

**Annex 4 Financial Reports - DG COMP - Financial Year 2007****Table 1 : Commitments****Table 2 : Payments****Table 3 a : Commitments to be settled****Table 3 b : Average Payment Time Limits****Table 4 : Income****Table 5 : Ageing Balance of Recovery Orders****Table 6 : Waivers of Recovery Orders****Table 7a : Negotiated Procedures (excluding Building Contracts)****Table 7b : Summary of Contracts (excluding Building Contracts and Contracts < 60.000 €)****Table 8a : Building Contracts****Table 8b : Secret Contracts****Table 9 : Economic Outturn Account / Balance Sheet / Off Balance Sheet**

**Additional comments**

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2007 (in Mio €)				
Chapter		Commitment appropriations authorised *	Commitments made	%
		1	2	3=2/1
<b>Title 03 : Competition</b>				
03 01	Administrative expenditure of 'Competition' policy area	4,88	4,86	99,54 %
<b>Total Title 03</b>		4,88	4,86	99,54 %
<b>Total DG COMP</b>		4,88	4,86	99,54 %

\* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).

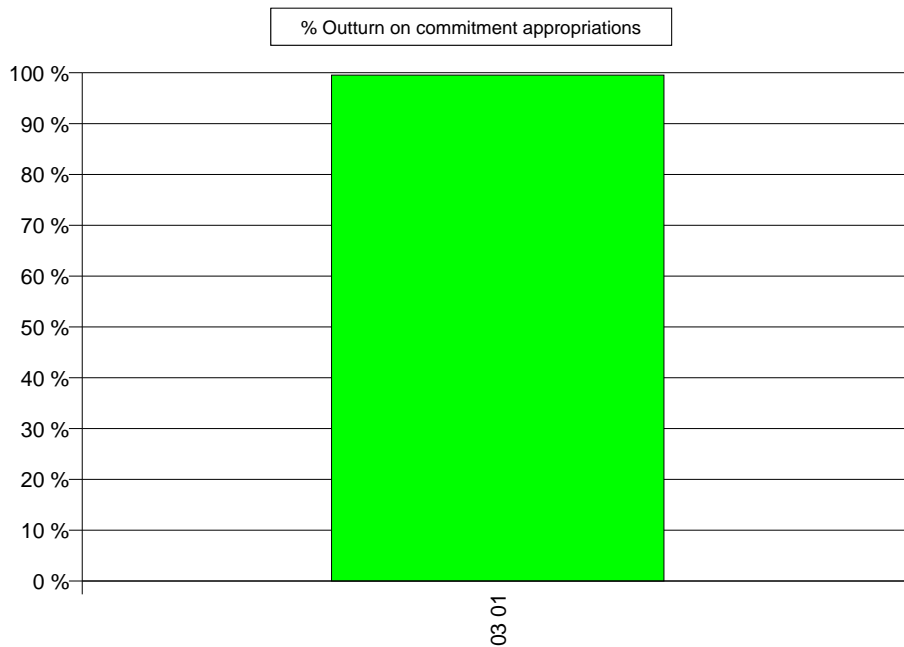


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2007 (in Mio €)				
Chapter		Payment appropriations authorised *	Payments made	%
		1	2	3=2/1
<b>Title 03 : Competition</b>				
03 01	Administrative expenditure of 'Competition' policy area	7,87	3,57	45,29 %
03 03	Cartels, anti-trust and liberalisation	0,61	0,41	66,65 %
<b>Total Title 03</b>		8,49	3,97	46,83 %
<b>Total DG COMP</b>		8,49	3,97	46,83 %

\* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).

% Outturn on payment appropriations

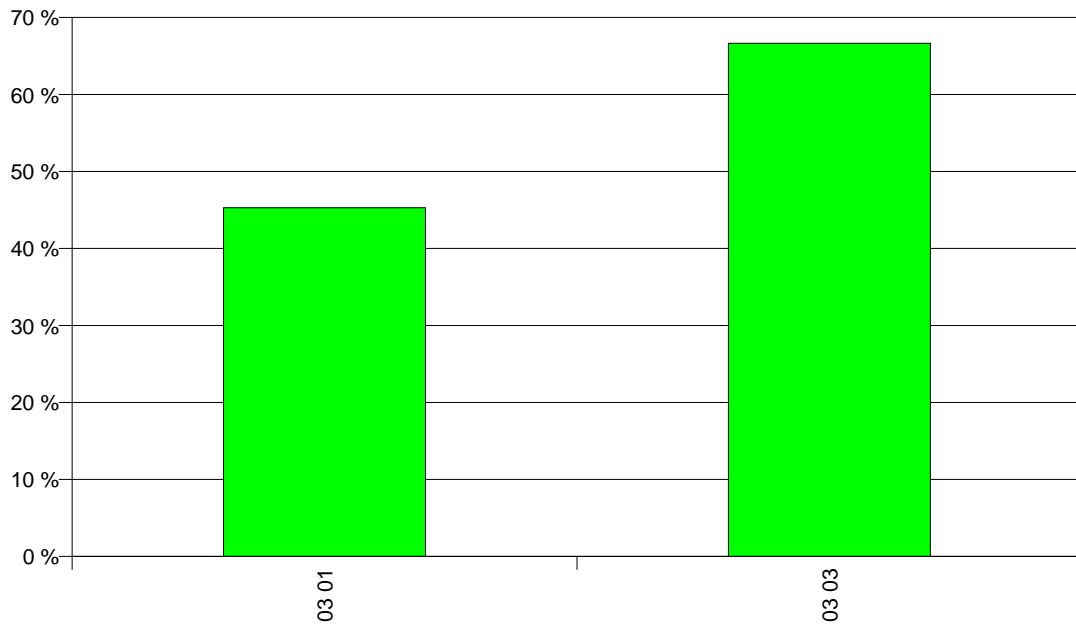
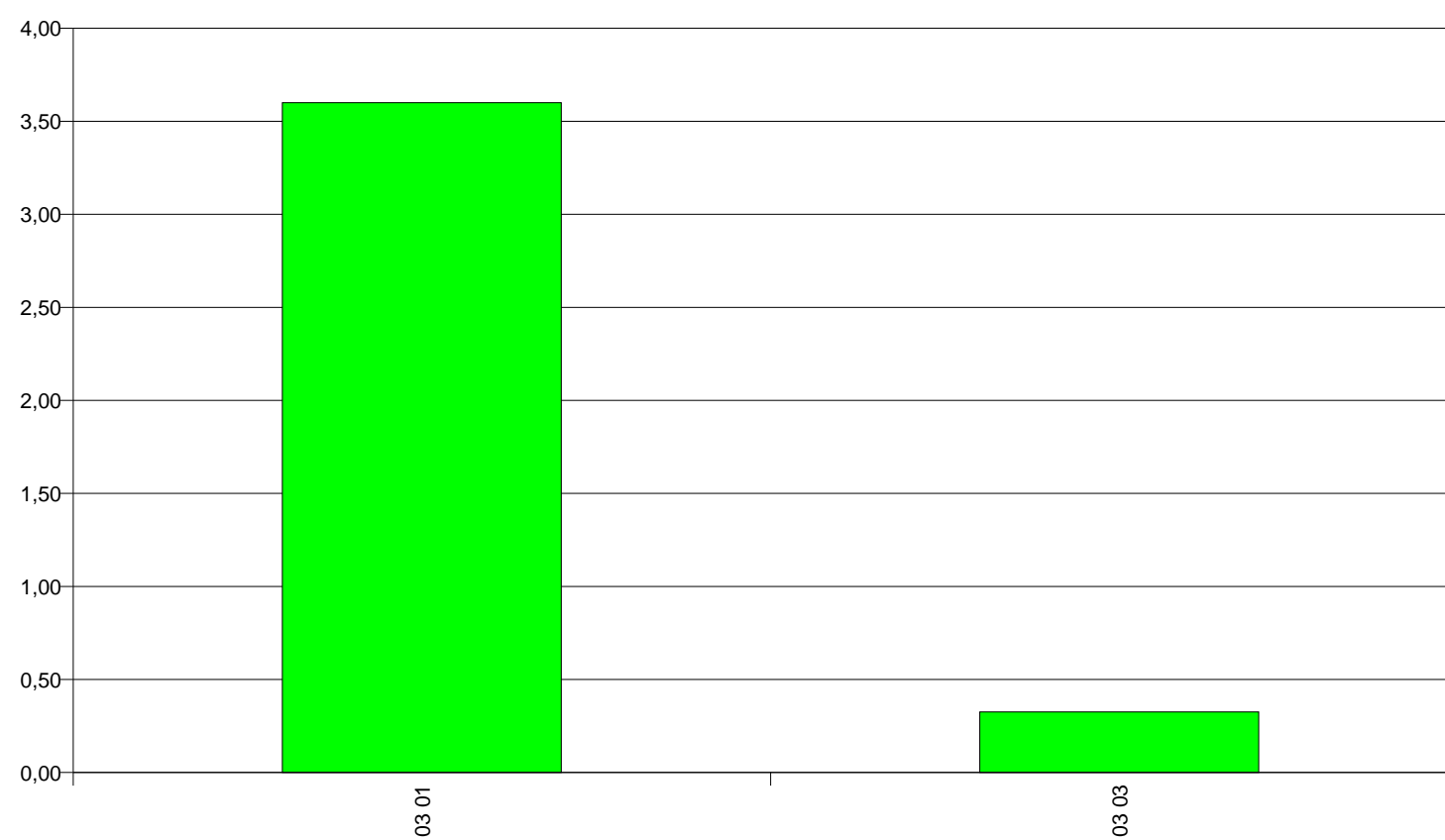


TABLE 3a : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2007 (in Mio €)								
Chapter		2007 Commitments to be settled				Commitments to be settled from financial years previous to 2007	Total of Commitments to be settled at end of financial year 2007 (incl.corrections)	Total of Commitments to be settled at end of financial year 2006 (incl.corrections)
		Commitments 2007	Payments 2007	RAL 2007	% to be settled			
		1	2	3=1-2	4=1-2/1	5	6=3+5	7
<b>Title 03 : Competition</b>								
03 01	Administrative expenditure of 'Competition' policy area	4,86	1,26	3,60	74,06 %	0,00	3,60	2,99
03 03	Cartels, anti-trust and liberalisation	0,00	0,00	0,00	#DIV/0	0,33	0,33	1,06
<b>Total Title 03</b>		4,86	1,26	3,60	74,06 %	0,33	3,93	4,05
<b>Total DG COMP</b>		4,86	1,26	3,60	74,06 %	0,33	3,93	4,05

Breakdown of Commitments remaining to be settled (in Mio EUR)



**TABLE 3b: AVERAGE PAYMENT TIME LIMITS FOR 2007 - DG COMP**

<b>Category</b>	<b>Payment Time Limits</b>	<b>Number of PR</b>	<b>Percentage</b>
Procurement	Payment Period <= 30 Days	176	69,29 %
	Payment Period > 30 Days	78	30,71 %
	<b>Total number of payments</b>	<b>254</b>	<b>100,00 %</b>
	<b>Average payment period (in days)</b>	<b>29,59</b>	
Grants	Payment Period <= 45 Days	16	66,67 %
	Payment Period > 45 Days and <= 105 Days	7	29,17 %
	Payment Period > 105 Days	1	4,17 %
	<b>Total number of payments</b>	<b>24</b>	<b>100,00 %</b>
	<b>Average payment period (in days)</b>	<b>41,25</b>	

**TABLE 4 : SITUATION ON REVENUE AND INCOME IN 2007**

Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	
<b>Title 5: REVENUE ACCRUING FROM THE ADMINISTRATIVE OPERATION OF THE INSTITUTIONS</b>								
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST	504,12	0,00	504,12	504,12	0,00	504,12	0,00
	<b>Total Title 5</b>	<b>504,12</b>	<b>0,00</b>	<b>504,12</b>	<b>504,12</b>	<b>0,00</b>	<b>504,12</b>	<b>0,00</b>
<b>Title 6: CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH COMMUNITY AGREEMENTS AND PROGRAMMES</b>								
66	OTHER CONTRIBUTIONS AND REFUNDS	33 885,99	0,00	33 885,99	13 345,52	0,00	13 345,52	20 540,47
	<b>Total Title 6</b>	<b>33 885,99</b>	<b>0,00</b>	<b>33 885,99</b>	<b>13 345,52</b>	<b>0,00</b>	<b>13 345,52</b>	<b>20 540,47</b>
<b>Title 7: INTEREST ON LATE PAYMENTS AND FINES</b>								
70	INTEREST ON LATE PAYMENTS	0,00	147 118,84	147 118,84	0,00	0,00	0,00	147 118,84
71	FINES	3 339 045 700,00	5 459 581 793,20	8 798 627 493,20	-151 644 600,00	541 354 359,87	389 709 759,87	8 408 917 733,33
	<b>Total Title 7</b>	<b>3 339 045 700,00</b>	<b>5 459 728 912,04</b>	<b>8 798 774 612,04</b>	<b>-151 644 600,00</b>	<b>541 354 359,87</b>	<b>389 709 759,87</b>	<b>8 409 064 852,17</b>
<b>Title 9: MISCELLANEOUS REVENUE</b>								
90	MISCELLANEOUS REVENUE	5 000,00	0,00	5 000,00	0,00	0,00	0,00	5 000,00
	<b>Total Title 9</b>	<b>5 000,00</b>	<b>0,00</b>	<b>5 000,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>5 000,00</b>
<b>Total DG COMP</b>		<b>3 339 085 090,11</b>	<b>5 459 728 912,04</b>	<b>8 798 814 002,15</b>	<b>-151 630 750,36</b>	<b>541 354 359,87</b>	<b>389 723 609,51</b>	<b>8 409 090 392,64</b>

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

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**TABLE 5: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2007**

Year of Origin	Number at 31/12/2006	Number at 31/12/2007	Evolution of Number at 31/12/2007 (in %)	Amount at 31/12/2006	Amount at 31/12/2007	Evolution of Amount at 31/12/2007 (in %)
1989	1	1	0,00 %	327 735,70	327 735,70	0,00 %
1992	5	5	0,00 %	1 564 256,31	1 564 256,31	0,00 %
1998	1	0	-100,00 %	360 000,00	0,00	-100,00 %
1999	8	3	-62,50 %	63 770 000,00	5 670 000,00	-91,11 %
2001	23	11	-52,17 %	495 613 000,00	169 830 000,00	-65,73 %
2002	27	12	-55,56 %	961 553 000,00	830 113 000,00	-13,67 %
2003	19	18	-5,26 %	315 761 000,00	311 271 000,00	-1,42 %
2004	23	23	0,00 %	888 193 404,00	866 683 404,00	-2,42 %
2005	29	29	0,00 %	644 368 000,00	644 241 818,28	-0,02 %
2006	25	41	64,00 %	1 270 907 500,00	2 104 920 500,00	65,62 %
2007	0	40		0,00	2 479 740 117,93	
Sum:	161	183	13,66 %	4 642 417 896,01	7 414 361 832,22	59,71 %

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

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**TABLE 6 : RECOVERY ORDER WAIVERS IN 2007 >= EUR 100.000**

Central Key	Linked RO Header (Central Key)	RO Amount Accepted (Euro)	LE Official Name	Commission Decision	Comments
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<b>Number of RO waivers</b>	<b>0</b>
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**TABLE 7a : CENSUS OF NEGOTIATED PROCEDURES - DG COMP - YEAR 2007**

**NEGOTIATED PROCEDURES - Contracts > € 60.000**

<b>Count :</b>	<b>1</b>
<b>Total amount :</b>	<b>800 000,00</b>

Number	Contractor(s)		Type of contract	Description	Amount (€)	Legal base
	Name	Address				
0165662	MONITORING TRUSTEE LIMITED*	FLEET STREET 3 BOLT COURT,LONDON,GB	Service	C3 - MICROSOFT TRUSTEE SERVICES - NEIL BARRETT	800 000,00	Art. 126 1c

**TABLE 7b : SUMMARY OF PROCEDURES OF DG COMP (excluding building contracts and contracts < 60.000 €)**

Type of contract	2006		2007	
	Count	Amount (€)	Count	Amount (€)
Service	5	968 850,00	3	1 110 896,00
<b>TOTAL</b>	5	968 850,00	3	1 110 896,00

Procedures	2006		2007	
	Count	Amount (€)	Count	Amount (€)
Open Procedures	5	968 850,00	2	310 896,00
Restricted Procedures	0	0	0	0
Negotiated Procedures	0	0	1	800 000,00
Other	0	0	0	0
<b>TOTAL</b>	5	968 850,00	3	1 110 896,00

### Additional comments

#### *Negotiated procedures*

*Following the judgment of 17 September 2007 in Case T-201/04 the Court of First Instance (CFI) where the court partially annulled Article 7 of the Commission Decision of 24 March 2004 against Microsoft insofar as "[...] all the costs associated with the appointment of the monitoring trustee including his remuneration be borne by Microsoft", DG Competition made one negotiated call for tender following Article 126.1.c. The reason for the urgency to conclude a contract with the Trustee was to rapidly ensure the continuation of the Commission's antitrust proceedings against Microsoft as well as to comply with the CFI's judgment. Microsoft abuses its dominant situation and the Trustee's work is to monitor that they comply with our decision in case COMP/C/37.792. The findings of the Trustee made it evident that a new decision had to be taken urgently in order to protect the European consumer against further abuse. Moreover, it is only following Microsoft's commitments of 22 October 2007 that licensees seriously interested in implementing the whole of the Technical Documentation have come forward. It is likely that several interested parties may sign a licence agreement in the very near future. Once these licensees begin working with the Technical Documentation, the Monitoring Trustee's task of making sure that Microsoft swiftly corrects any issues that may arise will become very important.*

*Only the Trustee was invited to tender. The Trustee was appointed in accordance with the Commission decision of 24 March. In the decision, it is set out that Microsoft should present candidates for the monitoring of their compliance to the Decision. These candidates were subsequently scrutinised by the Commission and either rejected or approved. The rejections were mainly done for reasons of conflict of interest. Furthermore, as Microsoft is a major player on the market it is very difficult to find a candidate that has enough experience and knowledge and who at the same time are not subject to a conflict of interest, which also was proved in a previous call for tender made by DG COMP relating to the same case.*

**TABLE 8a : BUILDING CONTRACTS**

<b>Count :</b>	<b>0</b>
<b>Total amount :</b>	

		<b>Contractor(s)</b>					
<b>Number</b>	<b>Name</b>	<b>Address</b>	<b>Type of contract</b>	<b>Description</b>	<b>Amount (€)</b>	<b>Legal base</b>	

**TABLE 8b : SECRET CONTRACTS**

<b>Count :</b>	<b>0</b>
<b>Total amount :</b>	

	<b>Contractor(s)</b>					
<b>Number</b>	<b>Name</b>	<b>Address</b>	<b>Type of contract</b>	<b>Description</b>	<b>Amount (€)</b>	<b>Legal base</b>

**TABLE 9 : ECONOMIC OUTTURN ACCOUNT / BALANCE SHEET / OFF BALANCE SHEET**

European Union Financial Statement	DG COMP	
	2007	2006
European Union Financial Statement	-4 629 292 777,73	4 080 069 617,25
<b>ECONOMIC OUTTURN ACCOUNT</b>	<b>-3 315 150 837,85</b>	<b>-1 886 712 154,55</b>
II. SURPLUS/ DEFICIT FROM ORDINARY ACTIV	-3 315 150 837,85	-1 886 712 154,55
II.1 SURPLUS/ DEF. FROM OPERATING ACTIVT	-3 315 150 837,85	-1 886 711 650,43
II.1.1. OPERATING REVENUES	-3 338 949 536,46	-2 158 081 760,35
II.1.1.7. Fines	-3 339 045 700,00	-2 158 335 500,00
II.1.1.9. Recovery of Expenses	-9 817,93	
II.1.1.9.A. Centralised Direct Managemen	-9 817,93	
II.1.1.10. Revenues from Admin. Operati		-1 065,40
II.1.1.10.D. Other Administrative Operat		-1 065,40
Other Administrative Operations		-1 065,40
II.1.1.11. Other operating revenues	105 981,47	254 805,05
II.1.1.11.C. Other Operating Revenues	105 981,47	254 805,05
Other Operating Revenues	105 981,47	254 805,05
II.1.2. OPERATING EXPENSES	23 798 698,61	271 370 109,92
II.1.2.1. Administrative Expenses	2 090 592,15	2 983 193,76
II.1.2.1.D. Other Administrative Expense	2 090 592,15	2 983 193,76
Other	2 090 592,15	2 983 193,76
II.1.2.2. Operating Expenses	21 708 106,46	268 386 916,16
II.1.2.2.A. Direct Centralised Managemen	-61 008,93	676 916,16
Centralised Direct Management	-61 008,93	676 916,16
II.1.2.2.F. Other Operating Expenses	21 769 115,39	267 710 000,00
Adjustments / Provisions	14 794 127,00	
Others	6 974 988,39	267 710 000,00
II.2. SURPLUS/DEF. NON OPERATING ACTIVIT	0,00	-504,12
II.2.1. Financial Operations Revenues	0,00	-504,12
II.2.1.2. Interest Revenues	0,00	-504,12
II.2.1.2.A. Other interest revenues	0,00	-504,12
Interest income on pre-financing	0,00	-504,12
<b>ASSETS</b>	<b>-1 299 980 009,66</b>	<b>5 378 249 995,81</b>
A.I. NON CURRENT ASSETS	-17 062,06	17 062,06
A.I.5. LT Pre-Financing	-17 062,06	17 062,06
A.I.5.1. LT Pre-Financing European Commi	-17 062,06	17 062,06
A.I.5.1.1. Centralised Direct Management	-17 062,06	17 062,06
Action Grants	-17 062,06	17 062,06
A.II. CURRENT ASSETS	-1 299 962 947,60	5 378 232 933,75
A.II.2. Short-term Pre-Financing	-5 202,53	5 202,53
A.II.2.1. ST Pre-Financing EC	44 938,51	-68 555,69
A.II.2.1.1. Centralised Direct Managemen	-3 392,83	104 448,64
Action Grants	-3 392,83	104 448,64
A.II.2.1.5. Accrued Charges PF EC	48 331,34	-173 004,33
Accrued Charges PF EC	48 331,34	-173 004,33
A.II.2.2. ST Pre-Financing Third Parties	0,00	
A.II.2.2.1. Centralised Direct Managemen	23 564,63	
Procurement	23 564,63	
A.II.2.2.6. Accrued Charges PF TP	-23 564,63	

A.II.2.3. ST Pre-Financing Upload	-50 141,04	73 758,22
A.II.3. Short-term Receivables	-1 299 957 745,07	5 378 227 731,22
A.II.3.2. Current Receivables	-1 299 964 212,74	5 378 217 429,32
A.II.3.1.1. CR Customers	-1 299 969 212,74	5 378 217 429,32
CR Customer Gross Amount	-1 292 994 224,35	5 459 728 912,04
CR Customer Amount Written Down	-6 974 988,39	-81 511 482,72
A.II.3.1.5. CR Other	5 000,00	
CR Other Gross Amount	5 000,00	
A.II.3.4. Other ST Receivables (Acc. & D	6 467,67	10 301,90
Accrued Income	-504,12	504,12
Deferred Charges	6 971,79	9 797,78
<b>LIABILITIES</b>	<b>-14 161 930,22</b>	<b>-983 445,01</b>
P.I. NET ASSETS/LIABILITIES		823 462,42
P.I.2. Accumulated Surplus / Deficit		823 462,42
P.III. CURRENT LIABILITIES	-14 161 930,22	-1 806 907,43
P.III.2. Provisions for Risks and Liabil	-14 794 127,00	
P.III.4. Accounts Payables	632 196,78	-1 806 907,43
P.III.4.1. Current Payables	-35 599,44	-364 819,56
P.III.4.1.2. CP Vendors	-19 775,44	-187 780,18
P.III.4.1.8. CP Other	-15 824,00	-177 039,38
P.III.4.3. Sundry Payables	0,00	-3 141,26
P.III.4.4 Other Acc. Payable (Accruals & Accrued charges	667 796,22	-1 438 946,61
Other	667 796,22	-1 438 946,61
Other	0,00	
<b>OFF BALANCE</b>	<b>0,00</b>	<b>589 515 221,00</b>
OB.2. Contingent Liabilities	28 572 537,56	-2 401 846 352,96
OB.2.5. CL Comm against app. not yet con	-34 628,11	-3 293 247,96
OB.2.9. CL Amounts relating to legal cas	28 607 165,67	-2 398 553 105,00
OB.3. Balancing Accounts	-28 572 537,56	2 991 361 573,96

It should be noted that the balance sheet, economic outturn account and off-balance sheet of Directorate General COMP, presented in Annex 4 to this Annual Activity Report, represent only the (contingent) assets, (contingent) liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and economic outturn account they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in table 9 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.