

## **Overview of Total Sum of Charges Collected and Administrative Costs**

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### **Year Ended 31 December 2013**

#### **1. Background**

In accordance with Article 18 of the Electronic Communications (Regulation) Act (the "ECRA") and the Directive of 2004 on Modalities of Payment for General Authorisations and Rights of Use, as amended by Directive No 1 of 2007 (hereafter "the Directive"), the Authority collects administrative charges to cover the administrative costs incurred in carrying out its responsibilities under the ECRA.

In accordance with the same Act, any differences between the charges collected and the costs incurred shall result in appropriate repayments or compensation in the case of overcharging, or the imposition of additional charges in the case of undercharging, as specified in the ECRA and the Directive.

The Authority is also required to publish an annual overview of the total sum of charges collected and its administrative costs.

#### **2. Results**

The Authority prepares Audited Financial Statements under the historical cost convention and in accordance with International Financial Reporting Standards. The following table shows an overview of the total sum of charges collected and administrative costs incurred, which have been extracted from the income statement forming part of the Audited Financial Statements of the Authority.

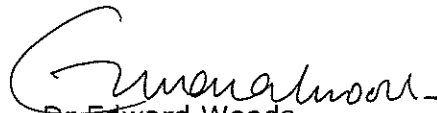
Overview of Total Sum of Charges Collected and Administrative Costs  
1 January 2013 to 31 December 2013

	Total	Electronic communications	Scarce resources	Postal services, right of way, e-commerce	IS Initiatives	Others	EU Projects	RadioCommunication Licences
	Euro	Euro	Euro	Euro	Euro	Euro	Euro	Euro
<b>Revenue</b>								
Government Subvention	441,907				441,907			
Administrative Charges	3,278,690	3,278,690						
Income deferred to 2014	(540,702)	(540,702)						
Usage Fees for Scarce Resources	5,259,058		4,484,422	774,636				
Postal Authorisations & Rights of Way	-							
Amortisation of Deferred Income	-							
Other revenues	66,852				62,242	4,611		
Amortisation of Spectrum Equipment	23,879		23,879					
Radiocommunication Licences	509,473							509,473
EU Projects Revenue	207,535						207,535	
	<b>9,246,693</b>	<b>2,737,989</b>	<b>4,508,301</b>	<b>774,636</b>	<b>504,149</b>	<b>4,611</b>	<b>207,535</b>	<b>509,473</b>
<b>Expenditure</b>								
Spectrum equipment financed via deductions from Govt	(4,141,940)	(2,743,236)	(444,491)	(242,532)	(504,149)	2	(207,535)	
Finance revenue	17,378		17,378					
Finance costs	31,181	6,173				25,008		
Taxation	-	-						
Transfers to government	(6,607)	(926)				(5,681)		
	<b>(5,122,766)</b>		<b>(4,081,189)</b>	<b>(532,104)</b>				<b>(509,473)</b>
<b>Surplus/(deficit) for the financial year</b>	<b>23,940</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,940</b>	<b>-</b>	<b>-</b>

During the year ended 31 December 2013, the positive difference between the total sum of administrative charges collected and administrative costs incurred in carrying out responsibilities under the ECRA amounted to €540,702.

### **3. Compensation of 2013 difference**

The Authority will be making the respective repayments and compensations required under the ECRA, by offsetting, or repaying where applicable, the amount of €540,702 proportionately to the providers of electronic communications services or networks on whom administrative charges were imposed during the year ended 31 December 2013, in two equal portions during the months of July 2014, and December 2014.

  
Dr Edward Woods  
Chairman

27 June 2014