EUROPEAN DEFENCE AGENCY

2025 ANNUAL ACCOUNTS

Contents

Certification by Accounting Officer

The Annual Accounts of EDA for the year 2025 have been prepared in accordance with the European Defence Agency Financial Rules.

I have obtained from the Authorising Officer, who certified their reliability, all the information necessary to produce the accounts that show EDA's assets and liabilities and the budgetary implementation.

I hereby certify that based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of EDA.

Brussels, 30 June 2026

Bart Goessens

Accounting Officer

Bart Goessens (Signature)

Digitally signed by Bart Goessens (Signature)
Date: 2026.06.30 14:15:37 +02'00'

Activity report

The main activities of the Agency in 2025 are outlined in the Annual Report 2025. This publication can be viewed on the Agency Website:

https://www.eda.europa.eu/publications-and-data/all-publications

Result of the year

2025 Financial highlights

Figures in K € - Budgetary accounting

HISTORICAL DATA BUDGET IMPLEMENTATION						
Figures in k €	2025	2024	2023	2022	2021	2020
REVENUES						
MEMBER STATE CONTRIBUTIONS	54.611	50.338	43.593	38.076	36.507	35.533
DEDUCTIONS FROM STAFF REMUNERATION	2.328	2.263	2.092	1.939	1.771	1.698
FINANCIAL INCOME	446	946	672	23	7	16
OTHER REVENUES	819	1.547	384	383	402	375
TOTAL REVENUES	**58.204**	**55.094**	**46.741**	**40.421**	**38.687**	**37.622**
EXPENSES						
PERSONNEL EXPENSES	35.101	32.333	28.634	26.005	23.823	22.858
FUNCTIONING EXPENSES	8.349	7.415	7.852	7.611	6.062	7.917
OPERATIONAL PROJECTS & STUDIES	8.685	9.401	6.590	5.517	6.957	6.254
OTHER EXPENDITURE	4.006	249	87			
TOTAL EXPENSES	**56.141**	**49.398**	**43.164**	**39.133**	**36.842**	**37.029**
BUDGETARY SURPLUS REPAYABLE TO MS	**2.062**	**5.696**	**3.578**	**1.288**	**1.845**	**593**

Figures subject to rounding to nearest '000 Euro

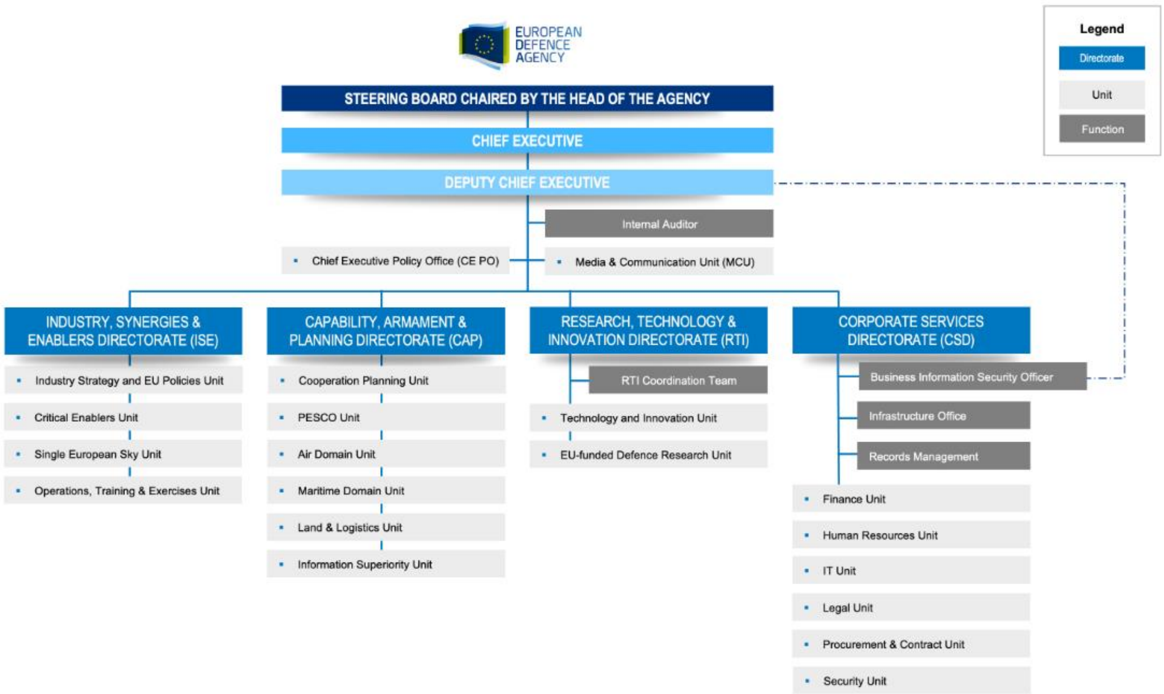
EDA structure and functions

The European Defence Agency is an Agency of the European Union ([1]), falling under the direction and authority of the Council, which issues guidance and guidelines to and receives reports from the Head of the Agency, High Representative of the Union for Foreign Affairs & Security Policy/Vice-President of the European Commission.

The Agency is governed by a Steering Board. The Head of the Agency chairs the Steering Board made up of Defence Ministers from the 27 EU Member States (MS)[2] and a representative of the European Commission. In addition to ministerial meetings at least twice a year, the Steering Board also meets at the sub-ministerial level: National Armaments Directors, Research and Technology Directors and in Capabilities formation.

The Agency is established "to support the Member States in their effort to improve European defence capabilities in the field of crisis management and to sustain the Common Foreign and Security Policy as it stands now and develops in the future".

The internal organisation of the Agency at the end of 2025 is represented here below.



[1] Council Decision (CFSP) 2015/1835 of 12 October 2015 defining the statute, seat and operational rules of the European Defence Agency and repealing Joint Action 2004/551/CFSP.
[2] On 23 March 2023, Denmark became the 27th Member State of the European Defence Agency.

Industry Synergies & Enablers (ISE)

The ISE Directorate facilitates work to address the implications of EU legislation and policies for the defence sector: REACH, procurement, funding instruments and the analysis of developments influencing governmental and industrial stakeholders.

In the wider context of military aviation, the Directorate facilitates the coordination of military views from and in support of Member States and the relevant international military organisations in the framework of Single European Sky (SES) and acts as the interface with the EU institutions and related bodies. The Directorate supports Member States in their efforts to enable RPAS integration in non-segregated airspace and in harmonising military aviation safety issues using a progressive introduction of total system approach to military aviation and addressing the aviation cyber aspects.

The ISE Directorate is responsible for activities on critical enablers to support defence cooperation and enhance interoperability: military airworthiness, standardisation and certification, defence test & evaluation and education and training. The Directorate provides support to CSDP military and civilian operations and missions as well as Member States using all existing EDA instruments cross-directorates.

Capability, Armament & Planning (CAP)

The Capability, Armament & Planning Directorate (CAP) identifies, plans and proposes collaborative opportunities in support of EU capability development priorities and tailored to Member States' needs, representing a coherent approach from priority setting to impact.

The Directorate is in charge of elaborating the Capability Development Plan (CDP), based on the analysis of military requirements conducted together with Member States. It also identifies output-oriented EU capability development priorities and coordinates the development of Strategic Context Cases to facilitate the implementation of these priorities.

The Directorate coordinates the Coordinated Annual Review on Defence (CARD), for which the Agency provides the secretariat, establishing a regularly updated overview of the European defence capability landscape and its coherence.

The Directorate provides EDA's secretariat functions to the Permanent Structured Cooperation (PESCO), together with the European External Action Service, including the EU Military Staff. Within the PESCO secretariat, the Directorate coordinates EDA's assessment of PESCO project proposals from the capability perspective, as well as the National Implementation Plans of PESCO participating Member States and supports PESCO project implementation.

Research, Technology & Innovation (RTI)

The RTI Directorate provides support to Member States and to the European Commission for the Preparatory Action for defence research, including its implementation, and the research dimension of the European Defence Fund. The Directorate also ensures the promotion of innovation in defence and the exploitation of synergies at EU level with civil research in dual-use technology fields.

Corporate Services Directorate (CSD)

The Corporate Services Directorate (CSD) provides critical business support to EDA operations by delivering high-quality corporate services under seven dedicated organizational elements, namely: Human Resources; Procurement and Contract Management; Finance; IT and Information Management, Security, Legal and Infrastructure. Additionally, the Record Manager is responsible for the effective management of information produced and/or received by the organisation.

CSD processes are geared towards efficient and optimal use of resources, leveraging good practice and technological solutions while ensuring sound financial management, transparency and accountability; outward focus and commitment to continuous improvement are the hallmarks of CSD.

Financial statements

Principles of the budgetary implementation

The budget of the Agency is established and implemented in compliance with the principles set out in EDA Financial Rules: principle of unity and budgetary accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency. The compliance with the budgetary principles requires effective and efficient internal control.

Principles of unity and of budgetary accuracy

No revenue shall be collected, and no expenditure effected unless booked to a line in the Agency's budget. No expenditure may be committed or authorised in excess of the appropriations authorised by the Agency's budget. An appropriation may be entered in the Agency's budget only if it is for an item of expenditure considered necessary.

Principle of annuality

The appropriations entered in the Agency's budget shall be authorised for a financial year which shall run from 1 January to 31 December.

Principle of equilibrium

Revenue and payment appropriations shall be in balance.

Principle of unit of account

The budget of the European Defence Agency shall be drawn up and implemented in Euro (€) and the accounts shall be presented in Euro (€).

Principle of universality

Total revenue shall cover total payment appropriations. All revenue and expenditure shall be entered into the budget in full without any adjustment against each other.

Principle of specification

Appropriations shall be earmarked for specific purposes at least by title and chapter.

Principle of sound financial management

Appropriations shall be used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency, and effectiveness. The principle of economy requires that the resources used by the Agency in the pursuit of its activities are made available in due time, in appropriate quantity and quality and at the best price.

The principle of efficiency concerns the best relationship between resources employed and results achieved. The principle of effectiveness concerns the attainment of the specific objectives set and the achievement of the intended results.

Principle of transparency

EDA budget shall be established and implemented, and the accounts presented in accordance with the principle of transparency. The Agency's budget, including the staff establishment plan and amending budgets, as adopted, shall be published on the internet site of the Agency within four weeks of their adoption.

Consolidated budget implementation report

2025 Consolidated budget implementation report

CONSOLIDATED BUDGET IMPLEMENTATION REPORT 2025									
	EDA GENERAL BUDGET			AD HOCS			ADDITIONAL REVENUE		
Figures in €	2025 Budget (REV)	2025 Committed	2025 Paid	2025 Budget	2025 Committed	2025 Paid	2025	2025 Committed	2025 Paid
Title I : PERSONNEL EXPENSES	35.101.130	35.101.130	34.812.838						
Title II : FUNCTIONING EXPENSES	8.359.011	8.349.219	6.415.635					6.117.947	1.814.532
TOTAL PERSONNEL & FUNCTIONING EXPENSES	**43.460.141**	**43.450.349**	**41.228.473**					**6.117.947**	**1.814.532**
Title III : OPERATIONAL BUDGET	9.125.000	8.685.006	1.354.881		226.357.166	181.667.100		159.869.636	87.765.425
Title IV : OTHER EXPENDITURE	4.106.000	4.005.756	1.969.180						
TOTAL EXPENSES	**56.691.141**	**56.141.112**	**44.552.534**		**226.357.166**	**181.667.100**		**165.987.583**	**89.579.958**
Title IV: MISC. COMMUNITY TAXES, LEVIES & DUES	2.000.000		2.327.715						
Title V: FINANCIAL INCOME			445.577			4.313.101			1.713.917
Title VI: pMS CONTRIBUTIONS	54.691.141		54.611.324			239.134.423			70.091.022
Title VII: OTHER REVENUES			818.948			800			-
TOTAL REVENUES	**56.691.141**		**58.203.563**			**243.448.325**			**71.804.939**
BUDGETARY SURPLUS REPAYABLE TO MS			**2.062.452**			**N/A**			**N/A**

Budgetary implementation reports

Fund source C1 (2025 budget)

The fund source "C1" represents the funds budgeted for and implemented in the current financial year. Below, the 2025 budget figures under the heading (Initial) show the figures as initially adopted, while the budget figures under the heading (REV) show the budget after transfers and amendment at the end of the budget year.

Figures in €	Notes	2025 Budget (Initial)	2025 Budget (REV)	2025 Committed	2025 Paid
EXPENSES					
Title I : PERSONNEL EXPENSES	2	**33.382.000**	**35.101.130**	**35.101.130**	**34.812.838**
Chapter 11: TEMPORARY STAFF		22.569.000	24.637.290	24.637.290	24.637.290
Chapter 12: SNE, CONTRACT & OTHER STAFF		8.169.000	7.627.614	7.627.614	7.576.759
Chapter 13: STAFF RELATED		2.644.000	2.836.227	2.836.227	2.598.790
Title II : FUNCTIONING EXPENSES	3	**8.488.000**	**8.359.011**	**8.349.219**	**6.415.635**
Chapter 20: BUILDING AND BUILDING RELATED EXPENSES		4.418.000	4.202.056	4.202.056	3.569.612
Chapter 21: INFORMATION TECHNOLOGY EXPENSES		3.264.000	3.613.718	3.604.881	2.630.906
Chapter 22: OTHER FUNCTIONING EXPENSES		806.000	543.237	542.282	215.116
TOTAL PERSONNEL & FUNCTIONING EXPENSES		**41.870.000**	**43.460.141**	**43.450.349**	**41.228.473**
Title III : OPERATIONAL BUDGET EXPENSES					
Chapter 30: PROJECTS AND STUDIES	4	9.125.000	9.125.000	8.685.006	1.354.881
TOTAL OPERATIONAL BUDGET		**9.125.000**	**9.125.000**	**8.685.006**	**1.354.881**
Title IV : OTHER EXPENDITURE					
Chapter 40: OTHER EXPENDITURE	4	-	4.106.000	4.005.756	1.969.180
TOTAL OTHER EXPENDITURE		**0**	**4.106.000**	**4.005.756**	**1.969.180**
TOTAL EXPENSES		**50.995.000**	**56.691.141**	**56.141.112**	**44.552.534**
REVENUES					
Title IV: TAXATION					
Chapter 40: DEDUCTIONS FROM STAFF REMUNERATIO	5	2.000.000	2.000.000		2.327.715
Title V: FINANCIAL INCOME					
Chapter 50: FINANCIAL INCOME					445.577
Title VI: MEMBER STATE CONTRIBUTIONS					
Chapter 60 : MEMBER STATE CONTRIBUTIONS	6	48.995.000	54.691.141		54.611.324
Title VII: OTHER REVENUES					
Chapter 75 : OTHER REVENUES	5				818.948
TOTAL REVENUES		**50.995.000**	**56.691.141**		**58.203.563**
BUDGETARY SURPLUS	7				**2.062.452**

Fund source C4 (2025 budget)

The fund source “C4” fund source represents amounts recovered during 2025 from EDA suppliers, external experts or staff members (e.g. in the context of mission reimbursements). The funds concerned are made available again for expenditure following the cashing of such recoveries.

Figures in €	*Notes*	**2025** *(Fund source C4)*		
EXPENSES		**Budget**	**Committed**	**Paid**
Title I : PERSONNEL EXPENSES	*2*	**-**	**-**	**-**
Chapter 11: TEMPORARY STAFF		-	-	-
Chapter 12: SNE, CONTRACT & OTHER STAFF		-	-	-
Chapter 13: STAFF RELATED		-	-	-
Title II : FUNCTIONING EXPENSES		**-**	**-**	**-**
Chapter 20: BUILDING AND BUILDING RELATED EXPENSES		-	-	-
Chapter 21: INFORMATION TECHNOLOGY EXPENSES		-	-	-
Chapter 22: OTHER FUNCTIONING EXPENSES		-	-	-
TOTAL PERSONNEL & FUNCTIONING EXPENSES		**0,00**	**0,00**	**0,00**
Title III : OPERATIONAL BUDGET EXPENSES				
Chapter 30: PROJECTS AND STUDIES		-	-	-
TOTAL OPERATIONAL BUDGET		**0,00**	**0,00**	**0,00**
Title IV : OTHER EXPENDITURE				
Chapter 40: OTHER EXPENDITURE		-	-	-
TOTAL OTHER EXPENDITURE		**0,00**	**0,00**	**0,00**
TOTAL EXPENSES		**0,00**	**0,00**	**0,00**

Fund source C8 and C2 (carry over from previous years)

The fund source "C8" represents appropriations which were automatically carried over from 2025 to 2026, to meet obligations arising from legal commitments signed in previous year(s). Operational Budget expenses (Title III) are paid from the fund source "C2".

Figures in €	*Notes*	**2025** *(Fund source C8 & C2)*		
EXPENSES		**Budget**	**Committed**	**Paid**
Title I : PERSONNEL EXPENSES	*2*	**314.443**	**259.686**	**259.686**
Chapter 11: TEMPORARY STAFF		-	-	-
Chapter 12: SNE, CONTRACT & OTHER STAFF		66.791	66.791	66.791
Chapter 13: STAFF RELATED		247.652	192.895	192.895
Title II : FUNCTIONING EXPENSES		**2.211.476**	**1.903.127**	**1.891.431**
Chapter 20: BUILDING AND BUILDING RELATED EXPENSES		646.725	502.730	502.730
Chapter 21: INFORMATION TECHNOLOGY EXPENSES		925.476	829.053	820.679
Chapter 22: OTHER FUNCTIONING EXPENSES		639.275	571.344	568.021
TOTAL PERSONNEL & FUNCTIONING EXPENSES		**2.525.919**	**2.162.813**	**2.151.117**
Title III : OPERATIONAL BUDGET EXPENSES				
Chapter 30: PROJECTS AND STUDIES		14.763.668	14.349.994	7.366.737
TOTAL OPERATIONAL BUDGET		**14.763.668**	**14.349.994**	**7.366.737**
Title IV : OTHER EXPENDITURE				
Chapter 40: OTHER EXPENDITURE		145.113	142.403	142.403
TOTAL OTHER EXPENDITURE		**145.113**	**142.403**	**142.403**
TOTAL EXPENSES		**17.434.701**	**16.655.210**	**9.660.256**

Budget transfers and amendments

EXPENSES *Figures in €*	**2025** *(Transfers & Amendments)* Initial budget	Amendments*	Transfers	Final budget
Title I : PERSONNEL EXPENSES	**33.382.000**	**1.530.141**	**188.989**	**35.101.130**
Title II : FUNCTIONING EXPENSES	**8.488.000**	**60.000**	**(188.989)**	**8.359.011**
Title III : OPERATIONAL BUDGET EXPENSES	**9.125.000**	**0**	**0**	**9.125.000**
Title IV : OTHER EXPENDITURE	**0**	**4.106.000**	**0**	**4.106.000**
TOTAL EXPENSES	**50.995.000**	**5.696.141**	**0**	**56.691.141**

* Surplus 2024 entered into budget 2025

Summary 2025 budget implementation

Budget 2025 - Expenditure	**Budget (REV)** A	**Committed** B	**%**	**Paid** C	**%**	**Surplus Budget/Expenditure** D = A-B
Title I Personnel Expenses	35.101.130	35.101.130	100%	34.812.838	99%	-
Title II Functioning Expenses	8.359.011	8.349.219	100%	6.415.635	77%	9.792
Title III Operational Expenses	9.125.000	8.685.006	95%	1.354.881	15%	439.994
Title IV Other Expenses	4.106.000	4.005.756	98%	1.969.180	48%	100.244
Total	**56.691.141**	**56.141.112**	**99%**	**44.552.534**	**79%**	**550.029**

Budget 2025 - Revenue	**Budget** A	**Revenue** B	**%** C	**Surplus Revenue** E = B-A
Title IV Deductions from Staff Remuneration	2.000.000	2.327.715	116%	327.715
Title V Financial Income	-	445.577	-	445.577
Title VI pMS Contributions	54.691.141	54.611.324	100%	(79.817)
Title VII Other Revenues	-	818.948	-	818.948
Total	**56.691.141**	**58.203.563**	**103%**	**1.512.422**

Total Surplus D + E	**2.062.452**

Evolution of outstanding budgetary commitments

The table below shows the evolution of commitments carried forward from previous years and the open balance of 2025 budgetary commitments at the end of the year.

Carry forwards from previous years				
	Initial amount outstanding	Amounts paid	Carryforwards cancelled in 2025	Outstanding
Title I Personnel Expenses	314.443	259.686	54.757	0
Title II Functioning Expenses	2.211.476	1.891.431	308.349	11.697
Title III Operational Expenses	14.763.668	7.366.737	413.674	6.983.257
Title IV Other Expenses	145.113	142.403	2.711	0
Totals	**17.434.701**	**9.660.256**	**779.490**	**6.994.954**

Outstanding Commitments 2025				
Title	Initial amount	Amounts paid	Amounts cancelled	Outstanding
Title I Personnel Expenses	35.101.130	34.812.838	0	288.292
Title II Functioning Expenses	8.349.219	6.415.635	0	1.933.584
Title III Operational Expenses	8.685.006	1.354.881	0	7.330.125
Title IV Other Expenses	4.005.756	1.969.180	0	2.036.576
Totals	**56.141.112**	**44.552.534**	**0**	**11.588.577**

The following table presents a comprehensive summary of outstanding amounts under "Title III – Operational expenses" from previous years as at the close of 2025, categorised by the budget from which each budgetary commitment originated. Of these open budgetary commitments, the majority (65% of outstanding amounts) are carried forward as the related contracts are still ongoing, with their completion expected in 2026 or later. In addition, the remaining 35% of outstanding amounts are carried forward in cases where associated payments have not been finalised yet by the end of 2025. This ensures that the Agency retains adequate funds to promptly process outstanding contractor invoices as soon as they are received. These cases are expected to be settled in 2026.

Carry forwards from previous years							
	Ongoing contracts - End date in 2026 or later		Delivery finalised - Pending settlement		Total		
Initial Budget	Number of contracts	Open amount	Number of contracts	Open amount	Number of contracts	Open amount	%
2022	-	-	5	747.367	5	747.367	11%
2023	2	449.682	7	650.077	9	1.099.759	16%
2024	36	4.103.020	11	1.033.111	47	5.136.132	74%
Totals	**38**	**4.552.703**	**23**	**2.430.555**	**61**	**6.983.257**	**100%**
		65%		**35%**			

Balance sheet

BALANCE SHEET

Figures in €	*Notes*	31.12.2025	31.12.2024
ASSETS			
A. NON-CURRENT ASSETS			
IT ASSETS UNDER CONSTRUCTION		0	0
IT EQUIPMENT		191,054	544,753
OFFICE FURNITURE		2,486	3,783
OFFICE TECHNICAL EQUIPMENT		20,299	32,436
TOTAL NON-CURRENT ASSETS	*8*	**213,840**	**580,973**
B. CURRENT ASSETS			
Short-term receivables			
ADVANCE PAYMENTS ON SUPPLIERS			
PREFINANCING		2,248,484	0
SUNDRY RECEIVABLES		112,711	56,812
DEFERRED CHARGES		332,582	350,949
MS CONTRIBUTION RECEIVABLES		22,132,218	14,814,625
ACCRUED INCOME		0	262,179
Short-term receivables	*13*	**24,825,994**	**15,484,565**
Cash and cash equivalents			
EDA general		20,362,591	24,879,299
EDA Pensions		25,206,828	22,251,953
Cash and cash equivalents	*9*	**45,569,419**	**47,131,252**
TOTAL CURRENT ASSETS		**70,395,414**	**62,615,817**
TOTAL ASSETS		**70,609,253**	**63,196,790**

BALANCE SHEET

Figures in €

LIABILITIES & EQUITY	*Notes*	31.12.2025	31.12.2024
STAKEHOLDERS EQUITY			
ACCUMULATED SURPLUS		13,120,988	11,287,761
ACCOUNTING SURPLUS/LOSS		781,980	1,833,227
STAKEHOLDERS	*10*	**13,902,968**	**13,120,988**
SUPPLIER PAYABLES			
ACCRUED EXPENSES	*11*	7,949,811	5,727,717
- THEREOF FUNCTIONING		1,775,585	993,517
- THEREOF OPERATIONAL		6,174,227	4,734,200
AP SUPPLIERS		344,749	275,733
AP MS		12,204	2,360
AP EU AG_rec		0	3,434
AD-HOC PAYABLE		58,929	15
SUNDRY PAYABLES		415,883	281,542
SUPPLIER PAYABLES		**8,365,694**	**6,009,259**
STAFF PAYABLES	*12*		
STAFF PENSION ACCRUALS		24,181,306	21,318,589
STAFF SUNDRY PAYABLES		13,107	202,717
STAFF PAYABLES		**24,194,413**	**21,521,307**
DEFERRED REVENUE	*18*		
ADVANCE MS CONTRIBUTIONS		22,119,726	16,849,095
FUNDING SURPLUS CURRENT YEAR		2,026,452	5,696,141
ADVANCE CONTRIBUTIONS		**24,146,178**	**22,545,236**
TOTAL LIABILITIES		**56,706,285**	**50,075,802**
TOTAL LIABILITIES & EQUITY		**70,609,253**	**63,196,790**

Cash flow statement

CASH FLOW	Notes		
Figures in €		31.12.2025	31.12.2024
Cash Flows from Operating Activities			
Receipts			
PMS CONTRIBUTIONS		47,109,799	48,412,127
OTHER RECEIPTS	17	18,112	86,022
RESIDUAL FUNDS PROJECTS		0	0
PENSION/SALARY CONTRIBUTIONS FROM ADDITIONAL REVENUE	16	2,414,945	1,157,484
BANK INTEREST		779,998	1,620,151
REGULARISATION TRANSFERS BETWEEN ACCOUNTS	14	7,909,465	6,547,630
Total receipts		**58,232,320**	**57,823,415**
Payments			
EDA GENERAL		(46,612,342)	(37,785,932)
PENSIONS		(5,266,156)	(5,103,412)
OTHER CHARGES		(6,189)	(5,718)
REGULARISATION TRANSFERS BETWEEN ACCOUNTS	14	(7,909,465)	(6,609,101)
Total payments		**(59,794,153)**	**(49,504,164)**
Net Cash Flows from Operating Activities		**(1,561,833)**	**8,319,251**
Cash Flows from Investing Activities			
PURCHASE OF ASSETS		0	(40,268)
Net Cash Flows from Investing Activities		**0**	**(40,268)**
Net increase/ (decrease) in cash and cash equivalents		(1,561,833)	8,278,983
Cash and cash equivalents at beginning of period		47,131,252	38,852,269
Cash and cash equivalents at end of period		**45,569,419**	**47,131,252**

Statement of financial performance

Statement of Financial Performance	Notes	Reporting period (01.2025-16.2025)	Reporting period (01.2024-16.2024)
I. ECONOMIC RESULT OF THE YEAR (CALCULATED)		**781,980**	**1,833,227**
II.1 REVENUES			
II.1.1 Operating revenues		55,041,659	46,951,878
II.1.2 Financial revenues		298,412	840,716
II.1.3 Other revenues		0	2,000
TOTAL REVENUE		**55,340,070**	**47,794,594**
II.2. EXPENSES	*2,3,4*		
II.2.1 Operational Studies and Projects		9,803,103	5,817,176
II.2.2 Staff expenses		34,181,321	31,456,334
II.2.3 Administrative and IT expenses		10,200,024	7,772,859
II.2.4. Fixed asset related expenses	*8*	334,543	917,005
II.2.5. Financial expenses	*15*	39,099	(2,006)
TOTAL EXPENDITURE		**54,558,090**	**45,961,367**

Statement of changes in net assets

Statement of change in net assets	Accumulated Surplus (Deficit)	Economic result of the year	Net Assets
Balance as of 31/12/2024	**11,287,762**	**1,833,227**	**13,120,988**
Allocation of economic result 2024	1,833,227	-1,833,227	0
Economic result 2025		**781,980**	**781,980**
Balance as of 31/12/2025	**13,120,988**	**781,980**	**13,902,968**

The statement of changes in net assets reflects the movement in the liabilities as from 31 December 2024 to 31 December 2025.

Reconciliation between budget outturn and economic outturn

RECONCILIATION BETWEEN BUDGET OUTTURN AND ECONOMIC OUTTURN		
	2025	**2024**
Figures in €		
Budgetary result	**2,062,452**	**5,696,141**
Adjustments for items not in the budgetary result but in the economic result		
Income Projects C4 income		
Accued income	0	262,179
Accrued income reversal	(262,179)	
Depreciation	(334,543)	(917,005)
Accrued assets		
Accrued charges	(7,949,811)	(5,727,717)
Accrued charges reversals	5,727,717	5,517,342
C4 expenditure		
C8 expenditure	(9,660,256)	(7,242,817)
Deferred expenditure	332,582	350,949
Deferred expenditure reversal	(350,949)	(260,629)
Previous year pre-financing/advances expensed in current year		
Invoices with no payment in current year	(184,770)	(459,775)
Budgetary result (pre-financing) deducted from revenue	(2,062,452)	(5,696,141)
Direct expenditure accounting entries	360,245	966,161
Adjustments for items in the budgetary result but not in the economic result		
Asset acquisition	0	70,334
Carry forward cancellations	(779,490)	(1,509,939)
Carry over	11,588,577	11,234,381
Prefinancing payment	2,248,484	
Other	(29,052)	(56,878)
Payment / cancellations of invoices registered in the previous year	75,427	(397,373)
Appropriations current year not committed		
Budget amendment / Surplus of previous year		
Direct expenditure budget entries		
Total	**781,981**	**1,829,215**
Economic result	**(781,980)**	**(1,829,215)**
Discrepancy	**0**	**0**

Notes to the financial statements

Note 1 – Basis of presentation and specific accounting policies

Basis of presentation

EDA annual accounts have been established in conformity with:

- Council Decision (CFSP) 2015/1835 of 12 October 2015 defining the statute, seat and operational rules of the European Defence Agency
- Council Decision (EU) 2016/1353/CFSP of 4 August 2016 on the financial rules of the European Defence Agency.

In certain tables figures have been rounded to the nearest '000 € for ease of reference.

2025 Budget

The EDA General Budget for 2025 amounting to €50,995,000 was adopted by the Steering Board on 19 November 2024.

The first 2025 amending budget, totalling €52,664,038, was adopted on 21 April 2025. With this amendment, the remaining balance at the end of 2024 under Chapter 40 "New Building Project expenses" was re-inscribed under the 2025 general budget. The establishment of Chapter 40 "New Building Project" under Title IV "Other expenses" was approved in 2023 by the Steering Board as a dedicated budget chapter to cover expenditure related to the new EDA building project.

The second 2025 amending budget, totalling €54,695,000, was adopted on 20 August 2025. This amendment addressed the allocation of an additional €2,030,962 from the 2024 overall budget surplus to provide funding in 2025 for the continued implementation of essential services and works contracts for the New Building project.

The third 2025 amending budget, totalling €56,691,141, was adopted on 24 November 2025. With this amendment, the remaining amount of the 2024 budgetary surplus (€1,996,141) was inscribed in the 2025 general budget in accordance with the Steering Board's decision as follows:

- €1,530,141 covering the Agency's statutory obligations related to staff expenditure (Title I);
- €60,000 allowing to fully cover the first phase of the new EUCI capabilities development roadmap (Title II);
- €406,000 (Title IV) to anticipate contracts and orders related to the fitting-out of the Agency's new premises initially planned for 2026.

In the table "2025 Budget transfers and amendments" information is provided on transfers in budget and amendments between the expenditure titles implemented during the year.

Member States (MS) contributions

The 2025 contributions from the 27 EU Member States are calculated in accordance with the principles of the EU budget proportional share of the MS's Gross National Income (GNI) in the total GNI aggregate[3].

Contributions are due in three instalments, by 15 March, 15 June and 15 October (Art. 16, Council Decision (CFSP) 2015/1835 of 12 October 2015 defining the statute, seat and operational rules of the European Defence Agency).

Following the three calls for contribution to the 2025 EDA general budget, a total of €48,915,183 was paid in 2025. This figure includes €122,111 from surplus transfers originating from closed ad hoc projects. Additionally, the budgetary surplus from 2024 (€5,696,141) was inscribed in the 2025 budget. Consequently, Member State contributions for 2025 amount to a total of €54,611,324.

Budget structure and presentation

The 2025 EDA general budget was adopted by the Steering Board at chapter level. In accordance with Article 21 of EDA Financial Rules, "the structure of the budgetary implementation report shall be the same as of the budget itself". The presentation of the budget implementation report in the annual accounts 2025 follows this requirement.

Specific accounting policies

Fixed asset policy

Items acquired by the Agency purchase price of which is €5 K or more, with a period of use greater than one year, and which are not consumables are recorded in the fixed assets accounts. The Agency performs an annual inventory of its fixed tangible assets, where all qualifying assets are individually monitored and recorded in the fixed asset database.

The cost of fixed assets comprises the purchase price, including any directly attributable costs of bringing the asset into working condition for its intended use. However, routine maintenance and repairs are not capitalised but charged to expenses as incurred.

In line with the Agency's policy, asset-invoices are booked as expenses during the year and transferred to the balance sheet at year-end.

Depreciation / amortisation

Depreciation is computed on a straight-line basis, from the date of purchase, over the estimated useful life of the assets:

- 9 years for fitting-out of premises (building related investments);
- 3-5 years for office furniture and office technical equipment;
- 3-5 years for IT equipment and software and security equipment;
- 5 years for custom built IT solutions and systems.

[3] Reference: Definitive adoption (EU, Euratom) 2025/31 of the European Union's general budget for the financial year 2025

Accruals

Accrual charges for Title I (personnel related, such as unspent leave) and Title II (administrative expenditure) are calculated based on expected invoices/charges to be received/charged at the beginning of 2026 and relating to goods/services delivered in 2025 and leave entitlements of 2025.

Accruals for Title III are calculated on a pro rata basis to ensure the closest possible estimate.

Deferrals

Deferred charges are calculated based on the invoices received during 2025 for services which will be delivered in part or in full during 2026. Most of the services which fall under this category are software subscriptions and software maintenance services.

Pensions

The pension rights of temporary and contract staff, including the corresponding interests, are capitalised on the Agency's balance sheet to cover future pension obligations.

Staff pension rights are composed of:

- 2/3 contribution by EDA, booked as expenses and capitalised on the balance sheet;
- 1/3 contribution by staff, deducted from the staff remuneration and capitalised on the balance sheet.

The accumulated pension rights liability included in the balance sheet is calculated as the overall employee and employer pension contribution retained via payroll minus all transfers made to extinguish the liability towards individual employees. A comparison calculation with IPSAS 39 has been made and our total amount outstanding is in line with the calculation that is in accordance with IPSAS 39.

Advance Calls for Contributions

The first call for contributions for the year N+1 is issued in year N. The full value of the calls issued in advance is shown on the balance sheet as deferred revenue and the value of the calls which are not cashed by 31 December is shown under the Short-Term Receivables heading.

Revenue

The revenue is recognized when earned in accordance with the financing rules of the Agency.

The revenue stemming from the annual voted budget plus any amendments not recognized previously into the equity section is recognized as earned based on the implementation rate. The surplus for the year is recognized as a liability on the balance sheet, in line with the financial rules.

Note 2 – Personnel expenses

In 2025, the budgetary personnel expenses amount to €35,101,130 in commitments.

The remuneration of the members of the temporary and contract staff is determined according to the European Defence Agency Staff Regulations.

Personnel categories

EDA employs different categories of personnel:

1. Temporary staff

Staff engaged to fill temporarily a post included in the list of posts appended to the budget of the Agency. They are classified in an administrators' function group (AD), corresponding to administrative, advisory, linguistic, and scientific duties, and assistants' function group (AST), corresponding to executive, technical and clerical duties.

2. Contract staff

Staff not included in the Staff Establishment Plan and engaged for the performance of full-time or part-time duties. Contract staff are subdivided into four function groups corresponding to the duties performed. Each function group is subdivided into grades and steps.

3. Seconded National Experts

Temporarily assigned experts from the Member States' administrations in accordance with EDA's requirements and budgetary possibilities and in accordance with the EDA SNE Rules.

4. Experts on cost-free secondment

Temporarily assigned experts from the Member States' administrations, from a third country with which the Agency has concluded an administrative arrangement, or from organisations/entities with an Administrative Arrangement with the Agency. These secondments do not entail the payment of any allowances or expenses for the Agency.

5. Trainees

EDA has been running its own traineeship programme since October 2018.

Staff remuneration & allowances

Basic salaries

Staff basic salaries (TBA) are processed through the EU Paymasters Office's (PMO), using the NAP system. Grades and salary parameters are updated annually.

Staff statutory allowances & staff social protection

Staff statutory allowances & staff social protection are governed by the EDA Staff Regulations.

Invalidity allowance

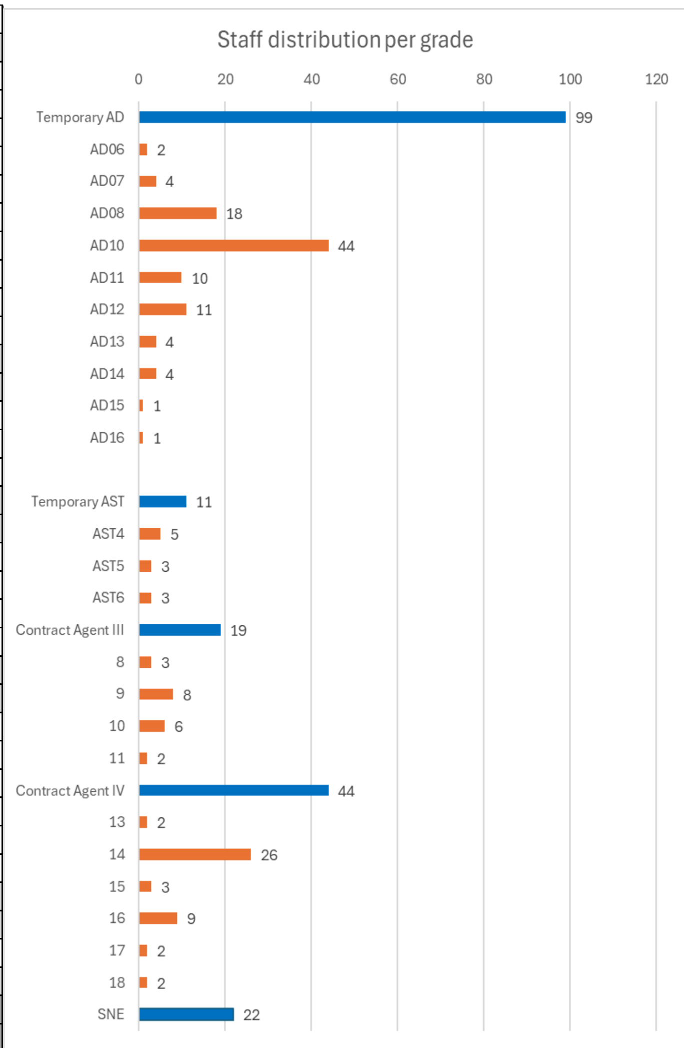
Following termination of employment with EDA due to invalidity, one former Contract staff member is currently in receipt of Invalidity Allowance from EDA.

Staff allowances on entering & leaving service

Staff allowances on entering & leaving service are governed by the EDA Staff Regulations.

EDA staff on 31 December 2025

Category/Grade	Grand Total	female	male
Temporary AD	**99**	**21**	**78**
AD06	2	1	1
AD07	4	1	3
AD08	18	3	15
AD10	44	11	33
AD11	10	1	9
AD12	11	2	9
AD13	4		4
AD14	4	2	2
AD15	1		1
AD16	1		1
		21%	**79%**
Temporary AST	**11**	**9**	**2**
AST4	5	4	1
AST5	3	2	1
AST6	3	3	
		82%	**18%**
Contract Agent III	**19**	**11**	**8**
8	3	2	1
9	8	4	4
10	6	3	3
11	2	2	
		58%	**42%**
Contract Agent IV	**44**	**25**	**19**
13	2	2	
14	26	14	12
15	3	1	2
16	9	6	3
17	2	1	1
18	2	1	1
		57%	**43%**
SNE	**22**	**1**	**21**
AD10/AD11	22	1	21
		5%	**95%**
Grand Total	**195**	**67**	**128**
		34%	**66%**



Temporary staff

110 Temporary Agents were present in the Agency on 31 December 2025. Payment of salary and allowances of temporary agents are governed by the European Defence Agency Staff Regulations.

Contract staff

63 contract staff were present in the Agency on 31 December 2025. Payment of salary and allowances of contract staff are governed by the European Defence Agency Staff Regulations.

Seconded National Experts (SNEs)

On 31 December 2025, 22 SNEs were present at the Agency. Payment of allowances are governed by the SNE rules of the Agency.

Trainees

On 31 December 2025, the Agency had 18 trainees.

Other staff related expenses

Recruiting expenses

Miscellaneous recruiting expenses related travel and accommodation of recruited staff, organisation of selection procedures as well as medical examinations related to recruitment.

Mission expenses

Expenses related to mission travels, including transport, accommodation and daily allowance.

Medical expenses

Relate to annual health examinations of staff.

Learning and development

Staff training expenses: mandatory and professional development training.

Other external services

Include insurance for staff going on missions, EU Paymasters Office’s (PMO) fees.

Social dialogue and staff wellbeing

Expenses related to staff social activities.

Representation expenses

Expenses related to official receptions: catering, event organisation.

Note 3 – Functioning expenses

Building and building-related expenses

Building lease expenditure

The Agency signed a standard Belgian lease for the office building at Rue des Drapiers in Brussels. Rent is settled on a quarterly basis and includes related taxation and indexation.

By 1 July 2027 the Agency will move to a new office building, "The Muse", located in Rue d'Arlon 75-77, in Brussels. The signature of the usufruct contract for 15 years took place on 1 July 2024. The infrastructure fit out of the building by the landlord is ongoing, with hand-over to EDA scheduled for April 2026, followed by the necessary EDA fit-out works which are planned to be completed by June 2027. From the hand-over date onwards, EDA will enjoy a rent-free period of 15 months. The lease period of 15 years will start as of 1 July 2027.

The total payments under the usufruct contract over 15 years amount to €50,572,072 covering the rental costs (subject to annual indexation), while the re-payments for the fit-out works performed by the landlord amount to a total of €17,462,535 over 15 years (not subject to annual indexation).

During 2025, the Agency recognised €146,000 as expenses related to the new building, mainly advisory costs. In addition, €1,808,347 was paid as pre-financing.

Fitting out of premises

Investments related to the fitting-out of office premises, notably: adjustments for meeting rooms, office partitioning to accommodate new staff members, external lighting, building air-conditioning and other building adjustment expenses.

Office furniture

Desks, tables, chairs, conference room equipment, filing cabinets, cupboards and all miscellaneous office furniture.

Security services and equipment

Expenses related to 24-hour building surveillance, notably security services and guards, surveillance cameras, surveillance locks, cabinets, security doors and other equipment to ensure security of EDA premises.

Cleaning and facility services

Building cleaning and maintenance contracts, including cleaning supplies.
Expenses related to waste removal, recycling services.

Preventive and corrective maintenance of technical installations and other building related expenditure

Services for maintenance and repair of technical equipment and installations: electrical systems, air conditioning, elevators, alarm systems and other technical installations, plumbing, heating, gardening.

Utility services

Building utility expenses related to water, electricity, and heating.

Insurances

Selected insurance policies related to EDA premises.

Health and safety

Expenses related to the review and implementation of EDA health and safety policy.

Office supplies

Standard office supplies, including paper, stationery and office consumables.

Postal & delivery expenditures

Postage, express mail.

Mobility related expenditures

Rental fees for office vehicle and related operational & maintenance costs.

Information Technology expenses

IT hardware and software

All expenses related to the Agency's IT systems: servers, desktops, laptops and other IT equipment and software.

IT services and development

Expenses related to development and installation of software, banking software, financial management and accounting systems.

Telecommunication costs

Telecommunication expenses: mobile, internet and dedicated telecommunication lines.

EUCI

Dedicated budget line covering expenses related to the EU classified information project.

Other functioning

Translation and interpretation services

Expenses related to translation (ex: contracts, brochures etc.)

Subscriptions and publication services

Expenses related to specialised information sources and press subscriptions.

Corporate communication expenditures

Expenses related to EDA corporate communication and EDA annual conference.

Meetings, conferences, and seminars

Expenditure related to the organisation of meetings, conferences and seminars, for example for venues and catering.

Other services

Other services include specialised legal support, corporate project support, audits, and advisory.

Note 4 – Operational expenditure

The operational expenditure covers the operational projects and studies based on the three-year-planning framework (3YPF) adopted by the EDA Steering Board. Operational projects and studies are coordinated by the Industry Synergies & Enablers (ISE) Directorate, the Capability, Armament & Planning Directorate (CAP) Directorate and the Research, Technology & Innovation (RTI) Directorate.

Note 5 – Budgetary revenues

Operating revenues

The operating revenues consist of the Member States contributions (€54,611,324), the taxation on staff remuneration (€2,327,715), carry forward cancellations of previous years (€779,490) and other revenues (€39,458).

Financial revenues

Financial revenues consist of bank interests (€402,689) and interest on late payments of MS contributions (€42,887).

Note 6 – MS contributions

Following the 2025 calls for MS contributions, a total of €48,915,183 was paid in 2025. This figure includes €122,111 from surplus transfers originating from closed ad hoc projects. Additionally, the budgetary surplus 2024 (€5,696,141) was inscribed in the 2025 budget. Consequently, MS contributions for the 2025 budget amount to a total of €54,611,324.

Note 7 – Budgetary surplus

The 2025 budget surplus of €2,062,452 represents the amount by which revenues exceeded expenses for the financial year. This surplus includes:

1. the **difference in implementation under Title I, Title II and Title III compared to the budget foreseen for 2025 under these titles** (€449,785)

The difference between the budget planned and the implementation reached in expenditure under Title I (Personnel expenses), Title II (Functioning expenses) & Title III (Operational expenses) amounted to €449,785 in 2025, compared to €915,948 in 2024, resulting in an implementation rate of 99.1% in 2025 (98.2% in 2024), excluding Title IV budget assigned to cover expenditure related to the new EDA building project.

Under Title I, personnel expenses increased compared to 2025 (+8.6%) due to the growth in staff and the unexpectedly high statutory indexation of staff remuneration (+1.2% as of April and +3.0% as of July). Furthermore, the European Commission, in accordance with the applicable legal framework, increased again the statutory contributions related to pension contributions with 1.0%, which had to be retro-actively implemented as of the second half of the year. It is to be noted that the statutory indexation is driven by the evolution of inflation in Brussels and Luxembourg and the purchasing power of national civil servants from a basket of 10 Member States.

Under Title II, the implementation of the functioning budget for 2025 improved compared to 2024 (99.9% in 2025 compared to 93.2% in 2024), reaching nearly full implementation.

Finally, full implementation of the operational budget under Title III could not be reached (95.2% versus 96.9% in 2024). Due to an unsuccessful tender procedure and the withdrawal of a few procedures, an amount of €439,994 could not be implemented under the 2025 operational budget.

2. The **remaining balance of the budget assigned to the funding of expenditure on the new EDA building** under the Title IV (€100,243)

   Following the Steering Board's adoption of the 2025 first amending budget, the funds remaining at the end of 2025 under this dedicated Title IV were re-inscribed in the EDA budget for an amount of €1,669,038. In addition, an amount of € €2,030,962 was added following the Steering Board's adoption of the 2025 second amending budget and €406,000 with the adoption of the 2025 third amending budget, bringing the 2025 budget under this dedicated Title to a total amount of €4,106,000.

   In 2025, specific contracts & orders related to the new building project have been signed for a total value of €4,005,756, leaving €100,244 available under Title IV at the end of the year.

3. **Higher than estimated revenue** (€732,932 compared to €1,646,313 in 2024):

   The main reason for the higher than estimated revenue in 2025 remains the result of the revenue from bank interests (€402,689), combined with the statutory indexation of staff salaries resulting in higher revenue from deductions from staff remuneration (€327,715).

   In 2025, the European Central Bank continued to lower its key interest rates as inflation approached its 2% target from the exceptional high levels in previous years, leading to reduced bank interest revenue in 2025 compared to 2024. Additionally, it is to be noted that the statutory indexation of staff remuneration implemented in April 2025 was part of a gradual adjustment begun in 2024.

Other components of the higher than estimated revenue in 2025 are related to late payment interests, sale of IT equipment and recoveries, totalling €82,345, while an outstanding balance of €79,817 remained related to the Member States' contributions to the 2025 EDA General budget.

4. **Cancellations of amounts carried forward** from previous years (€779,490 compared to €1,509,939 in 2024):

   These unanticipated cancellations have significantly decreased compared to 2024. This amount represents open balances de-committed after final payments of administrative and operational contracts concluded in past years. Under Title IV dedicated to the new building project, an amount of €2,710 (included in the above total amount) has been released following the final payment of specific contracts related the new building concluded up to 2024.

Note 8 – Fixed assets and depreciation

Figures in Euro (€)

Fixed Assets							
Fixed Asset Classes	2025 Net Asset Value	2025 Depreciation	2025 Asset Additions	2025 Asset Disposals / Transfers / Other	2024 Net Asset Value	Gross Asset Value	Accumulated Depreciation
INFRA SEC Equipment	20,299	12,137	0	0	32,436	343,200	(322,901)
Office Furniture	2,486	1,297	0	0	3,783	133,753	(131,266)
IT Equipment(Software / Hardware)	191,054	248,692	0	(105,007)	544,753	1,755,010	(1,563,956)
Tangible AuC	0	0	0	0	0	0	0
Intangible AuC	0	0	0	0	0	0	0
Total	**213,840**	**262,126**	**0**	**(105,007)**	**580,973**	**2,231,963**	**(2,018,123)**

Depreciation was calculated in accordance with the accounting rules set out in the section on specific accounting policies.

Following an internal assessment, EDA determined that several items of IT equipment were no longer in use. An auction was therefore organised in March 2025. In 2024, an estimate of the recoverable value of the assets intended for auction was performed and additional depreciation was recognised accordingly. In 2025, the assets were disposed of through the auction, resulting in an additional loss on disposal.

There were no fixed assets capitalised in 2025.

Note 9 – Cash

EDA bank accounts

As at 31/12/2025, the global balance on the Agency's bank accounts related to EDA general budget totalled €45,569,419.

EDA Bank Accounts		
In €	2025	2024
Opening balance	**47,131,252**	**38,852,269**
Closing balance	**45,569,419**	**47,131,252**

Employee pension rights are managed in a separate bank account. The figure in the table above shows the consolidated closing balance at the end of 2025 on both bank accounts: €25,206,828 on the EDA pensions bank account and €20,362,591 on the EDA general bank account.

Note 10 – Stakeholders

The equity comprises the accumulated economic result (€13,120,988) of past periods and the economic profit for the year (€872,544).

Note 11 – Accrued charges

The Accrued charges amount to €7,949,811 with the following composition:

- Accrued charges for employee remuneration: €633,861
- Accrued charges for administrative expenditure: 1,141,723
- Accrued charges for operational expenditure: €6,174,227

The accrued charges for employee remuneration are calculated based on the allowances and leave entitlements due on 31 December 2025.

The accrued charges are calculated based on expected invoices/charges to be received/charged at the beginning of 2026 relating to goods/services delivered in 2025.

The accrued charges for contracted studies and on-going support services are calculated on a pro rata basis to ensure the closest possible estimate.

Note 12 – Staff payables

Pensions

The total statutory staff pension rights accumulated on the Agency's balance sheet as per 31 December 2025 amount to €24.2 M. This total represents the expected future payments that EDA is required to make to settle pension obligations resulting from staff's service in the current and prior periods. The pension contributions from staff and EDA are a fixed percentage of the basic salary, determined at EU level based on applicable regulations.

Pension provision for 2025 increased by €2.8 M and is composed of the following items:

Pension Provision		
In k €	**2025**	**2024**
EDA Staff Pension Accruals		
EDA Contribution for Temporary Agents	4,265	*3,500*
EDA Contribution for Contract Staff	1,012	*433*
Staff Contribution for Temporary Agents	2,128	*1,750*
Staff Contribution for Contract Staff	505	*866*
Capitalised interests	219	*574*
Payments for Severance Grants	(5,224)	*(5,070)*
Payments for Maintenance of Pension Rights	(42)	*(34)*
Total	**2,863**	**2,018**

A total of approx. €8.13 M was cashed on the bank account dedicated to pensions. This amount represents staff pension entitlements funded by the EDA general budget and statutory contributions from staff.

The bank interest yielded on the pensions bank account amounts to €219 K, which was capitalised. A total of approximately €5.27 M was transferred out. This includes payments of severance grants and maintenance of pension rights.

To ascertain that the accumulated amount sufficiently covers the Agency's liabilities concerned, a comparison calculation based on the "Projected Unit Credit Method" has been applied. The result of this calculation amounts to a total of €24.019 K in pension liabilities, which is in line with the total amount accrued as liability (€24.181 K).

The liabilities concerned were assessed at 31 December 2025 and based on the rules of the Staff Regulations applicable at this date. For the valuation of employee benefit liabilities and the determination of the pension cost the following key parameters and assumptions have been used: date of birth, contract start and end date, contract type & grade, exit assumption date (calculation date) and an actuarial coefficient for transfer out based on the age of staff. Expected future salary increase is considered into the actuarial coefficient for transfer out based on the age of the employee.

Note 13 – Short-term receivables

The short-term receivables mainly consist of the MS contribution receivables for an amount of €22,132,218, the advances paid for the construction of the new building and for an additional revenue project totalling €2,248,484 and the deferred charges of €332,582.

The MS contribution receivables €22,132,218 relate to the first call for contributions for the 2026 EDA general budget, launched end 2025. Deferred charges mainly relate to invoices in 2025, including services for 2026.

The deferred charges (€332,582) relate mainly to payments for IT licences and subscriptions with a validity extending beyond 31 December 2025. Accrued income relates to bank interest corrections received only in 2026.

The sundry receivables include the following:

Sundry receivables

In €	2025	2024
Staff receivables	77,868	57,993
Advance payment on suppliers or staff	34,842	(1,181)
AR customers	0	0

Note 14 – Transfers between accounts

EDA has a dedicated pension bank account in which the pension contributions acquired by the employees are held. The main part of the transfers between accounts is made up by transfers of EDA's pension contributions (approx. €7.91 M) to this account.

Note 15 – Financial expenses

The financial expenses consist of unrealised exchange rate losses (€39 K).

Note 16 – Pension and salary contributions additional revenue

Pension and salary contributions acquired by employees recruited under EDA Additional Revenue budget are as well transferred into the dedicated pension bank account.

Note 17 – Other receipts

This cash flow category includes funds received from another EU agency relating to salary costs reimbursed to EDA. These amounts correspond to costs incurred during the period in which the employee was still employed by another agency, but for which the salary costs were paid by EDA, for example in the context of retro-active salary indexation.

Note 18 – Deferred revenue

The deferred revenue is composed of:

- The first call for contributions for the EDA 2026 general budget issued to Member States for a total value of €22,133 K, including advance contributions;
- The surplus of the closed ad hoc projects for an amount of €13 K;
- Salary transfers of ongoing additional revenue projects - €26 K;
- The surplus for the year 2025, totalling €2,062 K.

Note 19 – Contingent assets and liabilities

On 7 March 2024 the Agency was notified of the Case T-105/24 (link[4]), introduced by the consortium Airbus Defence and Space SAS et Marlink Events SAS against EDA, for the annulment of EDA's decisions regarding the award of a contract and a financial compensation.

The oral phase of the proceedings has recently been completed. Accordingly, the Court's judgment is expected in the course of 2026.

In the unlikely event that financial compensation becomes payable, only the Member States and entities participating in the relevant Ad Hoc Project arrangement would be requested to contribute to such payment on a pro-rata basis (ratio to be established).

[4] Case T-105/24: Action brought on 21 February 2024 – Airbus Defence and Space and Marlink Events v EDA

Audit opinion

INDEPENDENT AUDITOR'S REPORT
TO THE STEERING BOARD
OF THE EUROPEAN DEFENCE AGENCY

In accordance with Article 43 of the Financial Rules the College of Auditors have audited the accompanying Annual Accounts of the European Defence Agency ("Agency") for the year ended 31 December 2025, which comprise the 2025 Budget implementation Report, the 2025 Balance Sheet, the 2025 Cash Flow Statement, the 2025 Statement of Financial Performance, the 2025 Statement of Changes in Net Assets and Notes to the 2025 Annual Accounts. We report to you on the performance of our mandate of Independent Auditor and present our opinion on the annual accounts.

Management's Responsibility for the Financial Statements

Following articles 20 and 39 of the Financial Rules, the financial statements shall be drawn up in accordance with rules based on internationally accepted accounting standards for the public sector. The Steering Board appointed an Accounting Officer, responsible for the preparation and fair presentation of the financial statements. According to Article 23 (1) of the Financial Rules this responsibility includes:

a) proper implementation of payments, collection of revenue and recovery of amounts established as being receivable;
b) keeping, preparing and presenting the accounts;
c) implementing the accounting rules and the chart of accounts;
d) validating systems laid down by the Authorising Officer to supply or justify accounting information;
e) treasury management.

In connection with the Annual Accounts of the Agency the Chief Executive provided us with a Management Representation Letter dated 29 June 2026, which formed part of the audit procedure and is stored in the audit documentation.

Auditor's Responsibility

Our responsibility is to express an opinion on these Annual Accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements, plan and perform the audit in order to obtain reasonable assurance whether the Annual Accounts are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Annual Accounts.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Annual Accounts, whether due to fraud or error. In making those risk assessments; the auditor considers internal controls relevant to the preparation and fair presentation of the Annual Accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates, if any, made by the Accounting Officer, as well as evaluating the overall presentation of the Annual Accounts. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We have also examined the Annual Accounts on the activities of the Agency and the implementation of the budget, to identify any material inconsistencies with the audited Annual Accounts.

Opinion

In our opinion the Annual Accounts present fairly, in all material respects, give a true and fair view of the financial position of the project managed by the European Defence Agency as at 31 December 2025 and of its financial performance and its cash flows for the year then ended in accordance with:

- Council Decision (CFSP) 2015/1835 of 12 October 2015 defining the statute, seat and operational rules of the European Defence Agency;
- Council Decision (EU) 2016/1353/CFSP of 4 August 2016 on the financial rules of the European Defence Agency.

Audit findings and comments of the auditor without impact on the audit opinion are included in the associated audit report.

Brussels, 30 June 2026

College of Auditors of the European Defence Agency

Represented by

Radu Viorel MARCU	Alvaro Garcia MOLINERO	Panagiotis MILOPOULOS
Chairman of the College of auditors	Member of the College of auditors	Member of the College of auditors