



EIOPA/15/355
22 May 2015

EIOPA

FINAL ACCOUNTS

**EUROPEAN INSURANCE AND
OCCUPATIONAL PENSIONS AUTHORITY**

2014

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Certification EIOPA Final Annual Accounts 2014

The Final Annual Accounts of the European Insurance and Occupational Pensions Authority (EIOPA) for the year 2014 have been prepared in accordance with Title IX of the Financial Regulation applicable to the budget of the European Union, the accounting rules adopted by the Commission's Accounting Officer and the accounting principles and methods adopted by myself.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the Agency in accordance with article 68 of the Financial Regulation.

I have obtained from the Authorising Officer, who certified it's reliability, all the information necessary for the production of the accounts that show the Agency'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 final accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of the Agency.

Frankfurt am Main,

22 May 2015



Tanja Leimbach
Accounting Officer

FINANCIAL STATEMENTS OF EIOPA

(Articles 92 (a) and 96 EIOPA Financial Regulation)

1. Representation of the Organisation

1.1. Establishment and Legal Status

The European Insurance and Occupational Pensions Authority (EIOPA) was established by Regulation (EU) No 1094/2010 of the European Parliament and the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC (hereinafter "EIOPA Regulation").

EIOPA is a Union body with legal personality. It was established on 1 January 2011 and took up activities as the legal successor of the Committee of European Insurance and Occupational Pensions Supervisors (CEIOPS). The seat of EIOPA is in Frankfurt am Main, Germany, at Weshafenplatz 1.

According to article 1(6) of the Regulation No 1094/2010 of the European Parliament and the Council the objective of EIOPA is to protect the public interest by contributing to short, medium and long-term stability and effectiveness of the financial system, for the Union economy, its citizens and business.

EIOPA shall contribute to:

- improving the functioning of the internal market, including in particular a sound, effective and consistent level of regulation and supervision,
- ensuring the integrity, transparency, efficiency and orderly functioning of financial markets,
- strengthening international supervisory coordination,
- preventing regulatory arbitrage and promoting equal conditions of competition,
- ensuring the taking of risks related to insurance, reinsurance and occupational pensions activities is appropriately regulated and supervised, and
- enhancing customer protection.

EIOPA is a body of the Community as referred to in article 208 of The Financial Regulation n° 966/2012 (EC, Euratom) of 25 October 2012 of the European Parliament and the Council repealing Council Regulation (EC, Euratom) n°1605/2002 of 25 June 2002. It is represented by its Executive

Director, Mr Carlos Montalvo, appointed by the Agency Board of Supervisors on 25 February 2011 with effect of 1 April 2011. The Protocol on the Privileges and Immunities of the European Communities applies to the Agency.

EIOPA is composed of the following bodies:

- a. The Board of Supervisors. The Board of Supervisors shall give guidance to the work of the Authority. It also adopts the annual and multi-annual work programme as well as the budget of the Authority. It is composed of a Chairperson (non-voting), the head of the national public authority competent for the supervision of financial institutions in each Member State, one representative of the Commission (non-voting), one representative of the ESRB (non-voting), one representative of each of the other two European Supervisory Authorities (EBA and ESMA both non-voting). It meets at least three times per year and at least twice per year together with the Stakeholder Groups. It appoints and dismisses the Chairperson and the Executive Director.
- b. The Management Board. The Management Board shall ensure that the Authority carries out its mission and performs the tasks assigned to it. It shall exercise its budgetary powers and propose to the Board of Supervisors the annual and multi-annual work programmes. It is composed of a Chairperson and six other members of the Board of Supervisors elected by the voting members of the Board of Supervisors for a term of two-and-a-half-years. The Management Board meets before every meeting of the Board of Supervisors, at least five times a year.
- c. The Chairperson. The Chairperson prepares the work of the Board of Supervisors and chairs its meetings but has no voting rights. Together with six other members of the Board of Supervisors, elected by and from the voting members of the Board of Supervisors, the Chairperson forms the Management Board and chairs its meetings. The Chairperson is appointed for a term of five years which can be extended once.
- d. The Executive Director. The Executive Director is responsible for the management of the Authority and its functioning. He shall implement the annual work programme, prepare the multi-annual work programme, implement the Authority's budget and prepare the work of the Management Board. The Executive Director participates in meetings of the Management Board without the right to vote. He is appointed for a five-year term which can be extended once.

- e. The Board of Appeal. The Board of Appeal is a joint body of the European Supervisory Authorities. It is composed of six members and six alternates. Two members of the Board of Appeal and two alternates are appointed by the Management Board of the Authority. The term of the members is five years with an option to extend once. The Board of Appeal designates its President who convenes meetings when necessary.

2. Legal Base for Drawing up the Annual Accounts

The financial statements of EIOPA have been established in accordance with the following legislation:

Title IX "Presentation of the Accounts and Accounting" of the Financial Regulation of EIOPA adopted by the Management Board on 14 January 2014 and the EIOPA Financial Implementing Rules adopted by the Management Board through written procedure in September 2014.

The Financial Regulation (EU, Euratom) n°966/2012 of the European Parliament and of the Council of 25 October 2012 and its rules of application.

The accounting rules referred to in article 143 of Regulation (EU, Euroatom) No 966/2012, methods and guidelines as adopted and provided by the Accountant of the Commission. These rules adapt the International Public Sector Accounting Standards (and in some cases the International Financial Reporting Standards) to the specific environment of the EU, while the reports on implementation of the budget continue to be primarily based on movements of cash.

The accounting system of EIOPA comprises general accounts and budget accounts. These accounts are kept in Euro on the basis of the calendar year. The budget accounts give a detailed picture of the implementation of the budget. They are based on the modified cash accounting principle.¹ The general accounts allow for the preparation of the financial statements as they show all charges and income for the financial year and are designed to establish the financial position in the form of a balance sheet as at 31 December.

The EIOPA financial statements have been drawn up using the methods of preparation as set out in the accounting rules laid down by the European Commission's Accounting Officer.

¹ This differs from cash-based accounting because of elements such as carryovers.

3. EIOPA Financial Statements

3.1. EIOPA - Balance Sheet - Assets

| | Notes n° | 31.12.2014 | 31.12.2013 |
|--|-------------|----------------------|---------------------|
| ASSETS | | | |
| NON CURRENT ASSETS | 4.3.1 | | |
| Intangible assets | 4.3.1.1 | 2.875.847,04 | 268.002,21 |
| Property, plant and equipment | 4.3.1.2 | 1.420.602,17 | 577.831,37 |
| Land and buildings | | 0,00 | 0,00 |
| Plant and equipment | | 0,00 | 0,00 |
| Computer hardware | | 134.202,00 | 189.227,00 |
| Furniture and vehicles | | 274.626,82 | 168.499,34 |
| Other fixtures and fittings | | 856.265,01 | 217.460,23 |
| Property, plant and equipment under construction | | 155.508,34 | 2.644,80 |
| Long-term receivables and recoverables | | 0,00 | 0,00 |
| Long-term receivables and recoverables | | 0,00 | 0,00 |
| Long-term receivables and recoverables with consolidated EC entities | | 0,00 | 0,00 |
| TOTAL NON CURRENT ASSETS | | 4.296.449,21 | 845.833,58 |
| CURRENT ASSETS | 4.3.2 | | |
| Short-term receivables | | 1.235.637,65 | 914.214,04 |
| Current receivables | 4.3.2.1 | 1.003.543,41 | 820.057,00 |
| Sundry receivables | 4.3.2.2 | 35.218,35 | 74.728,09 |
| Pre-paid expenses | | 0,00 | 0,00 |
| Deferred charges and accrued income | 4.3.2.3 | 196.875,89 | 19.428,95 |
| Short-term pre-financing | | 0,00 | 0,00 |
| Short-term pre-financing | | 0,00 | 0,00 |
| Cash and cash equivalents | 4.3.2.4 | 5.322.700,15 | 5.194.875,63 |
| TOTAL CURRENT ASSETS | | 6.558.337,80 | 6.109.089,67 |
| TOTAL | | 10.854.787,01 | 6.954.923,25 |

3.2. EIOPA - Balance Sheet - Liabilities

| | Notes n° | 31.12.2014 | 31.12.2013 |
|--|----------|----------------------|---------------------|
| LIABILITIES | | | |
| CAPITAL | | | |
| | 4.3.3.1 | 8.281.456,82 | 4.520.598,99 |
| Accumulated surplus/deficit | | 4.520.598,99 | 3.662.676,57 |
| Economic result for the year - profit+ /loss- | | 3.760.857,83 | 857.922,42 |
| | | | |
| TOTAL | | 8.281.456,82 | 4.520.598,99 |
| | | | |
| NON-CURRENT LIABILITIES | | 0,00 | 0,00 |
| TOTAL NON-CURRENT LIABILITIES | | 0,00 | 0,00 |
| | | | |
| CURRENT LIABILITIES | 4.3.4 | 2.573.330,19 | 2.434.324,26 |
| Provisions for risks and charges | 4.3.4.1 | 161.880,54 | 356.183,29 |
| Accounts payable | | 2.411.449,65 | 2.078.140,97 |
| Current payables | 4.3.4.2 | 44.985,85 | 38.275,20 |
| Sundry payables | 4.3.4.3 | 13.916,83 | 229.089,37 |
| Accrued charges and deferred income | 4.3.4.4 | 2.010.992,39 | 1.562.074,57 |
| Accrued charges with consolidated EU entities | 4.3.4.5 | 2.165,33 | 0,00 |
| Accounts payable with consolidated EU entities | 4.3.4.6 | 339.389,25 | 248.701,83 |
| <i>Pre-financing received from consolidated EU entities</i> | | 339.389,25 | 227.055,45 |
| <i>Other accounts payable against consolidated EU entities</i> | | 0,00 | 21.646,38 |
| TOTAL CURRENT LIABILITIES | | 2.573.330,19 | 2.434.324,26 |
| | | | |
| TOTAL | | 10.854.787,01 | 6.954.923,25 |

3.3. EIOPA - Statement of Financial Performance

| | Notes n° | 2014 | 2013 (restated)* |
|---|-------------|-----------------------|-----------------------|
| European Union contribution | 4.4.1.1 | 8.526.341,11 | 8.584.656,36 |
| Other operating revenue | 4.4.1.2 | 12.858.946,55 | 9.408.652,80 |
| TOTAL OPERATING REVENUE | 4.4.1 | 21.385.287,66 | 17.993.309,16 |
| Administrative expenses | 4.4.2.1 | -13.683.824,24 | -13.246.058,73 |
| All Staff expenses | | -8.870.611,92 | -7.813.432,13 |
| Fixed asset related expenses | | -464.808,88 | -311.020,94 |
| Other administrative expenses | | -4.348.403,44 | -5.121.605,66 |
| Operational expenses | 4.4.2.2 | -3.922.513,84 | -3.885.285,99 |
| Other operational expenses | | -3.922.513,84 | -3.885.285,99 |
| TOTAL OPERATING EXPENSES | 4.4.2 | -17.606.338,08 | -17.131.344,72 |
| SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES | | 3.778.949,58 | 861.964,44 |
| Financial revenues | | 0,00 | 0,00 |
| Financial expenses | 4.4.3 | -18.091,75 | -4.042,02 |
| SURPLUS/ (DEFICIT) FROM NON OPERATING ACTIVITIES | | -18.091,75 | -4.042,02 |
| SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES | | 3.760.857,83 | 857.922,42 |
| ECONOMIC RESULT OF THE YEAR | 4.4.4 | 3.760.857,83 | 857.922,42 |

* Details on the restated 2013 figures are disclosed in chapter 4.4.5 "Restatement of 2013 figures".

3.4. EIOPA - Cash flow Table (Indirect Method)

| | 2014 | 2013 |
|---|----------------------|---------------------|
| Cash Flows from ordinary activities | | |
| Surplus/(deficit) from ordinary activities | 3.760.857,83 | 857.922,42 |
| Operating activities | | |
| <u>Adjustments</u> | | |
| Amortization (intangible fixed assets) + | 155.916,93 | 117.655,98 |
| Depreciation (tangible fixed assets) + | 286.790,30 | 167.851,21 |
| (Increase)/decrease in inventories | 0,00 | 0,00 |
| (Increase)/decrease in long term pre-financing | 0,00 | 0,00 |
| (Increase)/decrease in short term pre-financing | 0,00 | 43.742,89 |
| (Increase)/decrease in long term receivables and recoverables | 0,00 | 147.109,55 |
| (Increase)/decrease in Short term Receivables and recoverables | -321.423,61 | -297.614,75 |
| (Increase)/decrease in receivables related to consolidated EU entities | | 0,00 |
| Increase/(decrease) in long-term provisions for risks and liabilities | | |
| Increase/(decrease) in short-term provisions for risks and liabilities | -194.302,75 | 51.284,36 |
| Increase/(decrease) in value reduction for doubtful debts | | 0,00 |
| Increase/(decrease) in long-term financial liabilities | | |
| Increase/(decrease) in short-term financial liabilities | | |
| Increase/(decrease) in other long-term liabilities | | 0,00 |
| Increase/(decrease) in other short-term liabilities (accrued charges and deferred income) | 451.083,15 | 899.050,55 |
| Increase/(decrease) in short-term payables | -208.461,89 | 50.024,18 |
| Increase/(decrease) in Liabilities related to consolidated EU entities | 90.687,42 | -2.898.899,80 |
| Other non-cash movements | | 0,00 |
| Net cash Flow from operating activities | 4.021.147,38 | -861.873,41 |
| Cash Flows from investing activities | | |
| Increase of tangible and intangible fixed assets (-) | -3.896.910,72 | -338.014,49 |
| Proceeds from tangible and intangible fixed assets (+) | 3.587,86 | |
| Net cash flow from investing activities | -3.893.322,86 | -338.014,49 |
| Increase/(decrease) in Employee benefits | | 0,00 |
| Net increase/(decrease) in cash and cash equivalents | 127.824,52 | -1.199.887,90 |
| Cash and cash equivalents at the beginning of the period | 5.194.875,63 | 6.394.763,53 |
| Cash and cash equivalents at the end of the period | 5.322.700,15 | 5.194.875,63 |

3.5. EIOPA – Statement of Changes in Net Assets

| Net assets | Reserves | | Accumulated Surplus / Deficit | Economic result of the year | Net assets (total) |
|--|--------------------|----------------|-------------------------------|-----------------------------|---------------------|
| | Fair value reserve | Other reserves | | | |
| Balance as of 31 December 2013 | 0,00 | 0,00 | 3.662.676,57 | 857.922,42 | 4.520.598,99 |
| Other | | | | | |
| Fair value movements | | | | | |
| Movement in Guarantee Fund reserve | | | | | |
| Allocation of the Economic Result of Previous Year | | | 857.922,42 | -857.922,42 | 0,00 |
| Amounts credited to Member States | | | | | |
| Economic result of the year | | | | 3.760.857,83 | 3.760.857,83 |
| Balance as of 31 December 2014 | 0,00 | 0,00 | 4.520.598,99 | 3.760.857,83 | 8.281.456,82 |

4. Notes to the EIOPA Financial Statements

4.1. Accounting Principles

General accounting principles based on internationally accepted accounting standards for the public sector as referred to in article 95 of the EIOPA Financial Regulation and article 143 of Regulation (EU, Euroatom) No 966/2012. The overall consideration (or accounting principles) to be followed when preparing the financial statements are laid down in EU Accounting Rule 2 and are the same as those described in IPSAS 1, that is:

- **Principle of going concern**

The going-concern principle means that the Agency is deemed to be established for an indefinite duration. Would there be objective indications that the Agency is to cease its activities, the accounting officer shall present this information in the annex, indicating the reasons. She shall apply the accounting rules with a view to determining its liquidation value.

- **Principle of prudence**

The principle of prudence means that assets and income shall not be overstated and liabilities and charges shall not be understated. However, the principle of prudence does not allow the creation of hidden reserves or undue provisions

- **Principle of consistent accounting methods**

The principle of consistent accounting methods means that the structure of the components of the financial statements and the accounting methods and valuation rules may not be changed from one year to the next.

The Agency's accounting officer may not depart from the principle of consistent accounting methods other than in exceptional circumstances, in particular:

- (a) in the event of a significant change in the nature of the entity's operations;
- (b) where the change made is for the sake of a more appropriate presentation of the accounting operations.

- **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 in 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 shall be made comparable and reclassified. Where it is impossible to reclassify items, this shall be explained in the annex to the financial statements.

- **Principle of materiality**

The materiality principle means that all operations which are of significance for the information sought shall be taken into account in the financial statements. Materiality shall be assessed in particular by reference to the nature of the transaction or the amount.

Transactions may be aggregated where:

- (a) the transactions are identical in nature, even if the amounts are large;
- (b) the amounts are negligible;
- (c) aggregation makes for clarity in the financial statements.

- **Principle of "not netting"**

The no-netting principle means that receivables and debts may not be offset against each other, nor may charges and income, save where charges and income derive from the same transaction, from similar transactions or from hedging operations and provided that they are not individually material.

- **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.

- **Principle of accrual-based accounting**

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.

Exceptions to the accounting principles

Where, in a specific case, the accounting officer considers that an exception should be made to the content of one of the accounting principles defined above this exception must be duly substantiated and reported in the annex to the financial statements.

4.2. Basis for Preparation

4.2.1. Currency and basis for conversion

Functional and reporting currency

The financial statements are presented in euros, which is the functional and reporting currency of the EU and EIOPA according to its Financial Regulation.

Transactions and balances

Foreign currency transactions are recorded using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary items in foreign currency into euros at year-end are recognised in the statement of financial performance.

4.2.2. Chart of Accounts

The chart of accounts used by EIOPA follows the structure of the chart of accounts of the European Commission (PCUE).

4.2.3. Use of estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts presented and disclosed in the Financial Statements of EIOPA. Significant estimates and assumptions in these financial statements require judgment and are used for, but not limited to, accrued income and charges, provisions, contingent assets and liabilities. Actual results reported in future periods may be different from these estimates. Changes in estimates are reflected in the period in which they become known.

4.2.4. Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance. Acquired computer software licences are stated at historical cost less accumulated amortisation and impairment losses. The assets are amortised on a straight-line basis over their estimated useful lives. The estimated useful lives of intangible assets depend on their specific economic lifetime or legal lifetime determined by an agreement. Currently EIOPA uses 25% amortisation rate for its intangible assets. Amortisation is the systematic allocation of the depreciable amount of an intangible asset over its useful life (EU Accounting Rule 6). For more details on EIOPA's intangible assets refer to chapter 4.3.1.

Internally developed intangible assets are capitalised when the relevant criteria of the EU Accounting rules are met. The costs capitalisable include all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. Costs associated with research activities, non-capitalisable development costs and maintenance costs are recognised as expenses as incurred.

4.2.5. Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition or construction of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to EIOPA and its cost can be

measured reliably. Repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred. Assets under construction are not depreciated as these assets are not yet available for use. Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life (EU Accounting Rule 7).

The depreciation and amortisation of EIOPA's intangible and tangible assets is calculated using the straight-line method with the following rates:

| Asset type | Depreciation rate used by EIOPA |
|---|---------------------------------|
| <u>Intangible assets</u> | |
| Software for personal computers and servers | 25,0% |
| <u>Intangible assets under construction</u> | |
| 0,0% | |
| <u>Tangible assets</u> | |
| <u>Furniture and vehicles</u> | |
| Office, laboratory and workshop furniture | 10,0% |
| Equipment and decorations for garden, kitchen, canteen, restaurant, crèche and school | 12,5% |
| Furniture for restaurant/cafeteria/bar area | 10%, 12,5% |
| Antiques, artistic works, collectors' items | 0,0% |
| <u>Computer hardware</u> | |
| Computers, servers, accessories, data transfer equipment, printers, screens | 25,0% |
| Copying equipment, digitising and scanning equipment | 25,0% |
| <u>Other fixtures and fittings</u> | |
| Telecommunications equipment | 25,0% |
| Audiovisual equipment | 25,0% |
| other | 10,0% |
| <u>Tangible fixed assets under construction</u> | |
| 0,0% | |

4.2.6. Leases

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

Leases where the lessor retains a significant portion of the risks and rewards inherent to ownership are classified as operating leases. Payments made under operating leases are recognised as an expense in the statement of financial performance on a straight-line basis over the period of the lease. For more details on EIOPA's operational lease liabilities please see chapter 4.7.

4.2.7. Financial Assets

EIOPA has as financial assets its receivables and current bank accounts. Receivables arise when EIOPA provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, excepts for maturities more than 12 months of the balance sheet date. See also chapter 4.8 "Financial Instruments".

Receivables are carried at original amount less write-down for impairment. A write-down for impairment of receivables is established when there is objective evidence that EIOPA will not be able to collect all amounts due according to the original terms of receivables. The amount of the write-down is the difference between the asset's carrying amount and the recoverable amount. The amount of the write-down is recognised in the statement of financial performance.

Cash and cash-equivalents are financial instruments and classified as available for sale financial assets. They include cash at hand and deposits held at call with banks.

4.2.8. Provisions

Provisions are recognised when the EU body has a present legal or constructive obligation towards third parties as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. The amount of the provision is the best estimate of the expenditures expected to be required to settle the present obligation at the reporting date.

4.2.9. Financial Liabilities

EIOPA has as financial liabilities its payables. They are classified as current liabilities, except for maturities more than 12 months after the balance sheet date. See also chapter 4.8 "Financial Instruments".

Payables arising from the purchase of goods and services are recognised at invoice reception for the original amount and corresponding expenses are entered in the accounts when the supplies or services are delivered and accepted by EIOPA.

4.2.10. Accrued and deferred income and charges

According to the EU Accounting rules, transactions and events are recognised in the financial statements in the period to which they relate. At the end of the accounting period, **accrued expenses** are recognised based on an estimated amount of the transfer obligation of the period. The calculation of accrued expenses is done in accordance with practical guidelines (EIOPA carry forward guidelines) which aim at ensuring that the financial statements reflect a true and fair view. More detailed information can be found in chapters 4.3.2.3 "Deferred Charges and accrued income" and 4.3.4.4 "Accrued Charges and deferred income".

Revenue is also accounted for in the period to which it relates. At year-end, if an invoice is not yet issued but the service has been rendered, the supplies have been delivered by the EU body or a contractual agreement exists, an accrued income will be recognised in the financial statements.

In addition, at year-end, if an invoice is issued but the services have not yet been rendered or the goods supplied have not yet been delivered, the revenue or charges will be deferred and recognised in the subsequent accounting period.

4.2.11. Revenues

Non-exchange revenue makes up the vast majority of EIOPA's revenue and includes mainly the funding by the Member States and the EU subsidy.

Exchange revenue is the revenue from the sale of goods and services. It is recognised when the significant risk and rewards of ownership of the goods are transferred to the purchaser. Revenue associated with a transaction involving the provision of services is recognised by reference to the stage of completion of the transaction at the reporting date.

Interest income consist of received bank interest.

4.2.12. Expenses

According to the principle of accrual-based accounting, the financial statements take account of expenses relating to the reporting period, without taking into consideration the payment date; meaning when the goods or services are used or consumed.

Exchange expenses arising from the purchase of goods and services are recognised when the supplies are delivered and accepted by EIOPA. They are valued at original invoice cost.

Non-exchange expenses relate to transfers to beneficiaries and can be of three types: entitlements, transfers under agreement and discretionary grants, contributions and donations. Transfers are recognised as expenses in the period during which the events giving rise to the transfer occurred, as long as the nature of the transfer is allowed by regulation (Financial Regulation, Staff Regulations, or other regulation) or a contract has been signed authorising the transfer; any eligibility criteria have been met by the beneficiary; and a reasonable estimate of the amount can be made. When a request for payment or cost claim is received and meets the recognition criteria, it is recognised as an expense for the eligible amount. At year-end, incurred eligible expenses due to the beneficiaries but not yet reported are estimated and recorded as accrued expenses.

4.2.13. Contingent Assets

A contingent asset is a possible asset that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of EIOPA. It is not recognised because the amount of the obligation cannot be measured with

sufficient reliability. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable. EIOPA does not hold contingent assets.

4.2.14. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and of which the existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the EU body; or a present obligation that arises from past events but is not recognised because: it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation or, in the rare circumstances where the amount of the obligation cannot be measured with sufficient reliability. Chapter 4.7 provides further details on EIOPA's contingent liabilities.

4.3. EIOPA Financial Statements

4.3.1. Non-current Assets

According to the accounting rules assets are considered as such in case their nominal value exceeds € 420,00. Assets are carried at its cost less any accumulated depreciation and any accumulated impairment losses. EIOPA uses the straight-line depreciation method. Depreciation takes place pro-rata temporis from the month of first use or delivery of the asset in the EIOPA premises in line with the depreciation rates used by the European Communities.

EIOPA uses the asset registration system of the European Commission for the recording of its assets.

EIOPA performed a physical inventory starting in September 2014 with completion in December 2014. No impairments or write-offs have been undertaken.

The net value of the EIOPA assets at the date of establishing the financial statements is **€ 4.296.449,21** (€ 845.833,58) with:

- Internally generated intangible assets **€ 527.297,98**
- Computer software **€ 320.719,17** (€ 189.588,00)
- Other intangible assets **€ 16.302,31** (€ 8.000,00)
- Intangible assets under construction **€ 2.011.527,58** (€ 70.414,21)
- Computer hardware **€ 134.202,00** (€ 189.227,00)
- Furniture and rolling stock **€ 274.626,82** (€ 168.499,34)
- Fixtures and fittings **€ 856.265,01** (€ 217.460,23), including € 110.195,53 for the restoring of the EIOPA office space at the expiry of the rental contract.
- Fixtures and fittings under construction **€ 155.508,34** (€ 2.644,80).

In 2014, EIOPA further extended the office space which is reflected in the increase of its physical inventory, mainly for furniture and media equipment.

Under its IT Strategy Implementation Plan EIOPA develops intangible assets. The threshold for capitalisation of such assets is determined at € 150.000. In 2014, additional development costs in an amount of € 2.479.630,46 (€ 70.414,21) incurred with cumulated costs at € 2.550.044,67 in December 2014. These came down to € 2.011.527,58 at the date of closing and after capitalisation of assets that reached the production phase.

EIOPA's core IT projects generating such costs are:

- The development of a **Data Standardisation** which aims for supplying an industry standardisation of financial data using the XBRL taxonomy. The XBRL Taxonomy project and the Tool for Undertakings are the pivotal projects.
- The **Data Management** project (Collection, Storage and Dissemination) incorporates those projects which will allow the secure collection, storage and dissemination that EIOPA will receive from its stakeholders and from industry. The key project in 2014 was the Data Collection and Central Repository Programme with the Reference Data Implementation and the Market and Reporting Data Analysis projects.
- The **Data Analysis** governs the added value that EIOPA brings to the data it will receive from its stakeholders and the objective of the Business Intelligence Analysis project is to identify which tools can do this to the greatest extent possible.
- The **Online Communication and Collaboration**'s purpose is to provide the platform of secure communication by which EIOPA will interact with its stakeholders, both external and internal. During 2014 the main project for this area was the Online Communication and Information implementation which went into production on 10 December 2014. Development costs capitalised at this date are equal to € 538.517,09.

Additional research costs in an amount of € 849.883,28 (€ 1.010.205,07) are related to the analysis phase for the implementation of a business intelligence solution, the Data Standardisation project (implementation of an XBRL taxonomy, tools for undertakings) and to a lower extent to the completion of the analysis phase of the Reporting Data Analysis project under Data Management.

4.3.1.1. Intangible Fixed Assets

| 2014 | | Internally generated Computer Software | Other Computer Software | Other Intangible assets | Intangible assets under construction | Total |
|---|-----|--|-------------------------|-------------------------|--------------------------------------|---------------------|
| Gross carrying amounts 01.01.2014 | + | 0,00 | 538.206,33 | 8.000,00 | 70.414,21 | 616.620,54 |
| Additions | + | | 275.828,99 | 8.302,31 | 2.479.630,46 | 2.763.761,76 |
| Disposals | - | | | | | |
| Transfer between headings | +/- | 538.517,09 | | | -538.517,09 | 0,00 |
| Other changes | +/- | | | | | |
| Gross carrying amounts 31.12.2014 | | 538.517,09 | 814.035,32 | 16.302,31 | 2.011.527,58 | 3.380.382,30 |
| Accumulated amortization and impairment 01.01.2014 | - | 0,00 | -348.618,33 | 0,00 | 0,00 | -348.618,33 |
| Amortization | - | -11.219,11 | -144.697,82 | 0,00 | 0,00 | -155.916,93 |
| Write-back of amortization | + | | | | | |
| Disposals | + | | | | | |
| Impairment | - | | | | | |
| Write-back of impairment | + | | | | | |
| Transfer between headings | +/- | | | | | |
| Other changes | +/- | | | | | |
| Accumulated amortization and impairment 31.12.2014 | | -11.219,11 | -493.316,15 | 0,00 | 0,00 | -504.535,26 |
| Net carrying amounts 31.12.2014 | | 527.297,98 | 320.719,17 | 16.302,31 | 2.011.527,58 | 2.875.847,04 |

4.3.1.2. Tangible Fixed Assets

| 2014 | | Computer hardware | Furniture and vehicles | Other Fixtures and Fittings | Tangible assets under construction | Total |
|---|-----|--------------------|------------------------|-----------------------------|------------------------------------|---------------------|
| Gross carrying amounts 01.01.2014 | + | 497.440,62 | 332.997,55 | 439.987,17 | 2.644,80 | 1.273.070,14 |
| Additions | + | 46.055,60 | 149.592,40 | 781.992,62 | 155.508,34 | 1.133.148,96 |
| Disposals | - | | | | | |
| Transfer between headings | +/- | | | | | |
| Other changes | +/- | | -943,06 | | -2.644,80 | -3.587,86 |
| Gross carrying amounts 31.12.2014 | | 543.496,22 | 481.646,89 | 1.221.979,79 | 155.508,34 | 2.402.631,24 |
| Accumulated amortization and impairment 01.01.2014 | - | -308.213,62 | -164.498,21 | -222.526,94 | 0,00 | -695.238,77 |
| Depreciation | - | -101.080,60 | -42.521,86 | -143.187,84 | 0,00 | -286.790,30 |
| Write-back of depreciation | + | | | | | |
| Disposals | + | | | | | |
| Impairment | - | | | | | |
| Write-back of impairment | + | | | | | |
| Transfer between headings | +/- | | | | | |
| Other changes | +/- | | | | | |
| Accumulated amortization and impairment 31.12.2014 | | -409.294,22 | -207.020,07 | -365.714,78 | 0,00 | -982.029,07 |
| Net carrying amounts 31.12.2014 | | 134.202,00 | 274.626,82 | 856.265,01 | 155.508,34 | 1.420.602,17 |

4.3.2. Current Assets

4.3.2.1. Current Receivables

Total current receivables are equal to **€ 1.003.543,41** (€ 820.057,00). An amount 1.002.645,21 is for receivables from Member States and € 898,20 from consolidated EU entities. The receivables to Member States include € 511.566,81 for VAT 2014 paid on supplier invoices which EIOPA will recover from the German tax authorities in 2015. An amount of € 159.177,85 accounts for debit notes issued to the German tax authorities for VAT originating from 2013 supplier invoices. Open contributions by the EIOPA national supervisory authorities for debit notes issued in 2014 are equal to € 331.900,55. By the date of establishment of the annual accounts these debit notes were settled.

| Current receivables | 31.12.2014 | | | 31.12.2013 | | | |
|---------------------|------------------|---------------------|--------------------------|---------------------|-------------|--------------------------|-------------------|
| | Receivables from | Gross Total | Amounts written down (-) | Net Value | Gross Total | Amounts written down (-) | Net Value |
| Customers | | 0,00 | | 0,00 | 0,00 | | 0,00 |
| Member States | | 331.900,55 | | 331.900,55 | 318.842,81 | | 318.842,81 |
| VAT | | 670.744,66 | | 670.744,66 | 501.214,19 | | 501.214,19 |
| Consol. EU entities | | 898,20 | | 898,20 | 0,00 | | 0,00 |
| Total | | 1.003.543,41 | | 1.003.543,41 | 820.057,00 | | 820.057,00 |

4.3.2.2. Sundry Receivables

Sundry receivables amount to **€ 35.218,35** (€ 74.728,09) and relate to amounts pre-paid by EIOPA.

| Sundry receivables | 31.12.2014 | | | 31.12.2013 | | | |
|--------------------|------------------|------------------|--------------------------|------------------|------------------|--------------------------|------------------|
| | Receivables from | Gross Total | Amounts written down (-) | Net Value | Gross Total | Amounts written down (-) | Net Value |
| Staff | | 35.218,35 | | 35.218,35 | 74.728,09 | | 74.728,09 |
| Total | | 35.218,35 | | 35.218,35 | 74.728,09 | | 74.728,09 |

4.3.2.3. Deferred Charges and accrued income

The amount of deferred charges is **€ 152.707,89** (€ 19.428,95) for prepaid expenses of maintenance and services contracts. **€ 44.168,00** of accrued income cover for receivables not yet invoiced at the end of the year out of which € 24.168,00 are from consolidated entities.

4.3.2.4. Cash and Cash Equivalentents

On 31.12.2014 EIOPA holds one current account with Citibank Frankfurt for the execution of payments. The contract with Citibank Frankfurt expired on

7 March 2015 and EIOPA opened a new bank account with ING Belgium in January 2015.

The cash and cash equivalents positions of EIOPA at year-end amount to **€ 5.322.700,15** (€ 5.194.875,63).

For the execution of payments EIOPA makes use of bank transfers generated by the centralised ABAC/SAP system.

4.3.3. Non-current Liabilities

4.3.3.1. Capital

EIOPA's capital is equal to **€ 8.281.456,82** (€ 4.520.598,99) at year-end. It is the result of the accumulated surplus as at 1 January 2014, € 4.520.598,99 and the economic result of 2014, € 3.760.857,83.

The increase is driven by high budgetary carry forward amounts in 2014 for service delivery in 2015. Recovery of these funds and related revenue recognition to cover for such future liabilities took place in 2014 whereas expenses only partially incurred in 2014. Revenue for appropriations carried forward from 2013 to 2014 generated revenue in 2013 with a significant amount of these appropriations expensed and recognised in 2014. This led to a balancing effect in 2014 as also cancelations of these previous year's carry forward appropriations remained at low levels.

4.3.4. Current Liabilities

4.3.4.1. Provisions for Risks and Charges

The provision for risks and charges amounts to **€ 161.880,54** (€ 356.183,29) at year end. It was increased to reflect the extension of EIOPA's office space by one additional floor in 2014 and the obligation to restore the office space at the termination of the rental contract.

The provision created for the payment of the salary adjustments 2011 and 2012 was released as actual payments to staff were made in May 2014.

| Description | 01.01.2014 | Additional provisions | Unused amounts reversed | Amounts used | Transfer from long-term | Other | 31.12.2014 |
|-------------------------|-------------------|-----------------------|-------------------------|--------------------|-------------------------|-------|-------------------|
| | 400 | 410 | 420 | 430 | 435 | 490 | |
| | (+) | (+) | (-) | (-) | (+) | (+/-) | |
| Legal cases | | | | | | | |
| Dismantling building | 105.859,81 | 56.020,73 | | 0,00 | | | 161.880,54 |
| Refused salary increase | 250.323,48 | 0,00 | | -250.323,48 | | | 0,00 |
| Total | 356.183,29 | 56.020,73 | | -250.323,48 | | | 161.880,54 |

4.3.4.2. Current Payables

Current payables raise to **€ 44.985,85** (€ 38.275,20) for unpaid supplier invoices received by year-end.

4.3.4.3. Sundry Payables

Sundry payables are equal to **€ 13.916,83** (€ 229.089,37) for other short-term liabilities, mainly to Member States.

4.3.4.4. Accrued Charges and deferred income

The total for accrued charges and deferred income is **€ 2.010.992,39**, excluding accrued charges with consolidated entities (see chapter 4.3.4.5). Accrued charges are equal to € 1.852.723,13 (€ 1.562.074,57) and deferred income to € 158.269,26.

Accrued charges are mainly foreseen for services rendered and goods delivered to EIOPA by year-end and for which invoices and reimbursement claims (experts and EIOPA Stakeholders) were not yet received in 2014 or when received they remained unpaid (€ 1.663.498,90). An amount of € 191.398,56 is considered for untaken leave liabilities.

Deferred income relates to a capital contribution (€ 149.951,90) and an income contribution (€ 20.000,00) by the EIOPA landlord under the scope of the EIOPA rental contract. Recognition of income is made on a pro-rata temporis basis until the termination of the rental contract in February 2024 and deferred income is released on an annual basis over the lifetime of the asset. The amount disclosed for 2014 (€ 158.269,26) is reduced by the annual effect of income recognition for 2014.

4.3.4.5. Accrued charges with consolidated EU entities

The amount of accrued charges with consolidated EU entities is **€ 2.165,33**.

4.3.4.6. Accounts Payable with consolidated EU Entities

This position, **€ 339.389,25** (€ 248.701,83), is for the 2014 surplus of the budgetary outturn account which is paid to the European Commission in 2015.

4.4. EIOPA Statement of Financial Performance

4.4.1. Revenue

4.4.1.1. Union Contribution (non-exchange revenue)

Revenue generated stemming from the community subsidy is equal to **€ 8.526.341,11** (€ 8.584.656,36).

4.4.1.2. Other Operating Revenue

The revenue generated by operating activities in 2014 is **€ 12.858.946,55** (€ 9.408.652,80) with the following break-down:

Revenue from non-exchange transactions:

- Revenue from Member State contributions: **€ 12.365.752,40**
- Revenue from EFTA countries: **€ 351.289,54**
- Revenue from other union entities: **€ 24.168,00**

Revenue from exchange transactions:

- Fixed assets related and other income: **€ 115.219,59**
- Exchange rate gains: **€ 2.517,02**

In accordance with the weighting votes set out in article 3(3) of the Protocol (No. 36) on transnational transitions (recital Nr 68 EIOPA Regulation) EIOPA is financed by Union funds (40%) and contributions by Member States (60%).

According to the EIOPA Financial Regulation, the Community subsidy paid to the Authority constitutes for its budget a balancing subsidy which counts as pre-financing. If the balance of the budgetary outturn account is positive it shall be repaid to the Commission up to the amount of the Community subsidy paid during the year. The part of the balance exceeding the amount of the Community subsidy shall be entered in the budget for the following financial year as revenue.

In 2012, EIOPA reached an agreement with the European Commission concerning the treatment of the budgetary surplus 2011. In 2014, EIOPA paid back the full surplus as open pre-financing and at the same time was entitled to recover the same amount from the European Commission as part of the 2014 EIOPA budget adopted by the European Parliament and the Council. The redistribution key has to follow the cashing in 2012.

The revenue related to the Community subsidy consists of € 276.930,00 for the reimbursement of the 2012 budgetary surplus and € 8.249.411,11 stemming from fresh credits 2014, as such respecting the funding key.

4.4.2. Operating Expenses

4.4.2.1. Administrative Expenses

Administrative expenses consist of:

- Staff expenses equal to **€ 8.870.611,92** (€ 7.813.432,13) for salaries, employers contributions to the social security and allowances to staff.
- Fixed assets related expenses equal to **€ 464.808,88** (€ 311.020,94) for regular depreciation of intangible and tangible fixed assets as well as for fixed assets related operational lease expenditure. No impairments nor disposals were made.

- Other administrative expenses equal to **€ 4.348.403,44** (€ 5.121.605,66) including € 1.822.960,01 (€ 1.167.381,46) for building related expenditure (office lease and other maintenance costs). This position also contains "other expense" in an amount of € 2.518.858,55 (€ 3.950.340,16) including expenditure for office supplies and maintenance, publicity and legal advice, contributions to insurances, recruitment, training, staff missions, expert reimbursements, IT maintenance and for other external services provider. € 6.584,88 (€ 3.884,04).are for exchange rate losses. An amount of € 218.376,59 (€ 1.374.385,70) included in "other expenses" is allocated to expenditure with consolidated entities under service level agreements with the European Commission (translations, IT system maintenance).

4.4.2.2. Operational Expenses

The total amount is **€ 3.922.513,84** (€ 3.885.285,99) for the Agency's operational activities. This includes expenditure for the development of the Common Supervisory Culture focussing on training for national supervisors, staff exchanges and secondments. Since 2014 operational meetings (missions and catering) as well as non-administrative translations, legal advice and publications also fall under this heading. A significant part of the expenditure flows in the IT projects under the IT Strategy Implementation Plan.

4.4.3. Non-operating Activities

Expenses for non-operating activities relate to other financial expenses at **€ 18.091,75** (€ 4.042,02).

4.4.4. Economic Result of the Year

The economic result of the year is **€ 3.760.857,83** (€ 857.922,42).

This result is determined by the European Community accounting rules consisting of

- on one hand, in a calculation based on a cash principle and on the budgetary outturn for the determination of the revenue from the Communities (European Commission subsidy) and from the Member States to inscribe in the Statement of Financial Performance,
- and on the other hand, the calculation of the expenditure in the Statement of Financial Performance on a full accrual-based accounting principle.

The economic outturn is higher than in the previous year which is explained by high budgetary carry forward amounts in 2014 for which recovery of funds took place and revenue was recognised in 2014. Expenditure however only partially incurred in 2014 and was accrued for services delivered but not paid in 2014.

4.4.5. Restatement of 2013 figures

The layout of the statement of financial performance has been modified to better present the information to the users of the accounts. As required by the EU

accounting rules, the figures presented for 2013 are the reclassified amounts with no change of the revenues, expenses and the result as originally published in the 2013 accounts.

Operating revenues are split into revenue from the European Union contribution and Other operating revenue to accommodate the presentation with the funding structure of EIOPA. The impact on the amounts of the 2013 accounts is as follows:

| | 2013 (published) | 2013 (restated) |
|--------------------------------|-----------------------------|----------------------------|
| European Union contribution | - | 8.584.656,36 |
| Other operating revenue | 17.993.309,16 | 9.408.652,80 |
| Total Operating Revenue | 17.993.309,16 | 17.993.309,16 |

The table below shows the movements of 2013 expenditure transactions:

| | 2013 (published) | <i>Operational lease</i> | <i>Foreign exchange losses</i> | 2013 (restated) |
|---------------------------------|-----------------------------|------------------------------|--|----------------------------|
| Administrative expenses | -13.242.174,69 | 0,00 | -3.884,04 | -13.246.058,73 |
| All Staff expenses | -7.813.432,13 | | | -7.813.432,13 |
| Fixed asset related expenses | -285.507,19 | -25.513,75 | | -311.020,94 |
| Other administrative expenses | -5.143.235,37 | 25.513,75 | -3.884,04 | -5.121.605,66 |
| Operational expenses | -3.889.170,03 | 3.884,04 | 0,00 | -3.885.285,99 |
| Other operational expenses | -3.889.170,03 | 3.884,04 | | -3.885.285,99 |
| Total Operating Expenses | -17.131.344,72 | 3.884,04 | -3.884,04 | -17.131.344,72 |

4.5. Notes to the EIOPA Cash flow Table

The cash flow provides a basis to assess the ability of the Agency to generate cash and cash equivalents, and the needs of the entity to utilise those cash flows.

EIOPA uses the indirect method to prepare its cash flow table.

The cash flows are classified by operating, investing and financing activities.

The operating cash flow represents the economic outturn of the financial year adjusted for the effects of transactions with non-cash nature (e.g. deferrals, accruals, depreciation). EIOPA's operating cash flow is **€ 4.021.147,38** (€ -861.873,41) which is the result of the cash inflow in 2014 and high carry overs of funds stemming from 2013, both needed to finance EIOPA's IT projects and the additional purchase of fixed assets.

EIOPA utilised **€ -3.893.322,86** (€ -338.014,49) for investments in tangible and intangible assets (cash flow from investing activities) with a net increase in cash and cash equivalents of **€ 127.824,52** (€ -1.199.887,90).

4.6. Notes to the Statement of Changes in Capital

| | |
|---------------------------------------|---------------------|
| Accumulated surplus at 1 January 2014 | € 3.662.676,57 |
| Economic result 2013 | 857.922,42 |
| Capital at 1 January 2014 | 4.520.598,99 |
| Economic Result of the Year 2014 | 3.760.857,83 |
| Capital at 31 December 2014 | 8.281.456,82 |

4.7. Contingent Liabilities and Other Disclosures

A contingent liability is disclosed in the notes to the financial statements when the Agency has a possible obligation resulting of a past event and, it is possible that an outflow of resources embodying economic benefits or service potential will be required to settle the required obligation. This should be in the near future.

The expenditure for a legal case pending at the Civil Service Tribunal is estimated at a maximum total of **€ 80.000**. Although the written procedure was closed at the date of establishing the annual accounts the hearing had not taken place then. Therefore, there is an uncertainty of the final outcome and the total possible financial impact to EIOPA as well as the timing of such liability.

The contingent for liability of the Agency amounts to **€ 30.380.128,62** (€ 34.414.539,08) for contractual obligations related to operational leases. It includes an amount of **€ 3.940.348,03** (€ 3.975.676,06) representing the outstanding budget commitments carried over to 2015 after deducting all eligible expenses that have been already booked in the Statement of Financial Performance (accrued expenses). Other obligations relate to the operating lease of IT equipment **€ 6.987.241,53** (€ 9.545.732,51).

It also includes an amount of **€ 19.452.539,06** (€ 20.893.130,51) which corresponds to potential future obligations borne by the current EIOPA rental contract for its premises. It has been calculated under the assumptions of no price indexation and no interruption of the current leases for the entire office space until the provisional end date of the rental contract in February 2024.

| | Budget commitments € | IT equipment € | Rental obligations € |
|-----------------------|--------------------------------|--------------------------|--------------------------------|
| Less than 1 year | 3.940.348,03 | 1.632.827,58 | 1.929.640,58 |
| Between 1 and 5 years | 0,00 | 5.354.413,95 | 10.680.821,30 |
| Above 5 years | 0,00 | 0,00 | 6.842.077,18 |
| Total | 3.940.348,03 | 6.987.241,53 | 19.452.539,06 |

EIOPA could benefit from services in kind related to the office rental contract which grants a free use of office space during the first 10 months for additional office space rented and a discounted rate of 75% which applies in the subsequent 26 months. The services in kind rendered by the EIOPA landlord in 2014 amount to **€ 506.145,55** (€ 509.263,27).

4.8. Financial Instruments

Financial instruments comprise cash, current receivables and recoverables, current payables, amounts due to and from consolidated entities. Financial instruments give rise to liquidity, credit, interest rate and foreign currency risks, information about which and how they are managed is set out below. Prepayments, accrued income, accruals and deferred income are not included.

The carrying amounts of financial instruments are as follows:

Financial Assets

| | 2014 € | 2013 € |
|---------------------|-------------------------|-------------------------|
| Current receivables | 1.003.543,41 | 820.057,00 |
| Other receivables | 35.218,35 | 74.728,09 |
| Cash and deposits | 5.322.700,15 | 5.194.875,63 |
| Total | 6.361.461,91 | 6.089.660,72 |

Financial Liabilities

| | 2014 € | 2013 € |
|-----------------------------------|-------------------------|-------------------------|
| Current payables | 44.985,85 | 38.275,20 |
| Other payables | 13.916,83 | 229.089,37 |
| Accounts payable with EU entities | 339.389,25 | 248.701,83 |
| Total | 398.291,93 | 516.066,40 |

4.8.1. Liquidity Risk

Liquidity risk is the risk that arises from selling an asset; for example, the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss or meet an obligation. Liquidity risk arises from the ongoing financial obligations, including settlement of payables.

Details of contractual maturities for assets and liabilities form an important source of information for the management of liquidity risk.

Bank accounts opened in the name of the EU body may not be overdrawn. Treasury and payment operations are highly automated and rely on modern information systems. Specific procedures are applied to guarantee system security and to ensure segregation of duties in line with the Financial Regulation, the internal control standards, and audit principles. EU budget principles ensure that overall cash resources for a given year are always sufficient for the execution of all payments.

EIOPA's liabilities have remaining contractual maturities as summarised below:

| 31 December 2014 | < 1 year | 1 – 5 years | > 5 years | Total |
|-------------------------------------|--------------------|--------------------|---------------------|-------------------|
| Payables with third parties | 58.902,68 | 0,00 | 0,00 | 58.902,68 |
| Payables with consolidated entities | 339.389,25 | 0,00 | 0,00 | 339.389,25 |
| Total liabilities | 398.291,93 | 0,00 | 0,00 | 398.291,93 |

4.8.2. Credit Risk

Credit risk is the risk of loss due to a debtor's/borrower's non-payment of a loan or other line of credit (either the principal or interest or both) or other failure to meet a contractual obligation. The default events include a delay in repayments, restructuring of borrower repayments and bankruptcy.

Treasury resources are kept with commercial banks. EIOPA recovers contributions from national supervisory authorities and the Commission 3 times per year to ensure appropriate cash management and to maintain a minimum cash balance on its bank account. This is with a view to limit its risk exposure. Requests to the Commission are accompanied by cash forecasts. The overall treasury balances fluctuated from approximately € 3 Mio. and € 8 Mio. taking into account payment time limits for the recovery of contributions and the total of € 20.8 Mio. of payments executed in 2014.

In addition, specific guidelines are applied for the selection of commercial banks in order to further minimise counterparty risk to which EIOPA is exposed:

- All commercial banks are selected by call for tenders. The minimum short term credit rating required for admission to the tendering procedures is Moody's P-1 or equivalent (S&P A-1 or Fitch F1). A lower level may be accepted in specific and duly justified circumstances.
- The credit ratings of the commercial banks where EIOPA has accounts are reviewed at least on a monthly basis, or higher frequency if and when needed.

The table below shows the maximum exposure to credit risk by EIOPA. All receivables are not past due nor impaired at the reporting date.

| | 2014 | 2013 |
|---|---------------------|-------------------|
| <i>Current/customer receivables (A)</i> | <i>331.900,55</i> | <i>318.842,81</i> |
| VAT | 670.744,66 | 501.214,19 |
| Recovery of expenses | 0,00 | 0,00 |
| Consolidated EU entities | 898,20 | 0,00 |
| Total Financial assets | 1.003.543,41 | 820.057,00 |
| <i>Impairment (B)</i> | <i>0,00</i> | <i>0,00</i> |
| <i>Guarantees (C)</i> | <i>0,00</i> | <i>0,00</i> |
| Total credit risk (A+B+C) | 331.900,55 | 318.842,81 |

4.8.3. Market Risk

Market Risk can be split into interest rate risk and currency risk.

EIOPA is mainly concerned by the interest rate risk. Interest rate risk arises from cash. It is recognised that interest rates fluctuate and the EU body accepts the risk and does not consider it to be material. EIOPA's treasury does not borrow any money; as a consequence it is not exposed to interest rate risk. It does, however, earn interest on balances it holds on its banks accounts

Overnight balances held on commercial bank accounts earn interest on a daily basis. This is based on variable market rates to which a contractual margin (positive or negative) is applied. For most of the accounts, the interest calculation is linked to the EONIA (Euro over night index average) or EURIBOR (Euro InterBank Offer Rate) and is adjusted to reflect any fluctuations of this rate. In case the resulting interest rate to be applied is less than 0, then a fixed rate is applied for a certain period of time. As a result no risk exists that EIOPA earns interest at rates lower than market rates.

The interest rate sensitivity analysis undertaken shows that, if interest rates had been 1% lower/higher and all other variables remained constant, the surplus for 2014 would decrease/increase by an amount of € 53.227,00.

4.9. Changes in Accounting Policies

Since 2014, EU accounting rule 11 "Financial Instruments" is effective with new disclosure requirements for periods beginning on or after 1 January 2014.

4.10. Related Party Disclosure

Key management personnel hold positions of responsibility within the Agency. They are responsible for the strategic direction and operational management of the entity and are entrusted with significant authority to execute their mandate.

| Highest grade description | Grade | Number of persons of this grade |
|---------------------------|-------|---------------------------------|
| Chairperson | AD 15 | 1 |
| Executive Director | AD 14 | 1 |

The transactions of the Agency with the key management personnel for its activity period as autonomous entity during the financial year 2014 consists only of the payment of the salary and allowances to the Chairperson in grade AD 15 and the Executive Director in grade AD 14 as determined by the Staff Regulations of the Officials of the European Communities.

For monitoring conflicts of interest, all EIOPA employees – including key management personnel – are requested to declare conflicts of interest (including

related parties) towards the EIOPA Ethics Officer. The exercise of 2014 did not reveal any single related party risk.

4.11. Events after the Balance Sheet Date

All events after balance sheet date with any material impact are recorded in the annual accounts.

BUDGET IMPLEMENTATION REPORTS

(Articles 92 (b) and 97 EIOPA Financial Regulation)

1. EIOPA Budget Outturn Account

| | | 2014 | 2013 | |
|---|---|----------------------|----------------------|---------------------|
| REVENUE | | | | |
| Balancing Commission subsidy | + | 8.588.800,36 | 6.006.742,00 | |
| Member States contributions | + | 12.352.694,66 | 8.931.986,98 | |
| Contributions from EFTA countries | + | 351.289,54 | 265.340,31 | |
| Surplus 2012 | + | 276.930,00 | 2.804.969,81 | |
| Other income | + | 23.053,56 | 915,44 | |
| TOTAL REVENUE (a) | | 21.592.768,12 | 18.009.954,54 | |
| EXPENDITURE | | | | |
| <i>Title I: Staff</i> | | | | |
| Payments | - | 10.680.961,34 | 9.093.899,22 | |
| Appropriations carried over | - | 305.470,25 | 484.810,70 | |
| <i>Title II: Administrative Expenses</i> | | | | |
| Payments | - | 2.903.683,51 | 3.193.441,42 | |
| Appropriations carried over | - | 618.436,92 | 1.020.470,01 | |
| <i>Title III: Operating Expenditure</i> | | | | |
| Payments | - | 2.407.620,63 | 641.113,86 | |
| Appropriations carried over | - | 4.689.652,86 | 3.721.887,28 | |
| TOTAL EXPENDITURE (b) | | 21.605.825,51 | 18.155.622,49 | |
| OUTTURN FOR THE FINANCIAL YEAR (a-b) | | -13.057,39 | -145.667,95 | |
| Cancellation of unused payment appropriations carried over from previous year | | + | 356.514,50 | 374.437,82 |
| Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue | | + | | |
| Exchange differences for the year (gain +/loss -) | | +/- | -4.067,86 | -1.714,42 |
| BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR | | | 339.389,25 | 227.055,45 |
| Balance year N-1 | | +/- | 227.055,45 | 276.930,93 |
| Positive balance from year N-1 reimbursed in year N to the Commission | | - | -227.055,45 | - 276.930,93 |
| Result used for determining amounts in general accounting | | | 339.389,25 | 227.055,45 |
| Commission subsidy - agency registers accrued revenue and Commission accrued expense | | | 8.526.341,11 | 8.584.656,36 |
| Pre-financing remaining open to be reimbursed by agency to Commission in year N+1 | | | 339.389,25 | 227.055,45 |

Not included in the budget outturn:

| | | | |
|--|---|-------|-----------|
| Interest generated by 31/12/N on the Commission balancing subsidy funds and to be reimbursed to the Commission (liability) | + | 0,00* | 21.505,73 |
|--|---|-------|-----------|

*Note: Since 2014, interest earned is no longer due to the EU Commission.

2. EIOPA Budget Implementation Credit of the Year

Title I: Staff Expenditure - C1

| Budget Line | Budget Line Description | Initial (1) | Amendment (2) | Transfer (3) | Final (1+2+3) | Committed (4) | Paid (5) | % Paid (5/4) | Carry-fwd (6=4-5) |
|-------------|--|--------------|---------------|--------------|---------------|---------------|--------------|--------------|-------------------|
| A-1100 | Basic salaries | 7.106.772,00 | 0,00 | -854.191,42 | 6.252.580,58 | 6.252.580,58 | 6.252.580,58 | 100,00% | 0,00 |
| A-1101 | Family allowances | 651.000,00 | 0,00 | -45.815,14 | 605.184,86 | 605.184,86 | 605.184,86 | 100,00% | 0,00 |
| A-1102 | Expatriation and foreign residence allowances | 976.000,00 | 0,00 | -84.682,75 | 891.317,25 | 891.317,25 | 891.317,25 | 100,00% | 0,00 |
| A-1110 | Seconded national experts | 548.000,00 | 0,00 | -17.540,42 | 530.459,58 | 530.459,53 | 530.459,53 | 100,00% | 0,00 |
| A-1111 | Contract agents | 891.000,00 | 0,00 | 246.880,28 | 1.137.880,28 | 1.137.880,28 | 1.137.880,28 | 100,00% | 0,00 |
| A-1112 | Trainees | 72.000,00 | 0,00 | -67.000,00 | 5.000,00 | 5.000,00 | 5.000,00 | 100,00% | 0,00 |
| A-1130 | Insurance against sickness | 260.000,00 | 0,00 | -38.742,37 | 221.257,63 | 221.257,63 | 221.257,63 | 100,00% | 0,00 |
| A-1131 | Insurance against accidents and occupational disease | 38.000,00 | 0,00 | -5.259,97 | 32.740,03 | 32.740,03 | 32.740,03 | 100,00% | 0,00 |
| A-1132 | Insurance against unemployment | 101.000,00 | 0,00 | -15.187,47 | 85.812,53 | 85.812,53 | 85.812,53 | 100,00% | 0,00 |
| A-1140 | Birth and death allowances | 6.000,00 | 0,00 | -4.016,90 | 1.983,10 | 1.983,10 | 1.983,10 | 100,00% | 0,00 |
| A-1141 | Travel expenses for annual leave | 100.000,00 | 0,00 | -5.711,12 | 94.288,88 | 94.288,88 | 94.288,88 | 100,00% | 0,00 |
| A-1170 | Interim services | 70.000,00 | 0,00 | 113.438,00 | 183.438,00 | 183.438,00 | 85.114,40 | 46,40% | 98.323,60 |
| A-1171 | External services | 96.000,00 | 0,00 | 35.386,27 | 131.386,27 | 131.386,27 | 73.207,30 | 55,72% | 58.178,97 |
| A-1180 | Sundry recruitment expenses | 59.000,00 | 0,00 | 22.017,58 | 81.017,58 | 81.017,58 | 76.017,58 | 93,83% | 5.000,00 |
| A-1181 | Travelling expenses | 3.000,00 | 0,00 | -1.328,16 | 1.671,84 | 1.671,84 | 1.671,84 | 100,00% | 0,00 |
| A-1182 | Installation allowance | 59.000,00 | 0,00 | 24.794,26 | 83.794,26 | 83.794,26 | 83.794,26 | 100,00% | 0,00 |
| A-1183 | Moving expenses | 53.000,00 | 0,00 | -29.880,30 | 23.119,70 | 23.119,70 | 23.119,70 | 100,00% | 0,00 |

| Budget Line | Budget Line Description | Initial (1) | Amendment (2) | Transfer (3) | Final (1+2+3) | Committed (4) | Paid (5) | % Paid (5/4) | Carry-fwd (6=4-5) |
|--------------------|--|----------------------|----------------------|---------------------|----------------------|----------------------|----------------------|---------------------|--------------------------|
| A-1184 | Temporary daily allowance | 36.000,00 | 0,00 | 8.787,96 | 44.787,96 | 44.787,96 | 44.787,96 | 100,00% | 0,00 |
| A-1300 | Administrative mission expenses | 149.000,00 | 0,00 | 24.914,00 | 173.914,00 | 173.914,00 | 140.629,84 | 80,86% | 33.284,16 |
| A-1400 | Schools and kindergartens | 73.000,00 | 0,00 | -25.204,50 | 47.795,50 | 47.795,50 | 30.063,50 | 62,90% | 17.732,00 |
| A-1401 | Other socio-medical expenditure | 60.000,00 | 0,00 | -20.000,00 | 40.000,00 | 40.000,00 | 32.738,54 | 81,85% | 7.261,46 |
| A-1600 | Training | 427.000,00 | 0,00 | -119.938,07 | 307.061,93 | 307.061,93 | 221.859,87 | 72,25% | 85.202,06 |
| A-1700 | Representation expenses, receptions and events | 10.000,00 | 0,00 | -548,12 | 9.451,88 | 9.451,88 | 9.451,88 | 100,00% | 0,00 |
| | Total Title I | 11.844.772,00 | 0,00 | -858.828,36 | 10.985.943,64 | 10.985.943,59 | 10.680.961,34 | 97,22% | 304.982,25 |

Title II: Infrastructure and Administrative Expenditure – C1

| Budget Line | BL Description | Initial (1) | Amend-ment (2) | Transfer (3) | Final (1+2+3) | Committed (4) | Paid (5) | % Paid (5/4) | Carry-fwd (6=4-5) |
|-------------|--|--------------|----------------|--------------|---------------|---------------|--------------|--------------|-------------------|
| A-2000 | Rental of building | 1.340.000,00 | 0,00 | -234.124,06 | 1.105.875,94 | 1.105.875,94 | 1.105.875,94 | 100,00% | 0,00 |
| A-2010 | Insurance | 8.000,00 | 0,00 | -2.449,69 | 5.550,31 | 5.550,31 | 5.550,31 | 100,00% | 0,00 |
| A-2020 | Utilities | 412.000,00 | 0,00 | 146.887,37 | 558.887,37 | 558.887,37 | 482.340,50 | 86,30% | 76.546,87 |
| A-2030 | Electricity | 73.000,00 | 0,00 | -3.000,00 | 70.000,00 | 70.000,00 | 58.424,06 | 83,46% | 11.575,94 |
| A-2040 | Maintenance and cleaning | 85.000,00 | 0,00 | 3.540,42 | 88.540,42 | 88.540,42 | 76.740,42 | 86,67% | 11.800,00 |
| A-2050 | Fitting out premises and refurbishment works | 30.000,00 | 0,00 | -26.641,48 | 3.358,52 | 3.358,52 | 3.358,52 | 100,00% | 0,00 |
| A-2090 | Other expenditure on buildings | 55.000,00 | 0,00 | -22.991,04 | 32.008,96 | 32.008,96 | 32.008,96 | 100,00% | 0,00 |
| A-2100 | Purchase of hardware | 67.000,00 | 0,00 | -31.832,52 | 35.167,48 | 35.167,48 | 24.153,88 | 68,68% | 11.013,60 |
| A-2101 | Purchase of software | 41.000,00 | 0,00 | 3.052,69 | 44.052,69 | 44.052,69 | 41.119,65 | 93,34% | 2.933,04 |
| A-2102 | Cabling and building | 150.000,00 | 0,00 | -108.593,84 | 41.406,16 | 41.406,16 | 41.406,16 | 100,00% | 0,00 |
| A-2104 | Hardware and software maintenance | 94.000,00 | 0,00 | 55.793,99 | 149.793,99 | 149.793,99 | 124.899,33 | 83,38% | 24.894,66 |
| A-2105 | Website maintenance | 0,00 | 0,00 | 20.000,00 | 20.000,00 | 20.000,00 | 13.426,99 | 67,13% | 6.573,01 |
| A-2200 | Technical equipment and installations | 185.000,00 | 0,00 | 391.565,79 | 576.565,79 | 576.565,79 | 347.238,63 | 60,23% | 229.327,16 |
| A-2201 | Purchase new furniture | 265.000,00 | 0,00 | -125.728,05 | 139.271,95 | 139.271,95 | 50.443,87 | 36,22% | 88.828,08 |
| A-2300 | Stationery and office supplies | 150.000,00 | 0,00 | -103.850,20 | 46.149,80 | 46.149,80 | 22.687,20 | 49,16% | 23.462,60 |
| A-2301 | Leasing movable property | 6.500,00 | 0,00 | 19.500,00 | 26.000,00 | 26.000,00 | 14.522,96 | 55,86% | 11.477,04 |
| A-2302 | Documentation and library expenditure | 1.000,00 | 0,00 | -1.000,00 | 0,00 | 0,00 | 0,00 | 0,00% | 0,00 |
| A-2310 | Bank charges | 1.000,00 | 0,00 | -950,00 | 50,00 | 50,00 | 0,00 | 0,00% | 50,00 |

| Budget Line | BL Description | Initial (1) | Amend- ment (2) | Transfer (3) | Final (1+2+3) | Committed (4) | Paid (5) | % Paid (5/4) | Carry-fwd (6=4-5) |
|-------------|--|---------------------|-----------------------|--------------------|---------------------|---------------------|---------------------|-----------------|----------------------|
| A-2320 | Legal advice | 40.000,00 | 0,00 | -25.755,00 | 14.245,00 | 14.245,00 | 14.245,00 | 100,00% | 0,00 |
| A-2330 | Miscellaneous insurance | 14.000,00 | 0,00 | 4.024,62 | 18.024,62 | 18.024,62 | 2.880,00 | 15,98% | 15.144,62 |
| A-2331 | Other administrative expenditure | 22.000,00 | 0,00 | -19.799,00 | 2.201,00 | 2.201,00 | 1.355,93 | 61,61% | 845,07 |
| A-2400 | Postal and delivery charges | 4.000,00 | 0,00 | 1.592,25 | 5.592,25 | 5.592,25 | 2.833,07 | 50,66% | 2.759,18 |
| A-2410 | Telecommunication charges | 171.000,00 | 0,00 | -20.000,00 | 151.000,00 | 151.000,00 | 108.845,88 | 72,08% | 42.154,12 |
| A-2411 | Telecommunication equipment and installations | 13.000,00 | 0,00 | 1.649,83 | 14.649,83 | 14.649,83 | 14.649,83 | 100,00% | 0,00 |
| A-2500 | Information and publication costs | 84.000,00 | 0,00 | -30.032,48 | 53.967,52 | 53.967,52 | 20.346,82 | 37,70% | 33.620,70 |
| A-2501 | Translation costs, including the CdT | 102.000,00 | 0,00 | -44.406,70 | 57.593,30 | 57.593,30 | 56.016,30 | 97,26% | 1.577,00 |
| A-2600 | General meeting expenses | 62.000,00 | 0,00 | 20.186,47 | 82.186,47 | 82.186,47 | 72.244,00 | 87,90% | 9.942,47 |
| A-2610 | Stakeholder group meetings | 185.000,00 | 0,00 | -56.843,11 | 128.156,89 | 128.156,89 | 123.326,48 | 96,23% | 4.830,41 |
| A-2620 | Management Board meetings | 2.500,00 | 0,00 | -2.500,00 | 0,00 | 0,00 | 0,00 | | 0,00 |
| A-2630 | Board of Supervisors meetings | 32.000,00 | 0,00 | -7.674,87 | 24.325,13 | 24.325,13 | 24.325,13 | 100,00% | 0,00 |
| A-2640 | Board of Appeal meetings | 84.000,00 | 0,00 | -65.981,31 | 18.018,69 | 18.018,69 | 18.018,69 | 100,00% | 0,00 |
| | Total Title II | 3.779.000,00 | 0,00 | -266.359,92 | 3.512.640,08 | 3.512.640,08 | 2.903.284,51 | 82,65% | 609.355,57 |

Title III: Operating Expenditure – C1

| Budget Line | Budget Line Description | Initial (1) | Amendment (2) | Transfer (3) | Final (1+2+3) | Committed (4) | Paid (5) | % Paid (5/4) | Carry-fwd (6=4-5) |
|-------------|---|---------------------|------------------|---------------------|---------------------|---------------------|---------------------|---------------|---------------------|
| B3-100 | Organisation of seminars | 363.000,00 | 0,00 | -132.696,95 | 230.303,05 | 230.303,05 | 193.928,70 | 84,21% | 36.374,35 |
| B3-104 | Third country equivalence and related international | 192.000,00 | 0,00 | -161.650,62 | 30.349,38 | 30.349,38 | 20.141,28 | 66,36% | 10.208,10 |
| B3-105 | Operational missions expenses | 611.000,00 | 0,00 | -57.500,00 | 553.500,00 | 553.500,00 | 432.883,27 | 78,21% | 120.616,73 |
| B3-106 | Operational documentation expenditure | 19.000,00 | 0,00 | 7.225,36 | 26.225,36 | 26.225,36 | 22.060,03 | 84,12% | 4.165,33 |
| B3-107 | Operational legal advice | 60.000,00 | 0,00 | | 60.000,00 | 60.000,00 | 7.500,00 | 12,50% | 52.500,00 |
| B3-108 | Operational translation costs, incl. CDT | 750.000,00 | 0,00 | -138.088,60 | 611.911,40 | 611.911,40 | 12.177,80 | 1,99% | 599.733,60 |
| B3-109 | Operational general meeting expenses | 300.000,00 | 0,00 | -71.763,97 | 228.236,03 | 228.236,03 | 187.177,15 | 82,01% | 41.058,88 |
| B3-200 | Centralised database | 3.597.000,00 | 12.932,46 | 1.621.249,54 | 5.231.182,00 | 5.231.182,00 | 1.455.462,71 | 27,82% | 3.775.719,29 |
| B3-204 | Operational purchase and maintenance of software | 67.000,00 | 0,00 | 58.413,52 | 125.413,52 | 125.413,52 | 76.289,69 | 60,83% | 49.123,83 |
| | Total Title III | 5.959.000,00 | 12.932,46 | 1.125.188,28 | 7.097.120,74 | 7.097.120,74 | 2.407.620,63 | 33,92% | 4.689.500,11 |

| | | | | | | | | | |
|--|-----------------------------|----------------------|------------------|-------------|----------------------|----------------------|----------------------|---------------|---------------------|
| | TOTAL FUND SOURCE C1 | 21.582.772,00 | 12.932,46 | 0,00 | 21.595.704,46 | 21.595.704,41 | 15.991.866,48 | 74,05% | 5.603.837,93 |
|--|-----------------------------|----------------------|------------------|-------------|----------------------|----------------------|----------------------|---------------|---------------------|

Title I-III: Appropriations from Internal Assigned Revenue – C4

| Budget line | Budget Line Description | Commit. Approp. (1) | Executed Commitment (2) | % Committed (2/1) | Credit Not Used (1-2) | Payment Approp. (3) | Executed Payment (4) | % Paid (4/3) | R A L (2-4) |
|-------------|----------------------------------|---------------------|-------------------------|-------------------|-----------------------|---------------------|----------------------|---------------|-------------|
| A-1300 | Administrative mission expenses | 488,00 | | | 488,00 | 488,00 | | | |
| A-2010 | Insurance | 399,00 | 399,00 | 100,00 | 0,00 | 399,00 | 399,00 | 100,00 | 0,00 |
| A-2320 | Legal advice | 9.000,00 | | | 9.000,00 | 9.000,00 | | | |
| A-2331 | Other administrative expenditure | 81,35 | | | 81,35 | 81,35 | | | |
| B3-105 | Operational missions expenses | 152,75 | | | 152,75 | 152,75 | | | |
| | TOTAL FUND SOURCE C4 | 10.121,10 | 399,00 | 3,94 % | 9722,10 | 10.121,10 | 399,00 | 3,94 % | 0,00 |

Title I: Staff Expenditure - C8

| Budget line | Budget Line Description | Commitment Approp. (1) | Executed Commitment (2) | % Committ ed (2/1) | Credit Not Used (1-2) | Payment Approp. (3) | Executed Payment (4) | % Paid (4/3) | R A L (2-4) |
|-------------|--|------------------------|-------------------------|--------------------|-----------------------|---------------------|----------------------|--------------|-------------|
| A-1170 | Interim services | 225.675,20 | 221.327,20 | 98,07 % | 4.348,00 | 225.675,20 | 221.327,20 | 98,07 % | 0,00 |
| A-1171 | External services | 25.048,00 | 24.248,00 | 96,81 % | 800,00 | 25.048,00 | 24.248,00 | 96,81 % | 0,00 |
| A-1180 | Sundry recruitment expenses | 22.253,21 | 12.773,74 | 57,40 % | 9.479,47 | 22.253,21 | 12.773,74 | 57,40 % | 0,00 |
| A-1181 | Travelling expenses | 1.500,00 | 1.100,87 | 73,39 % | 399,13 | 1.500,00 | 1.100,87 | 73,39 % | 0,00 |
| A-1300 | Administrative mission expenses | 13.557,88 | 11.714,39 | 86,40 % | 1.843,49 | 13.557,88 | 11.714,39 | 86,40 % | 0,00 |
| A-1400 | Schools and kindergartens | 60.433,50 | 60.433,50 | 100,00 % | 0,00 | 60.433,50 | 60.433,50 | 100,00 % | 0,00 |
| A-1401 | Other socio-medical expenditure | 4.956,00 | 4.956,00 | 100,00 % | 0,00 | 4.956,00 | 4.956,00 | 100,00 % | 0,00 |
| A-1600 | Training | 97.816,89 | 95.545,11 | 97,68 % | 2.271,78 | 97.816,89 | 95.545,11 | 97,68 % | 0,00 |
| A-1700 | Representation expenses, receptions and events | 1.520,00 | 134,90 | 8,88 % | 1.385,10 | 1.520,00 | 134,90 | 8,88 % | 0,00 |
| | Total Title I | 452.760,68 | 432.233,71 | | 20.526,97 | 452.760,68 | 432.233,71 | | 0,00 |

Title II: Infrastructure and Administrative Expenditure – C8

| Budget line | Budget Line Description | Commitment Approp. (1) | Executed Commitment (2) | % Committed (2/1) | Credit Not Used (1-2) | Payment Approp. (3) | Executed Payment (4) | % Paid (4/3) | R A L (2-4) |
|-------------|--|------------------------|-------------------------|-------------------|-----------------------|---------------------|----------------------|--------------|-------------|
| A-2020 | Utilities | 10.000,00 | 10.000,00 | 100,00 % | 0,00 | 10.000,00 | 10.000,00 | 100,00 % | 0,00 |
| A-2030 | Electricity | 7.814,08 | 7.129,66 | 91,24 % | 684,42 | 7.814,08 | 7.129,66 | 91,24 % | 0,00 |
| A-2040 | Maintenance and cleaning | 37.232,87 | 6.741,92 | 18,11 % | 30.490,95 | 37.232,87 | 6.741,92 | 18,11 % | 0,00 |
| A-2050 | Fitting out premises and refurbishment works | 18.165,50 | 17.076,10 | 94,00 % | 1.089,40 | 18.165,50 | 17.076,10 | 94,00 % | 0,00 |
| A-2100 | Purchase of hardware | 2.346,45 | 1.736,39 | 74,00 % | 610,06 | 2.346,45 | 1.736,39 | 74,00 % | 0,00 |
| A-2101 | Purchase of software | 258.127,91 | 256.535,11 | 99,38 % | 1.592,80 | 258.127,91 | 256.535,11 | 99,38 % | 0,00 |
| A-2102 | Cabling and building | 6.942,61 | 6.795,61 | 97,88 % | 147,00 | 6.942,61 | 6.795,61 | 97,88 % | 0,00 |
| A-2104 | Hardware and software maintenance | 56.429,94 | 54.306,20 | 96,24 % | 2.123,74 | 56.429,94 | 54.306,20 | 96,24 % | 0,00 |
| A-2105 | Website maintenance | 23.769,02 | 23.769,02 | 100,00 % | 0,00 | 23.769,02 | 23.769,02 | 100,00 % | 0,00 |
| A-2200 | Technical equipment and installations | 364.894,05 | 364.894,05 | 100,00 % | 0,00 | 364.894,05 | 364.894,05 | 100,00 % | 0,00 |
| A-2201 | Purchase new furniture | 2.176,26 | 2.176,26 | 100,00 % | 0,00 | 2.176,26 | 2.176,26 | 100,00 % | 0,00 |
| A-2300 | Stationery and office supplies | 34.111,71 | 33.763,04 | 98,98 % | 348,67 | 34.111,71 | 33.763,04 | 98,98 % | 0,00 |
| A-2301 | Leasing movable property | 6.181,00 | 6.181,00 | 100,00 % | 0,00 | 6.181,00 | 6.181,00 | 100,00 % | 0,00 |
| A-2302 | Documentation and library expenditure | 1.605,76 | 1.485,25 | 92,50 % | 120,51 | 1.605,76 | 1.485,25 | 92,50 % | 0,00 |
| A-2320 | Legal advice | 31.500,00 | 15.859,34 | 50,35 % | 15.640,66 | 31.500,00 | 15.140,66 | 48,07 % | 718,68 |
| A-2330 | Miscellaneous insurance | 532,82 | 532,82 | 100,00 % | 0,00 | 532,82 | 532,82 | 100,00 % | 0,00 |
| A-2400 | Postal and delivery charges | 1.516,76 | 1.113,65 | 73,42 % | 403,11 | 1.516,76 | 1.113,65 | 73,42 % | 0,00 |

| Budget line | Budget Line Description | Commitment Approp. (1) | Executed Commitment (2) | % Committed (2/1) | Credit Not Used (1-2) | Payment Approp. (3) | Executed Payment (4) | % Paid (4/3) | R A L (2-4) |
|-------------|--------------------------------------|------------------------|-------------------------|-------------------|-----------------------|---------------------|----------------------|--------------|---------------|
| A-2410 | Telecommunication charges | 22.562,49 | 22.562,49 | 100,00 % | 0,00 | 22.562,49 | 22.562,49 | 100,00 % | 0,00 |
| A-2500 | Information and publication costs | 25.995,50 | 18.335,00 | 70,53 % | 7.660,50 | 25.995,50 | 18.335,00 | 70,53 % | 0,00 |
| A-2501 | Translation costs, including the CdT | 33.513,30 | 16.366,80 | 48,84 % | 17.146,50 | 33.513,30 | 16.366,80 | 48,84 % | 0,00 |
| A-2600 | General meeting expenses | 38.989,57 | 29.267,45 | 75,06 % | 9.722,12 | 38.989,57 | 29.267,45 | 75,06 % | 0,00 |
| A-2610 | Stakeholder group meetings | 1.675,09 | 1.675,09 | 100,00 % | 0,00 | 1.675,09 | 1.675,09 | 100,00 % | 0,00 |
| A-2620 | Management Board meetings | 620,12 | 0,00 | 0,00 % | 620,12 | 620,12 | | | 0,00 |
| A-2630 | Board of Supervisors meetings | 2.302,50 | 1.395,00 | 60,59 % | 907,50 | 2.302,50 | 1.395,00 | 60,59 % | 0,00 |
| A-2640 | Board of Appeal meetings | 16.000,00 | 6.800,00 | 42,50 % | 9.200,00 | 16.000,00 | 6.800,00 | 42,50 % | 0,00 |
| | Total Title II | 1.005.005,31 | 906.497,25 | | 98.508,06 | 1.005.005,31 | 905.778,57 | | 718,68 |

Title III: Operating Expenditure – C8

| Budget line | Budget Line Description | Commit. Approp. (1) | Executed Commitment (2) | % Committed (2/1) | Credit Not Used (1-2) | Payment Approp. (3) | Executed Payment (4) | % Paid (4/3) | R A L (2-4) |
|-------------|---|---------------------|-------------------------|-------------------|-----------------------|---------------------|----------------------|--------------|-------------|
| B3-100 | Organisation of seminars | 60.806,72 | 38.693,71 | 63,63 % | 22.113,01 | 60.806,72 | 38.693,71 | 63,63 % | 0,00 |
| B3-104 | Third country equivalence and related international | 24.745,15 | 19.279,34 | 77,91 % | 5.465,81 | 24.745,15 | 19.279,34 | 77,91 % | 0,00 |
| B3-105 | Operational missions expenses | 32.050,02 | 26.057,15 | 81,30 % | 5.992,87 | 32.050,02 | 26.057,15 | 81,30 % | 0,00 |
| B3-106 | Operational documentation expenditure | 1.792,85 | 1.629,86 | 90,91 % | 162,99 | 1.792,85 | 1.629,86 | 90,91 % | 0,00 |
| B3-107 | Operational legal advice | 10.000,00 | 2.500,00 | 25,00 % | 7.500,00 | 10.000,00 | 2.500,00 | 25,00 % | 0,00 |
| B3-108 | Operational translation costs, incl. CDT | 1.962,85 | 140,65 | 7,17 % | 1.822,20 | 1.962,85 | 140,65 | 7,17 % | 0,00 |
| B3-109 | Operational general meeting expenses | 1.709,00 | 498,00 | 29,14 % | 1.211,00 | 1.709,00 | 498,00 | 29,14 % | 0,00 |
| B3-200 | Centralised database | 3.636.335,41 | 3.443.842,50 | 94,71 % | 192.492,91 | 3.636.335,41 | 3.443.842,50 | 94,71 % | 0,00 |
| | Total Title III | 3.769.402,00 | 3.532.641,21 | | 236.760,79 | 3.769.402,00 | 3.532.641,21 | | 0,00 |

| | | | | | | | | | |
|--|-----------------------------|---------------------|---------------------|----------------|-------------------|---------------------|---------------------|----------------|---------------|
| | TOTAL FUND SOURCE C8 | 5.227.167,99 | 4.871.372,17 | 93,19 % | 355.795,82 | 5.227.167,99 | 4.870.653,49 | 93,18 % | 718,68 |
|--|-----------------------------|---------------------|---------------------|----------------|-------------------|---------------------|---------------------|----------------|---------------|

3. EIOPA Reconciliation of the Accrual based with the Budget Result

| | sign +/- | amount |
|---|-------------|---------------------|
| Economic result (- for loss) of the consolidation reporting package including table M2 | +/- | 3.760.857,83 |
| <i>Adjustment for accrual items (items not in the budgetary result but included in the economic result)</i> | | |
| <i>A</i> Adjustments for Accrual Cut-off (reversal 31.12.N-1) | - | -1.797.811,11 |
| <i>B</i> Adjustments for Accrual Cut-off (cut- off 31.12.N) | + | 1.855.648,46 |
| <i>C</i> Amount from liaison account with Commission booked in the Statement of Financial Performance | - | |
| <i>D</i> Unpaid invoices at year end but booked in charges (class 6) | + | |
| <i>E</i> Depreciation of intangible and tangible assets | + | 464.808,88 |
| <i>F</i> Changes to provisions | + | 56.020,73 |
| <i>G</i> Value reductions | + | |
| <i>H</i> Recovery Orders issued in 2014 in class 7 and not yet cashed | - | -331.900,55 |
| <i>la</i> Pre-financing given in previous year and cleared in the year | + | |
| <i>lb</i> Pre-financing received in previous year and cleared in the year | - | |
| <i>J</i> Payments made from carry over of payment appropriations | + | 4.870.653,49 |
| <i>K</i> Other | +/- | -98.749,22 |
| <i>L</i> Exchange rate differences | +/- | |

| Adjustment for budgetary items (item included in the budgetary result but not in the economic result) | | |
|--|-----|-------------------|
| M Asset acquisitions (less unpaid amounts) | - | -3.858.647,61 |
| N New pre-financing paid in the year 2014 and remaining open as at 31.12.2014 | - | |
| O New pre-financing received in the year 2014 and remaining open as at 31.12.2014 | + | 339.389,25 |
| P Budgetary recovery orders issued before 2014 and cashed in the year | + | 318.842,81 |
| Q Budgetary recovery orders issued in 2014 on balance sheet accounts (not 7 or 6 accounts) and cashed | + | |
| R Capital payments on financial leasing (they are budgetary payments but not in the economic result) | - | |
| S Payment appropriations carried over to 2015 | - | -5.603.837,93 |
| T Cancellation of unused carried over payment appropriations from previous year | + | 356.514,50 |
| U Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue | + | 9.722,10 |
| V Payments for pensions (they are budgetary payments but booked against provisions) | - | |
| W Payments for stocks of leave and supplementary hours (they are budgetary payments but booked against provisions) | - | |
| X Other | +/- | |
| total | | 341.511,63 |
| Budgetary result (+ for surplus) | | 339.389,25 |
| Delta not explained | | 2.122,38 |

4. EIOPA Notes to the Budget Implementation Reports

4.1. Budgetary Principles

The establishment and implementation of the Agency's budget shall comply with the principles of unity and budget accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency as provided for in the EIOPA Financial Regulation (article 5).

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 Agency's activities. 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 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.

Principle of annuality

The appropriations entered in the budget shall be authorised for one financial year which shall run from 1 January to 31 December, inclusive. 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.

Principle of equilibrium

The Agency's budget revenue and payment appropriations must be in balance. Commitment appropriations may not exceed the amount of the voted budget, plus own revenue and any other revenue. The Agency may not raise loans.

Principle of unit of account

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

Principle of universality

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

Principle of specification

The appropriations in their entirety shall be earmarked for specific purposes by title and chapter; the chapters shall be further subdivided into articles and items. The Executive Director may authorise transfers from one article to another within each chapter.

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. The principle of economy requires that the resources used by the Agency for the pursuit of its activities shall be made available in due time, in appropriate quantity and quality and at the best price. The principle of efficiency is concerned with the best relationship between resources employed and results achieved. The principle of effectiveness is concerned with attaining the specific objectives set and achieving the intended results.

Principle of transparency

The budget shall be drawn up and implemented and the accounts presented in compliance with the principle of transparency. The budget, as finally adopted, shall be published in the Official Journal of the European Communities and amending budgets shall be published in an appropriate way within two months of their adoption.

4.2. Budgetary Outturn Account

The budget shall provide a detailed record of budgetary implementation. The budgetary accounts shall record all budgetary revenue and expenditure operations of the Agency.

EIOPA is financed by Union funds (40%) and contributions by Member States (60%) in accordance with the weighting votes set out in article 3(3) of the Protocol (No. 36) on transnational transitions (recital Nr 68 EIOPA Regulation).

The Community subsidy paid to the Authority constitutes for its budget a balancing subsidy which counts as pre-financing. If the balance of the budgetary outturn account is positive it shall be repaid to the Commission up to the amount of the Community subsidy paid during year. The part of the balance exceeding the amount of the Community subsidy shall be entered in the budget for the following financial year as revenue.

In 2012, EIOPA reached an agreement with the European Commission concerning the treatment of the budgetary surplus 2011 which is applied to all subsequent periods. In 2014, EIOPA paid back the full surplus and at the same time was entitled to recover the same amount from the European Commission as part of the 2014 EIOPA budget adopted by the European Parliament and the Council. The redistribution key followed the cashing in 2012.

The EIOPA funds received in 2014 are determined by their different nature with a total budgetary income equal to **€ 21.592.768,12** (€ 18.009.954,54) broken down as follows:

- Balancing Commission subsidy at **€ 8.588.800,36** (€ 6.006.742,00) representing 41.10 % of the total contributions from Member States and Commission.
- Member States and EFTA countries contributions at **€ 12.703.984,20** (€ 9.197.327,29) – Member States € 12.352.694,66 and EFTA countries € 351.289,54 - representing in total 58,90% of contributions from Member States/EFTA countries and Commission. 2014 Member States/EFTA countries contributions stem from fresh credits voted for 2014 and from open debit notes issued in 2013 and cashed in 2014 only. Member States/EFTA countries contributions also include € 146.621,97 released from former CEIOPS deposit bank accounts and returned in 2014.
- EIOPA Surplus 2012 at **€ 276.930,00** (€ 2.804.969,81)
- Other income of **€ 23.053,56** (€ 915,44) resulting of bank interest earned (€ 12.932,46) and of internal assigned revenues (€ 10.121,10).

The total expenditure of the Agency is **€ 21.605.825,51** (€ 18.155.622,49) leading to a negative outturn of the financial year of € -13.057,39 but resulting in a positive balance of the outturn account of **€ 339.389,25** (€ 227.055,45), taking account the effects from cancellations of unused payment appropriations carried over from the previous year, € 356.514,50, and the deduction of exchange rate differences, € 4.067,86. According to the EIOPA Financial Regulation it is foreseen to reimburse the surplus to the European Commission in 2015 as pre-financing received in 2014.

4.3. Budgetary Accounts

EIOPA budget accounts:

Title1: Staff and staff related expenditure, such as basic salaries for Temporary Agents and contractual staff, family allowances, expenditure for seconded national experts and local staff, employer social security contributions, recruitment expenses, staff missions, staff training, expenses for the socio-medical infrastructure and representation costs.

Title 2: Administrative expenditure covering for rental and property expenses, IT and telecommunication costs, expenses for legal advice, office supplies, postage, publication expenditure and costs relating to the organisation of EIOPA's working group and board meetings.

Title 3: Operational expenditure in line with the tasks and powers assigned to the Agency according to Regulation (EU) No 1094/2010 of the European Parliament and the Council of 24 November 2010, especially for the financing of the IT projects under the IT Strategy Implementation Plan but also for the development of a Common Supervisory Culture with focus on training for national supervisors, staff exchanges and secondments. Since 2014 operational meetings (missions and catering) as well as non-administrative translations, legal advice and publications also fall under this heading.

4.4. Budget Execution

In its meeting of 30 and 31 January 2014, the EIOPA Board of Supervisors adopted the initial budget 2014 with a total of € 21.582.772 which was amended in December 2014 to come to a final total of € 21.595.704,46. Since 2014 interest earned is no longer due to the community budget and becomes revenue of the agency. This led to the amended budget.

In 2014, EIOPA for the first time since its foundation in 2011 realised a 100% budget implementation rate for commitment appropriations. The payment execution rate though is lower with 74,05%. The amount carried forward to 2015 is € 5.603.837,93 which represents 25,95% of the total commitment appropriations. The carry-over of these funds was duly justified and intended to finance the progressing implementation of the Title III IT programmess, which have a multiyear dimension.

The below table provides a more detailed break-down of the budget execution.

| Title | Budget initial amounts € | Budget after transfers amounts € | Var. % | Committed | Paid | % Paid | Carry-forward | % Carry - forward |
|------------------------------|--------------------------|----------------------------------|---------|---------------|---------------|--------|---------------|-------------------|
| | (1) | (2) | (2-1)/1 | (3) | (4) | (4/3) | (5=3-4) | 5/3 |
| Title I – Staff | 11.844.772,00 | 10.985.943,64 | -7,25 | 10.985.943,59 | 10.680.961,34 | 97,22 | 304.982,25 | 2,78 |
| Title II – Admin | 3.779.000,00 | 3.512.640,08 | -7,05 | 3.512.640,08 | 2.903.284,51 | 82,65 | 609.355,57 | 17,35 |
| Title III – Operation | 5.959.000,00 | 7.097.120,74 | 19,10 | 7.097.120,74 | 2.407.620,63 | 33,92 | 4.689.500,11 | 66,08 |
| Total | 21.582.772,00 | 21.595.704,46 | 0,06 | 21.595.704,41 | 15.991.866,48 | 74,05 | 5.603.837,93 | 25,95 |

For **Title I**, the budget implementation rate for commitments is 100% out of which an amount of € 304.982,25 (2,78% of the budget appropriations) was carried forward. This amount relates to services delivered in 2014 but not billed at the end of the year. It also covers for services yet to perform in 2015 under

contracts entered into in 2014, especially for interim services, schools and kindergarten as well as for staff training. As posts were not filled as scheduled by the end of the year, funds considered for the payment of salaries and allowances remained unused and enabled the management to transfer a total of € 858.828,36 decreasing the initial Title I budget by 7,25%.

An amount of € 609.355,57 was carried forward for **Title II** budget appropriations which corresponds to 17,35% of the committed appropriations and results in a total implementation rate of payment appropriations of 82,65%. The expenditure for appropriations carried forward is mainly reserved for services contracts of building related expenditure, IT hardware and software contracts, technical equipment, information and publication costs as well as other administrative expenditure. An amount of € 266.359,92 was transferred reducing the initial Title II budget by 7,05% which was possible due to savings achieved on building related expenditure, purchase of hardware and data cabling, telecommunication expenses, meeting expenses and expenditure foreseen for translations. This effect however was compensated by the need to purchase new technical equipment for the additional office space rented from 2014 onwards.

Following budget transfers made (€ 1.125.188,28) and the allocation of the bank interest earned (€ 12.932,46) to **Title III**, the initial budget increased by € 1.138.120.74 representing 19,10% of the initial Title III budget appropriations. EIOPA mainly used these funds to finance the IT projects under its multi-annual IT Strategy Implementation Plan. The expenditure incurred so far on these projects is also reflected in the development costs of EIOPA's internally generated intangible assets (see chapter 4.3.1). With € 4.689.500,11 (66,08%) the total carry forward of Title III is high and can be explained by the need to meet the milestones determined by the IT project plan. The majority of such carry forward appropriations is related to contractual obligations which EIOPA entered into in 2014 but for which services delivery partially takes place in 2015. In addition to the IT projects, the carry forward also covers for expert reimbursements under the EIOPA Common Supervisory Culture as well as for meetings, missions and translations with an operational purpose.

In 2014, EIOPA can also report income from internal assigned revenues in an amount of € 10.121,10 reimbursed by insurance companies and travel agencies. The funds are allocated to the original budget position. The consumption is low with € 399,00 and the carry over to 2015 equal to € 9.772,10.

4.5. EIOPA Carry-Over and Carry Forward 2014–2015

Carry-over 2014-2015 – C4/C5 appropriations

| TITLE | DESCRIPTION | Commitments RAL |
|-------|---|-----------------|
| 1 | STAFF EXPENDITURE | 488,00 |
| 2 | INFRASTRUCTURE AND ADMINISTRATIVE EXPENDITURE | 9.081,35 |
| 3 | OPERATING EXPENDITURE | 152,75 |
| | TOTAL GENERAL | 9.722,10 |

Carry forward 2014-2015 – C1/C8 appropriations:

| TITLE | DESCRIPTION | Commitments RAL |
|-------|---|---------------------|
| 1 | STAFF EXPENDITURE | 304.982,25 |
| 2 | INFRASTRUCTURE AND ADMINISTRATIVE EXPENDITURE | 609.355,57 |
| 3 | OPERATING EXPENDITURE | 4.689.500,11 |
| | TOTAL GENERAL | 5.603.837,93 |

4.6. Financial Systems and Management

EIOPA uses the ABAC system for the budgetary accounting, SAP for the accrual accounting, and ABAC Assets for the asset accounting, all accounting systems of the European Commission.

At the date of the closing the finance department counted for 9 full time employees with a coordinator, an accounting officer, a budget officer, a procurement officer and 5 finance and procurement assistants. 2 vacant positions, 1 expert and 1 assistant, remain to be filled in 2015.

EIOPA extended its budget structure and moved items with a more operational but administrative nature from Title II to Title III. This concerned mainly expenditure originating from missions and the catering of working group meetings as well as from translations, publications and legal advice under the scope of the tasks set out in the regulation establishing EIOPA.

In September 2014 the Management Board adopted the EIOPA Financial Implementing Rules complementing the EIOPA Financial Regulation already effective from 1 January 2014 onwards.

The Management Board also adopted revised financial circuits in its meeting on 10 June 2014 to reflect modifications concerning the financial actors.

The project for the implementation of paperless finance progressed in 2014 with a possible roll-out date in 2015. The purpose is to automate and streamline the finance workflows.

4.7. EIOPA Establishment Plan 2014

| Function group and grade | 2014 | |
|--------------------------|--------------|-------------------------|
| | Final budget | Filled as at 31/12/2014 |
| AD 16 | 0 | 0 |
| AD 15 | 1 | 1 |
| AD 14 | 1 | 1 |
| AD 13 | 3 | 2 |
| AD 12 | 5 | 5 |
| AD 11 | 7 | 3 |
| AD 10 | 8 | 8 |
| AD 9 | 8 | 9 |
| AD 8 | 11 | 11 |
| AD 7 | 12 | 10 |
| AD 6 | 8 | 11 |
| AD 5 | 8 | 12 |
| AD total | 72 | 73 |
| AST 11 | 0 | 0 |
| AST 10 | 0 | 0 |
| AST 9 | 1 | 0 |
| AST 8 | 1 | 0 |
| AST 7 | 1 | 0 |
| AST 6 | 3 | 3 |
| AST 5 | 1 | 2 |
| AST 4 | 3 | 2 |
| AST 3 | 3 | 5 |
| AST 2 | 2 | 2 |
| AST 1 | 0 | 0 |
| AST total | 15 | 14 |
| TOTAL | 87 | 87 |

| Contract Agents | Filled as at: 31.12.2014 | Filled as at: 31.12.2013 |
|---------------------------|--------------------------|--------------------------|
| Function Group IV | 11 | 5 |
| Function Group III | 3 | 1 |
| Function Group II | 19 | 13 |
| Function Group I | 0 | 0 |
| Total | 33 | 19 |

| | | |
|----------------------------------|-----------|-----------|
| Seconded National Experts | 14 | 11 |
|----------------------------------|-----------|-----------|