.67	1,822,459.78	81.76%	26,315.33	380,224.89	2,202,684.67	98.82%
2060	Acquisition of immovable property	4,500,000.00	0.00	4,500,000.00	-4,500,000.00	0.00	0.00%	0.00	0.00	0.00%	0.00	0.00	0.00	0.00%
2070	Construction of buildings	0.00	0.00	0.00	4,700,000.00	4,700,000.00	1.22%	4,700,000.00	4,700,000.00	100.00%	0.00	0.00	4,700,000.00	100.00%
2080	Studies and technical assistance in connection with building projects	1,412,000.00	0.00	1,412,000.00	515,000.00	1,927,000.00	0.50%	1,879,354.14	1,620,518.25	84.10%	47,645.96	258,835.79	1,879,354.04	97.53%
2101	Computer centre operations - Licences and maintenance - Central software	4,275,000.00	0.00	4,275,000.00	-150,000.00	4,125,000.00	1.07%	4,032,596.44	3,514,462.10	85.20%	92,403.56	518,134.34	4,032,596.44	97.76%
2102	Computer centre operations - Acquisitions and maintenance - Central hardware	3,241,000.00	0.00	3,241,000.00	-1,570,000.00	1,671,000.00	0.43%	1,547,390.38	1,094,725.89	65.51%	123,609.62	452,664.49	1,547,390.38	92.60%
2122	IT Infrastructure and Operation	7,980,000.00	0.00	7,980,000.00	350,000.00	8,330,000.00	2.17%	8,303,879.80	7,290,570.95	87.52%	26,120.21	1,013,308.84	8,303,879.79	99.69%
2125	Services of computer operations staff - Miscellaneous	1,055,000.00	0.00	1,055,000.00	765,000.00	1,820,000.00	0.47%	1,797,457.68	1,550,249.61	85.18%	22,542.32	247,208.07	1,797,457.68	98.76%
2141	Analysis, programming, preliminary analysis - Maintenance of applications	12,345,000.00	0.00	12,345,000.00	-870,000.00	11,475,000.00	2.99%	11,310,633.95	8,480,091.62	73.90%	164,366.09	2,830,542.29	11,310,633.91	98.57%
2142	Analysis, programming, preliminary analysis - Support, Resource Management and others	3,835,000.00	0.00	3,835,000.00		3,835,000.00	1.00%	3,832,159.43	2,887,027.32	75.28%	2,840.57	945,132.11	3,832,159.43	99.93%
2143	Analysis, programming and others - Cooperation Fund	11,904,000.00	0.00	11,904,000.00	-1,890,000.00	10,014,000.00	2.61%	9,945,592.35	8,704,974.76	86.93%	68,407.65	1,240,617.59	9,945,592.35	99.32%
2144	Analysis, programming and others - Observatory	1,695,000.00	0.00	1,695,000.00	375,000.00	2,070,000.00	0.54%	1,878,780.78	1,364,405.89	65.91%	191,219.22	514,374.89	1,878,780.78	90.76%
2200	New purchases, replacement, hire, maintenance, use and repair of technical equipment and installations	1,962,000.00	0.00	1,962,000.00	270,000.00	2,232,000.00	0.58%	2,183,403.82	1,748,571.73	78.34%	48,596.18	434,832.09	2,183,403.82	97.82%
2204	Electronic office equipment	1,700,000.00	0.00	1,700,000.00	-520,000.00	1,180,000.00	0.31%	1,042,928.11	1,013,669.17	85.90%	137,071.89	29,258.94	1,042,928.11	88.38%
2210	New purchases, replacement, hire, maintenance, use and repair of furniture	710,000.00	0.00	710,000.00	240,000.00	950,000.00	0.25%	939,107.99	650,999.88	68.53%	10,892.01	288,108.11	939,107.99	98.85%
2230	New purchases, replacement, hire, maintenance, use and repair of vehicles	76,000.00	0.00	76,000.00	120,000.00	196,000.00	0.05%	182,994.08	175,796.36	89.69%	13,005.92	7,197.72	182,994.08	93.36%
2250	Documentation and library expenditure	301,000.00	0.00	301,000.00		301,000.00	0.08%	199,655.37	192,356.63	63.91%	101,344.63	7,298.74	199,655.37	66.33%
2300	Stationery and office supplies	594,000.00	0.00	594,000.00	-140,000.00	454,000.00	0.12%	440,198.44	433,456.35	95.47%	13,801.56	6,742.09	440,198.44	96.96%
2320	Bank charges and other financial charges	520,000.00	0.00	520,000.00		520,000.00	0.14%	397,264.95	339,919.95	65.37%	122,735.05	57,345.00	397,264.95	76.40%
2330	Legal expenses and damages	385,000.00	0.00	385,000.00	56,000.00	441,000.00	0.11%	224,838.95	137,222.74	31.12%	216,161.05	87,616.21	224,838.95	50.98%
2350	Miscellaneous insurance	20,000.00	0.00	20,000.00		20,000.00	0.01%	13,807.00	12,911.92	64.56%	6,193.00	895.08	13,807.00	69.04%
2353	Departmental removals and associated handling	147,000.00	0.00	147,000.00		147,000.00	0.04%	88,000.00	73,499.84	50.00%	59,000.00	14,500.16	88,000.00	59.86%
2359	Other services and operating expenditure	1,457,000.00	0.00	1,457,000.00		1,457,000.00	0.38%	1,310,834.42	1,192,336.74	81.84%	146,165.58	118,497.68	1,310,834.42	89.97%
2391	Services rendered by interpreters	590,000.00	0.00	590,000.00	-110,000.00	480,000.00	0.12%	465,138.00	441,892.28	92.06%	14,862.00	23,245.72	465,138.00	96.90%
2392	Translation	7,700,000.00	0.00	7,700,000.00	-1,170,000.00	6,530,000.00	1.70%	4,930,352.36	4,255,352.36	65.17%	1,599,647.64	675,000.00	4,930,352.36	75.50%
2400	Postal and delivery charges	340,000.00	0.00	340,000.00		340,000.00	0.09%	306,000.00	262,335.89	77.16%	34,000.00	43,664.11	306,000.00	90.00%
2410	Telecommunications	2,250,000.00	0.00	2,250,000.00	300,000.00	2,550,000.00	0.66%	2,469,124.67	2,288,918.68	89.76%	80,875.33	180,205.99	2,469,124.67	96.83%



EUROPEAN UNION INTELLECTUAL PROPERTY OFFICE

CLOSURE FOR THE BUDGET FOR 2015

EXPENDITURE

Item	Heading	Initial appropriation A	Amending budget B	Total appropriation C = A + B	Transfers D	Final appropriation E = C + D	% of total	Commitments F	Payments G	% Payments /Final Appropriation s H = G/E	Appropriations lapsing I = E - G - J	Carryovers J	Budget execution K = H + J	% Execution /Final appropriations L = K / E
2500	Conferences, congresses and meetings in general	5,938,000.00	0.00	5,938,000.00	-1,196,000.00	4,742,000.00	1.23%	4,056,615.28	3,711,858.27	78.28%	685,384.72	344,757.01	4,056,615.28	85.55%
2600	Limited consultations, studies and surveys	10,813,000.00	0.00	10,813,000.00	2,069,000.00	12,882,000.00	3.35%	11,937,313.00	9,471,009.40	73.52%	944,687.38	2,466,303.22	11,937,312.62	92.67%
3410	External Communication	891,000.00	0.00	891,000.00		891,000.00	0.23%	446,215.20	379,755.79	42.62%	444,784.80	66,459.41	446,215.20	50.08%
3411	Expenditure on promotion of the Office, the European Union trade mark and the Community design	696,000.00	0.00	696,000.00	-116,500.00	579,500.00	0.15%	36,030.02	36,030.02	6.22%	543,469.98	0.00	36,030.02	6.22%
3420	Expenditure on cooperation activities with the EU Member States	9,316,000.00	0.00	9,316,000.00	116,500.00	9,432,500.00	2.46%	9,047,451.73	1,471,477.11	15.60%	385,048.27	7,575,974.62	9,047,451.73	95.92%
3421	Expenditure on cooperation activities with third countries	1,179,000.00	0.00	1,179,000.00		1,179,000.00	0.31%	812,981.17	731,275.32	62.03%	366,018.83	81,705.85	812,981.17	68.96%
3422	Cooperation Fund	2,323,000.00	0.00	2,323,000.00		2,323,000.00	0.60%	2,269,360.65	738,746.03	31.80%	53,639.35	1,530,614.62	2,269,360.65	97.69%
3423	Support for the work of the Observatory	3,860,000.00	0.00	3,860,000.00	500,000.00	4,360,000.00	1.13%	4,117,445.30	3,014,816.46	69.15%	242,554.70	1,102,628.84	4,117,445.30	94.44%
3424	Convergence Programme	1,490,000.00	0.00	1,490,000.00		1,490,000.00	0.39%	1,305,042.50	182,346.97	12.24%	184,957.50	1,122,695.53	1,305,042.50	87.59%
3500	Search reports	140,000.00	0.00	140,000.00		140,000.00	0.04%	84,000.00	53,600.00	38.29%	56,000.00	30,400.00	84,000.00	60.00%
3521	Translation of European Union Trade Mark, Designs and International applications and cancellation procedures Expenditure on external services relating to	19,100,000.00	0.00	19,100,000.00	-1,500,000.00	17,600,000.00	4.58%	16,763,042.67	15,486,653.25	87.99%	836,957.33	1,276,389.42	16,763,042.67	95.24%
3570	European Union trade mark and design proceedings	1,550,000.00	0.00	1,550,000.00		1,550,000.00	0.40%	1,232,254.00	1,051,301.01	67.83%	317,746.00	180,952.99	1,232,254.00	79.50%
3591	Expenditure on litigation relating to European Union Trade Mark and Designs proceedings	362,000.00	0.00	362,000.00		362,000.00	0.09%	156,713.90	156,713.90	43.29%	205,286.10	0.00	156,713.90	43.29%
10100	PROVISION FOR UNFORSEEN EVENTS	135,103,180.00	0.00	135,103,180.00	5,780,000.00	140,883,180.00	36.67%	0.00	0.00	0.00%	0.00	0.00	0.00	0.00%
10200	PROVISION FOR COOPERATION FUND	0.00	0.00	0.00		0.00	0.00%	0.00	0.00	0.00%	0.00	0.00	0.00	0.00%
	TOTAL	384,202,180.00	0.00	384,202,180.00	0.00	384,202,180.00	100.00%	226,089,432.11	196,643,293.72	80.82%	17,229,568.42	29,446,137.86	226,089,431.58	92.92%



Item	Heading	Carry over A	Carry Over used B	Carry over unused (lapsing) C = A - B
1100	Basic salaries	0.00	0.00	0.00
1101	Family allowances	0.00	0.00	0.00
1102	Expatriation and foreign residence allowances	0.00	0.00	0.00
1103	Fixed allowance	0.00	0.00	0.00
1110	Auxiliary and local staff	0.00	0.00	0.00
1113	Special advisers	16,374.80	2,789.27	13,585.53
1115	Contract agents	0.00	0.00	0.00
1120	Further professional training, language courses and retraining for staff	132,395.90	83,683.06	48,712.84
1130	Insurance against sickness	0.00	0.00	0.00
1131	Insurance against accidents and occupational disease	0.00	0.00	0.00
1132	Unemployment insurance for temporary staff	0.00	0.00	0.00
1133	Establishment or maintenance of pension rights for temporary staff	0.00	0.00	0.00
1141	Annual travel costs from place of employment to the place of origin	0.00	0.00	0.00
1147	Allowances for shiftwork or standby duty at the official's place of work and/or at home	0.00	0.00	0.00
1149	Other allowances and repayments	0.00	0.00	0.00
1150	Overtime	0.00	0.00	0.00
1160	Staff Exchanges	7,861.02	7,861.02	0.00
1171	Freelance interpreters	0.00	0.00	0.00
1175	Agency staff	221,576.94	196,887.14	24,689.80
1177	Other support services	0.00	0.00	0.00
1180	Miscellaneous expenditure arising from recruitment procedures	9,500.00	5,701.54	3,798.46
1181	Travel expenses (including members of the family)	0.00	0.00	0.00
1182	Installation and resettlement allowances	0.00	0.00	0.00
1183	Removal expenses	4,850.00	4,850.00	0.00
1184	Temporary daily subsistence allowances	0.00	0.00	0.00
1190	Weightings	0.00	0.00	0.00
1191	Provisional appropriation	0.00	0.00	0.00
1300	Mission expenses, travel expenses and incidental expenditure	471,746.47	92,332.14	379,414.33
1400	Running costs and replacement of equipment of restaurants and canteens	83,702.65	83,702.65	0.00
1410	Medical service	35,237.88	24,037.88	11,200.00
1500	Organization expenses for traineeships in the Office services	6,654.52	1,495.98	5,158.54
1610	Social contacts between staff	12,546.50	12,196.93	349.57
1620	Other welfare expenditure	38,758.08	21,175.30	17,582.78
1630	Early Childhood Centre and other crèches	0.00	0.00	0.00
1700	Entertainment and representation expenses	8,168.08	840.10	7,327.98



Item	Heading	Carry over A	Carry Over used B	Carry over unused (lapsing) C = A - B
2000	Rent	0.00	0.00	0.00
2010	Insurance	0.00	0.00	0.00
2020	Water, gas, electricity and heating	206,830.29	165,767.06	41,063.23
2030	Cleaning and maintenance	585,155.37	566,772.83	18,382.54
2040	Fitting-out of premises	3,167,182.44	3,086,546.07	80,636.37
2050	Security and surveillance of premises	469,289.76	460,225.54	9,064.22
2060	Acquisition of immovable property	250,000.00	39,968.11	210,031.89
2070	Construction of buildings Other expenditure preliminary to the	2,741,685.11	2,739,997.51	1,687.60
2080	construction of buildings or the acquisition of immovable property	1,015,338.75	881,078.67	134,260.08
2101	Computer centre operations - Licences and maintenance - Central software	417,493.68	417,493.68	0.00
2102	Computer centre operations - Acquisitions and maintenance - Central hardware	1,251,928.60	1,241,949.63	9,978.97
2122	IT Infrastructure and Operation	1,439,041.04	1,438,982.92	58.12
2125	Services of computer operations staff - Miscellaneous	236,945.66	232,877.94	4,067.72
2140	Analysis, programming, preliminary analysis - E-Core Business and other Core Business	0.00	0.00	0.00
2141	Analysis, programming, preliminary analysis - Maintenance of applications	2,012,087.90	1,913,800.63	98,287.27
2142	Analysis, programming, preliminary analysis - Support, Resource Management and others	1,113,244.05	1,113,244.05	0.00
2143	Analysis, programming and others – Cooperation Fund	2,340,787.45	2,306,723.15	34,064.30
2144	Analysis, programming and others - Observatory	161,442.43	161,355.90	86.53
2200	New purchases, replacement, hire, maintenance, use and repair of technical equipment and installations	238,169.69	238,161.28	8.41
2204	Electronic office equipment	451,196.40	394,648.60	56,547.80
2210	New purchases, replacement, hire, maintenance, use and repair of furniture	2,273,346.81	2,264,353.26	8,993.55
2230	New purchases, replacement, hire, maintenance, use and repair of vehicles	9,934.79	5,486.60	4,448.19
2250	Library stocks, purchase of books, special library, documentation, reproduction equipment, subscriptions to newspapers, periodicals, news agencies and view-data services, binding and upkeep of library books	20,719.80	19,558.60	1,161.20



Item	Heading	Carry over A	Carry Over used B	Carry over unused (lapsing) C = A - B
2300	Stationery and office supplies	100.00	0.00	100.00
2320	Bank charges and other financial charges	37,618.68	37,580.78	37.90
2330	Legal expenses and damages	77,943.48	53,156.42	24,787.06
2350	Miscellaneous insurance	50.00	0.00	50.00
2351	Uniforms and working clothes	0.00	0.00	0.00
2353	Departmental removals and associated handling	273,087.42	95,236.25	177,851.17
2359	Other services and operating expenditure	136,842.25	78,149.40	58,692.85
2391	Services rendered by interpreters	34,635.78	26,640.00	7,995.78
2392	Translation	1,397,980.78	968,342.30	429,638.48
2400	Postal and delivery charges	44,648.53	26,933.00	17,715.53
2410	Telephone, telegraph, telex and television	595,389.48	592,433.04	2,956.44
2500	Conferences, congresses and meetings in general	199,375.57	129,615.46	69,760.11
2600	Limited consultations, studies and surveys	1,619,884.48	1,385,572.30	234,312.18
3410	General publications	77,461.17	74,957.62	2,503.55
3411	Expenditure on promotion of the Office, the European Union trade mark and the Community design	46,378.60	22,029.91	24,348.69
3420	Expenditure on cooperation activities with the EU Member States	6,261,501.49	5,341,178.60	920,322.89
3421	Expenditure on cooperation activities with third countries	301,146.49	241,380.06	59,766.43
3422	Cooperation Fund	3,389,188.00	2,532,491.11	856,696.89
3423	Support for the work of the Observatory	350,945.00	306,713.49	44,231.51
3424	Convergence Programme	792,574.82	371,176.63	421,398.19
3500	Search reports	45,952.00	32,848.00	13,104.00
3521	Translation of European Union Trade Mark, Designs and International applications and cancellation procedures	2,584,938.04	2,058,522.18	526,415.86
3570	Expenditure on external services relating to European Union trade mark and design proceedings	208,261.04	181,935.02	26,326.02
3591	Expenditure on litigation relating to European Union trade mark	0.00	0.00	0.00
10100	PROVISION FOR UNFORSEEN EVENTS	0.00	0.00	0.00
10200	PROVISION FOR THE COOPERATION FUND	0.00	0.00	0.00
	TOTAL	39,927,095.96	34,783,436.61	5,143,659.35



Item	Heading	Carry over A	Carry Over used B	Carry over unused (lapsing) C = A - B
	TOTAL TITLE 1	1,049,372.84	537,553.01	511,819.83
	Chapter 11	392,558.66	301,772.03	90,786.63
	Chapter 13	471,746.47	92,332.14	379,414.33
	Chapter 14	118,940.53	107,740.53	11,200.00
	Chapter 15	6,654.52	1,495.98	5,158.54
	Chapter 16	51,304.58	33,372.23	17,932.35
	Chapter 17	8,168.08	840.10	7,327.98
	TOTAL TITLE 2	24,819,376.47	23,082,650.98	1,736,725.49
	Chapter 20	8,435,481.72	7,940,355.79	495,125.93
	Chapter 21	8,972,970.81	8,826,427.90	146,542.91
	Chapter 22	2,993,367.49	2,922,208.34	71,159.15
	Chapter 23	1,958,258.39	1,259,105.15	699,153.24
	Chapter 24	640,038.01	619,366.04	20,671.97
	Chapter 25	199,375.57	129,615.46	69,760.11
	Chapter 26	1,619,884.48	1,385,572.30	234,312.18
	TOTAL TITLE 3	14,058,346.65	11,163,232.62	2,895,114.03
	Chapter 34	11,219,195.57	8,889,927.42	2,329,268.15
	Chapter 35	2,839,151.08	2,273,305.20	565,845.88
	TOTAL TITLE 10	0.00	0.00	0.00
	Chapter 10	0.00	0.00	0.00
	TOTAL	39,927,095.96	34,783,436.61	5,143,659.35



REVENUE

Heading	Budget forecast A	Amending budget B	Total budget A + B = C	Revenue established	Revenue established and recorded
FEES AND ADDITIONAL FEES	180,511,215	0	180,511,215	188,783,045.75	188,783,045.75
Basic fee for the application for an individual mark or a collective mark	91,615,626	0	91,615,626	94,171,615.00	94,171,615.00
Fee for application for each class of goods and services exceeding three for an individual or collective mark	8,797,500	0	8,797,500	9,529,200.00	9,529,200.00
Opposition fee	3,525,200	0	3,525,200	3,844,050.00	3,844,050.00
Basic fee for the registration of an individual or collective mark	0	0	0	0.00	0.00
Fee for registration for each class of goods and services exceeding three for an individual or collective mark	0	0	0	0.00	0.00
Fee for the registration of a licence or another right in respect of a registered European Union trade mark or an application	353,000	0	353,000	367,200.00	367,200.00
Fee for the recording of the whole or partial transfer of an application of a European Union trade mark	0	0	0	0.00	0.00
Fee for the recording of the whole or partial transfer of a registered European Union trade mark	0	0	0	0.00	0.00
Basic fee for the renewal for an individual or collective mark	42,999,000	0	42,999,000	44,536,450.00	44,536,450.00
Fee for renewal for each class of goods and services exceeding three for an individual or collective mark	6,687,200	0	6,687,200	0.00	0.00
Fees for declarations of division of a registered EUTM, or an application for EUTM	23,000	0	23,000	29,500.00	29,500.00
Appeal fee	2,356,800	0	2,356,800	1,984,000.00	1,984,000.00
Additional fee for the late payment of the registration fee	0	0	0	0.00	0.00
Additional fee for the late payment of the renewal fee or the late submission of the request for renewal	550,875	0	550,875	402,050.00	402,050.00
Additional fee for late payment reception	15,384	0	15,384	9,428.75	9,428.75
Fee for the alteration of a registered European Union trade mark	6,000	0	6,000	600.00	600.00
Fee for the alteration of the representation of a trade mark	0	0	0	0.00	0.00
Fee for the conversion of a mark into a national trade mark application	85,000	0	85,000	74,800.00	74,800.00
Fee for intitutio in integrum	20,000	0	20,000	8,000.00	8,000.00
Fee for the application for revocation or for a declaration of invalidity	1,040,900	0	1,040,900	1,393,000.00	1,393,000.00
Fee for the cancellation of the registration of a licence or other right	70,000	0	70,000	96,200.00	96,200.00
Fees for continuation of proceedings	24,000	0	24,000	29,200.00	29,200.00
Fee for the review of the determination of the procedural costs to be refunded	2,200	0	2,200	300.00	300.00
Fee for the issue of a copy of the application for a European Union trade mark, a copy of the certificate of registration, or an extract from the register	780,900	0	780,900	470,240.00	470,240.00
Fee for the inspection of the files	0	0	0	60.00	60.00
Fee for the issue of copies of file documents	0	0	0	9,274.00	9,274.00
Fee for the communication of information in a file	1,800	0	1,800	110.00	110.00
Fee for optional Search reports	50,400	0	50,400	56,784.00	56,784.00



REVENUE

Heading	Budget forecast A	Amending budget B	Total budget A + B = C	Revenue established	Revenue established and recorded
<u>FEES RECEIVED RELATED TO MADRID PROTOCOL EUTM</u>					
Basic fees for Madrid Protocol EUTM'S	16,446,480	0	16,446,480	21,205,839.00	21,205,839.00
Fee for each class of goods and services received through Madrid Protocol exceeding three	1,644,750	0	1,644,750	1,672,908.00	1,672,908.00
Fees for trade mark registration received through Madrid Protocol:	0	0	0	24,400.00	24,400.00
Transmittal fee of an international application	2,535,200	0	2,535,200	2,376,600.00	2,376,600.00
Basic fees for the renewal of a trade mark via Madrid Protocol	900,000	0	900,000	6,493,237.00	6,493,237.00
<u>FEES RECEIVED RELATING TO COMMUNITY DESIGNS</u>	<u>24,439,126</u>	<u>0</u>	<u>24,439,126</u>	<u>23,825,269.25</u>	<u>23,825,269.25</u>
Registration fees (7201):	5,581,870	0	5,581,870	5,116,580.00	5,116,580.00
Registration fees for each community design exceeding three (7202):	6,222,935	0	6,222,935	5,670,925.00	5,670,925.00
Publication fees (7211):	5,794,384	0	5,794,384	5,615,130.00	5,615,130.00
Fee for the publication after deferment (7221):	229,182	0	229,182	231,600.00	231,600.00
Miscellaneous fees (7299):	576,946	0	576,946	783,779.25	783,779.25
Registration fees (IR):	663,028	0	663,028	711,825.00	711,825.00
Basic fee for the renewal for a Community Design (7240)	5,350,781	0	5,350,781	5,695,430.00	5,695,430.00
<u>ADMINISTRATIVE CHARGES:</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>	<u>70,706.00</u>	<u>70,706.00</u>
For insufficient funds in the current account	200,000	0	200,000	70,706.00	70,706.00
<u>MISCELLANEOUS SERVICES</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>	<u>3,088,328.90</u>	<u>2,995,756.97</u>
Miscellaneous services	200,000	0	200,000	3,088,328.90	2,995,756.97
<u>SALES OF PUBLICATION</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>0.00</u>
EUTM Download	0	0	0	0.00	0.00
Other publications	0	0	0	0.00	0.00
<u>COMMUNITY SUSIDY</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>0.00</u>
Susidy from the E.U.	0	0	0	0.00	0.00
<u>INTEREST</u>	<u>835,000</u>	<u>0</u>	<u>835,000</u>	<u>396,641.16</u>	<u>396,641.16</u>
Bank interests	835,000	0	835,000	396,641.16	396,641.16
<u>BALANCE FROM THE PREVIOUS FINANCIAL YEAR</u>	<u>178,036,839</u>	<u>0</u>	<u>178,036,839</u>	<u>0.00</u>	<u>0.00</u>
Balance for the previous year	178,036,839	0	178,036,839	0.00	0.00
TOTAL REVENUE	384,202,180	0	384,202,180	216,163,991.06	216,071,419.23