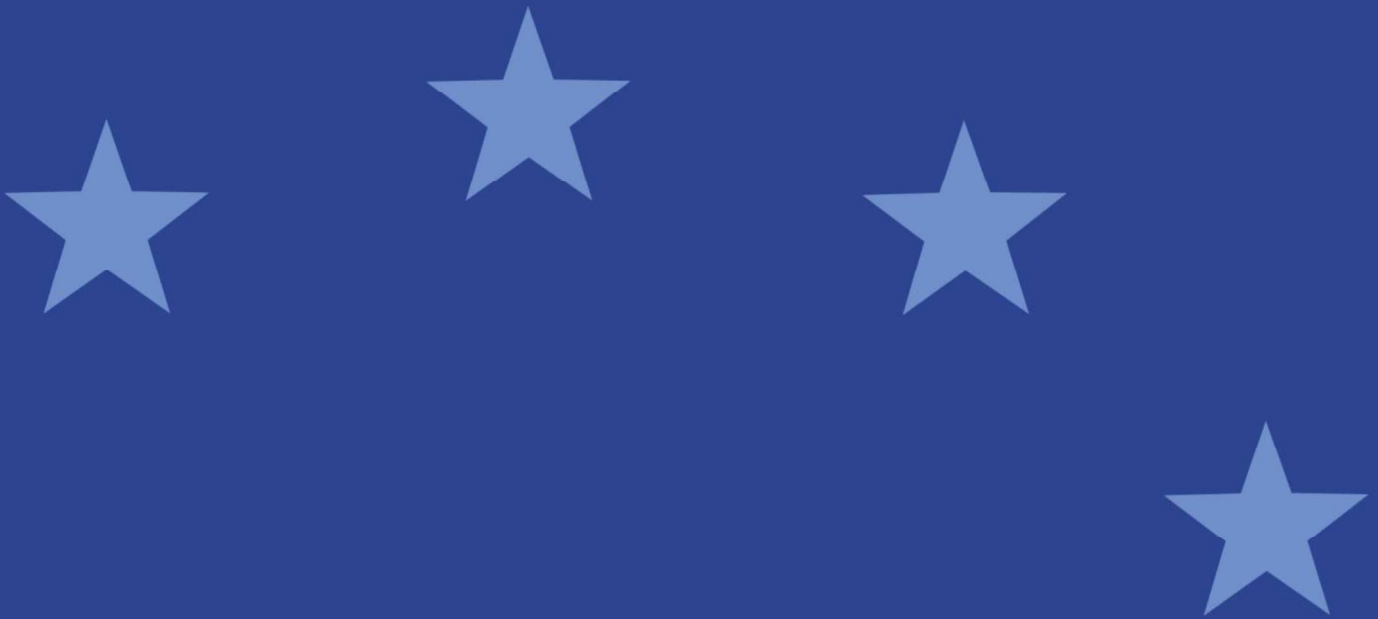


# Final Accounts of the European Securities and Markets Authority

**Financial Year 2020**



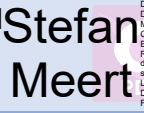


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## Document approval

	Person	Role	Date	Signature
Prepared By	<b>Stefan Meert</b>	Senior Accounting Officer	01.06.2021	 <small>Digitally signed by Stefan Meert            DN: C=FR, OU=Senior Management, O=ESMA,            CN=Stefan Meert,            E=stefan.meert@esma.europa.eu            Reason: I am approving this document with my legally binding signature            Location: your signing location here            Date: 2021.06.08 09:42:28+02'00'            Foxit PhantomPDF Version: 10.1.0</small>
Signed by	<b>Stefan Meert</b>	Senior Accounting Officer	08.06.2021	 <small>Digitally signed by Stefan Meert            DN: C=FR, OU=Senior Management, O=ESMA, CN=Stefan Meert,            E=stefan.meert@esma.europa.eu            Reason: I am approving this document with my legally binding signature            Location: your signing location here            Date: 2021.06.08 09:42:45+02'00'            Foxit PhantomPDF Version: 10.1.0</small>
Signed by	<b>Natasha Cazenave</b>	Executive Director	08.06.2021	



## Statement of the Accounting Officer

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European Securities and Markets Authority (ESMA) in accordance with Article 102 of the Framework Financial Regulation ('FFR') and I hereby certify that the annual accounts of ESMA for the year 2020 have been prepared in accordance with Title IX of the FFR and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and union bodies.

I have obtained from the Authorising Officer, who certified its reliability, all the information necessary for the production of the accounts that show ESMA's assets and liabilities and the budgetary implementation. Based on this information, and on such checks as I deemed necessary to sign off the accounts, I have a reasonable assurance that the accounts present fairly, in all material aspects, the financial position, the results of the operations and the cash-flow of ESMA.

**Stefan Meert**  
Digitally signed by Stefan Meert  
DN: C=FR, OU=Senior Management, O=ESMA, CN=Stefan Meert,  
E=stefan.meert@esma.europa.eu  
Reason: I am approving this document with my legally binding signature  
Location: your signing location here  
Date: 2021.06.08 09:43:17+0200  
Foxit PhantomPDF Version: 10.1.0

Stefan Meert

Senior Accounting Officer

## **Presentation of the organisation**

### **Introduction**

The European Securities and Markets Authority was established by Regulation (EU) n° 1095/2010 of the European Parliament and the Council 24 November 2010, creating a European Supervisory Authority (European Securities and Markets Authority), amending Decision n° 716/2009/EC and repealing Commission Decision 2009/77/EC. On 27 December 2019 Regulation (EU) 2019/2175, the revised version of ESMA's founding regulation was published amending Regulation (EU) n° 1095/2010. This new regulation, founding the European Supervisory Authorities (ESAs) and in particular ESMA, is applicable as from 1<sup>st</sup> of January 2020.

The accounts of the European Securities and Markets Authority are kept in accordance with the Decision on the Financial Regulation of ESMA as adopted by its Management Board and its Implementing Rules.

In accordance with Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council C/2018/8599 (OJ L 122, 10.5.2019, p.1-38) and Article 98 of the Decision on the Financial Regulation of the European Securities and Markets Authority, the following final accounts together with the reports on the implementation of the budget of the European Securities and Markets Authority have been drawn up.

### **Legal status and principal office**

The Authority is a body of the Union as referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council C/2018/8599 (OJ L 122, 10.5.2019, p.1-38). It has legal personality. The Authority is represented by its Chair, Mr Steven MAIJOOR, and its management is entrusted to the Executive Director, Mrs Verena ROSS, both appointed by the Authority's Board of Supervisors.

The Authority's headquarters are located in Paris, France, 201-203 rue de Bercy.

The Protocol on the Privileges and Immunities of the European Union applies to the Authority.

### **Governing structure**

ESMA's governing structure consists of a Board of Supervisors and a Management Board.

The Board of Supervisors is composed of the heads of the national authorities competent for the supervision of financial markets participants in each EU Member State and the Chair of ESMA. The European Commission, the European Banking Authority, the European Insurance and Occupational Pensions Authority and the European Systemic Risk Board are non-voting Members. The heads of the national competent authorities for the supervision of financial markets participants from Iceland, Norway and Liechtenstein are also non-voting members.



The Board of Supervisors gives guidance to the work of the Authority and has key decision-making responsibilities.

The Management Board is composed of the Chair and six members selected from the Board of Supervisors and the Executive Director and the European Commission as non-voting member. The Vice-Chair is an observer. The Management Board deals with the management of the Authority.

Both the Board of Supervisors and the Management Board are chaired by the Chair while the Executive Director is entrusted with the management of the Authority and participates in Board meetings.

### **Further information sources**

More information on the Authority's administrative and operational activities, organisational chart, applicable legislation, membership of the Board of Supervisors and Management Board is available on the Authority's web site <https://www.esma.europa.eu> and in its annual report.

## **Legal Base for Drawing up the Annual Accounts**

The final accounts of ESMA have been established in accordance with the following legislation:

- The Decision on the Financial Regulation of ESMA as adopted by its Management Board on 1<sup>st</sup> of October 2019 (ESMA63-313-528)
- Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council C/2018/8599 (OJ L 122, 10.5.2019, p.1-38).
- The accounting rules, methods and guidelines as adopted and provided by the Accounting Officer of the Commission.



## **PART I**

### **1 Financial Statements**

## 1.1 Balance sheet

	Notes n°	31.12.2020	31.12.2019
<b>A. NON CURRENT ASSETS</b>			
<b>Intangible assets</b>	<b>2.2.</b>	<b>4 068 735</b>	<b>5 149 755</b>
<b>Property, plant and equipment</b>	<b>2.3.</b>	<b>5 476 237</b>	<b>6 035 420</b>
Land and buildings		0	0
Plant and equipment		222	350
Computer hardware		340 346	291 654
Furniture		440 642	420 664
Other fixtures and fittings		4 695 027	5 322 752
<b>Long term receivables and recoverables</b>		<b>0</b>	<b>0</b>
<b>TOTAL NON CURRENT ASSETS</b>		<b>9 562 972</b>	<b>11 185 175</b>
<b>B. CURRENT ASSETS</b>			
<b>Exchange receivables and recoverables</b>	<b>2.4.</b>	<b>2 868 146</b>	<b>523 147</b>
Current receivables		984 001	0
Deferred charges		1 829 467	501 940
Accrued income		495	0
Sundry receivables		54 184	21 208
<b>Non - exchange receivables and recoverables</b>	<b>2.5.</b>	<b>330 204</b>	<b>315 556</b>
Current receivables Member States		328 547	313 455
Other receivables with consolidated entities		1 658	2 101
<b>Cash and cash equivalents</b>	<b>2.6.</b>	<b>11 420 188</b>	<b>6 261 957</b>
<b>TOTAL CURRENT ASSETS</b>		<b>14 618 539</b>	<b>7 100 660</b>
<b>TOTAL ASSETS</b>		<b>24 181 511</b>	<b>18 285 835</b>

	Notes n°	31.12.2020	31.12.2019
<b>A. NET ASSETS</b>	<b>2.7.</b>	<b>7 961 792</b>	<b>4 950 938</b>
Accumulated surplus/deficit		4 950 938	6 898 836
Accrual result of the year – profit+/loss-		3 010 854	- 1 947 898
<b>B. NON CURRENT LIABILITIES</b>		<b>0</b>	<b>0</b>
<b>C. CURRENT LIABILITIES</b>		<b>16 219 719</b>	<b>13 334 897</b>
<b>Current provisions</b>	<b>2.8.</b>	<b>0</b>	<b>0</b>
<b>Accounts payable</b>	<b>2.9.</b>	<b>4 429 918</b>	<b>438 292</b>
Current payables – vendors		1 330 679	101 757
Current payables with consolidated entities		11 353	134 165
Sundry payables		640 000	0
Sundry payables with consolidated entities		1 709	7 724
Pre-financing received from consolidated entities (EC) – budget outturn 2020		1 593 797	194 645
EU advance for EMIR 2.2. to be reimbursed to EC		852 380	0
<b>Accrued charges and deferred income</b>	<b>2.10.</b>	<b>11 789 801</b>	<b>12 896 605</b>
<b>TOTAL LIABILITIES</b>		<b>24 181 511</b>	<b>18 285 835</b>

## 1.2 Statement of Financial Performance

	Note	2020	2019
<b>Non-exchange revenue</b>		<b>36 989 498</b>	<b>33 635 704</b>
<b>Revenue from consolidated EC entities</b>		<b>15 369 063</b>	<b>13 488 856</b>
<b>Contributions NCAs</b>		<b>21 620 435</b>	<b>20 146 848</b>
Contributions MS NCAs		21 215 167	19 659 349
Contributions non-MS NCAs		602 704	558 504
Deduction surplus		-197 436	-71 005
<b>Exchange revenue</b>		<b>17 978 519</b>	<b>14 985 630</b>
<b>Exchange revenue - Fees from Supervised Entities</b>		<b>14 708 779</b>	<b>11 527 275</b>
CRA Fees		9 645 966	8 867 936
TR Fees		2 713 483	2 459 339
SFTR fees		466 710	200 000
TC CCP fees		1 717 620	0
STS Fees		165 000	0
<b>Contributions NCAs</b>		<b>3 180 568</b>	<b>3 445 976</b>
Contributions NCAs IT-delegated projects		1 748 539	2 048 634
Deferred income NCAs IT-delegated projects		1 432 029	1 397 342
<b>Other exchange revenue</b>		<b>89 172</b>	<b>12 379</b>
Other administrative revenue		86 829	12 357
Exchange rate differences gains		2 343	22
<b>TOTAL OPERATING REVENUE</b>	<b>3.1</b>	<b>54 968 017</b>	<b>48 621 334</b>
<b>Administrative expenses</b>	<b>3.2</b>	<b>-51 354 310</b>	<b>- 49 644 153</b>
Staff expenses		- 29 999 623	- 26 859 878
Staff expenses with other consolidated entities		- 227 289	- 232 239
Fixed asset related expenses		- 3 013 236	- 4 433 118
Other administrative expenses		- 18 114 162	- 18 118 917
<b>Operational expenses</b>	<b>3.3</b>	<b>- 557 975</b>	<b>- 918 238</b>
Other operational expenses		- 557 975	- 918 238
<b>TOTAL OPERATING EXPENSES</b>		<b>- 51 912 285</b>	<b>- 50 562 391</b>
<b>SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES</b>		<b>3 055 732</b>	<b>- 1 941 057</b>
Financial revenues		495	0
Financial expenses		- 45 373	- 6 841
<b>SURPLUS/ (DEFICIT) FROM NON OPERATING ACTIVITIES</b>		<b>- 44 878</b>	<b>- 6 841</b>
<b>ECONOMIC RESULT OF THE YEAR</b>		<b>3 010 854</b>	<b>- 1 947 898</b>

### 1.3 Cash Flow Statement

	2020	2019
<b>Cash Flows from ordinary activities</b>		
<b>Economic result of the year</b>	<b>3 010 854</b>	<b>- 1 947 898</b>
<b>Operating activities</b>		
Amortisation (intangible fixed assets) +	2 082 962	3 327 369
Depreciation (tangible fixed assets) +	904 259	718 333
Increase/(decrease) in Provisions for risks and liabilities	0	-400 000
Increase/(decrease) in Value reduction for doubtful debts	0	0
(Increase)/decrease in Stock	0	0
(Increase)/decrease in Long term Pre-financing	0	0
(Increase)/decrease in Short term Pre-financing	0	0
(Increase)/decrease in Long term Receivables	0	0
(Increase)/decrease in Short term Receivables	- 2 359 647	1 254 755
(Increase)/decrease in Receivables related to consolidated EC entities	0	0
Increase/(decrease) in Other Long term liabilities	0	0
Increase/(decrease) in Accounts payable	1 614 499	2 955 998
Increase/(decrease) in Liabilities related to consolidated EC entities	1 270 324	-7 488
(Gains)/losses on sale of Property, plant and equipment		
<b>Net cash Flow from operating activities</b>	<b>3 512 126</b>	<b>7 848 967</b>
<b>Cash Flows from investing activities</b>		
Increase of tangible and intangible fixed assets (-)	- 1 398 516	- 6 829 042
Proceeds from tangible and intangible fixed assets (+)	33 768	387 416
<b>Net cash flow from investing activities</b>	<b>- 1 364 748</b>	<b>- 6 441 626</b>
<b>Increase/(decrease) in Employee benefits</b>	<b>0</b>	<b>0</b>
Net increase/(decrease) in cash and cash equivalents	5 158 232	-587 557
<b>Cash and cash equivalents at the beginning of the period</b>	<b>6 261 957</b>	<b>6 849 514</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>11 420 188</b>	<b>6 261 957</b>

#### 1.4 ESMA – Statement of changes in net assets

Capital	Reserves		Accumulated Surplus / Deficit	Economic result of the year	Net assets (total)
	Fair value reserve	Other reserves			
<b>Balance as of 31 December 2019</b>	0	0	6 898 836	- 1 947 898	4 950 838
Changes in accounting policies	0	0	0	0	0
<b>Balance as of 1 January 2020 (if restated)</b>	0	0	6 898 836	- 1 947 898	4 950 838
Allocation of the Economic Result of Previous Year	0	0	- 1 947 898	1 947 898	0
Economic result of the year	0	0	0	3 010 854	3 010 854
<b>Balance as of 31 December 2020</b>	0	0	4 950 838	2 898 637	7 961 792

## 2 Notes to the Financial Statements

### 2.1 Accounting Policies

#### General

In accordance with in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council C/2018/8599 (OJ L 122, 10.5.2019, p.1-38) and Article 98 of the Decision on the Financial Regulation of ESMA, the final accounts together with the reports on implementation of the budget of European Securities and Markets Authority have been drawn up.

The accounts are drawn up in accordance with the accounting rules and methods adopted by the Accounting Officer of the Commission as stated in article 97 of the Framework Financial Regulation. These financial statements are prepared on the basis of the EU Accounting Rules as adopted by the Commission's Accounting Officer which adapt the International Public Sector Accounting Standards (and in some cases 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 objective of the financial statements is to provide information about the financial position, performance and cash-flows of an entity that is useful to a wide range of users.

The accounting system of the European Securities and Markets Authority 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.<sup>1</sup> 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 European Securities and Markets Authority 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.

The accounting principles to be applied in drawing up the financial statements are:

- ✓ Going concern basis
- ✓ Prudence
- ✓ Consistent accounting methods
- ✓ Comparability of information
- ✓ Materiality
- ✓ No netting

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<sup>1</sup> This differs from cash-based accounting because of elements such as carryovers.

- ✓ Reality over appearance
- ✓ Accrual-based accounting

The financial statements are presented in euro, the functional and reporting currency. Foreign currency transactions are translated into euro using the exchange rate prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translations at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the economic outturn account.

## Balance Sheet

Assets are resources controlled by the European Securities and Markets Authority as a result of past events and from which future economic benefits or service potential are expected to flow.

### ➤ Intangible assets.

Acquired computer software licences are stated at cost less accumulated amortisation and impairment losses. The assets are amortised on a straight-line basis over their estimated useful life, being 4 years.

With the entry into force of EU accounting rule n° 6 on internally developed intangible assets costs directly linked to an internally developed intangible asset, providing they meet the necessary criteria, must be capitalised as assets under construction. Once the project goes live, the resulting asset will be amortised over its useful life. In addition, the amount of research expenses incurred on IT projects and development costs not capitalised (e.g. for small projects below threshold) must be disclosed in the financial statements. It must be noted that the threshold for capitalising these costs has been set at 150 000 EUR for the Authority.

### ➤ Property, plant and equipment

In compliance with the accounting rules, fixed assets are considered as such when their nominal value is equal or above €420 and their useful life is greater than one year. The assets are reflected in the balance sheet at year end for their net value. The depreciation method used is the straight-line method and pro rata temporis from the month of first use or delivery of the asset in the Authority premises.

The assets registration system, integrated in the Authority's accounting systems, is identical to the one used by the European Commission (ABAC Assets). It is operational since July 2011.

All property, plant and equipment are stated at historical costs less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition 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 the Authority and its cost can be measured reliably. Repairs



and maintenance 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 on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

## TABLE OF DEPRECIATION RATES

### Intangible assets

Software for personal computers and servers	25%
Other intangible fixed assets	25%

### Tangible assets

#### Plant and equipment

Tools for industry and workshops	12,5%
Specific electric equipment	25%

#### Furniture and vehicles

Office, laboratory and workshop furniture	10%
Electrical office equipment, printing and mailing equipment	12,5%/25%
Furniture for restaurant/cafeteria/bar area	10%/12,5%

#### Computer hardware

Computers, servers, accessories, data transfer equipment,	25%
Copying equipment, digitising and scanning equipment	25%

#### Other fixtures and fittings

Telecommunications equipment	25%
Audiovisual equipment	25%
Computer books, CDs, DVDs	25% / 33%
Other	10%
	<b>duration of</b>
	<b>lease</b>
Fit-out works buildings	<b>agreement</b>

<u>Tangible fixed assets under construction</u>	0%
---	----

Gains or losses on disposals are determined by comparing proceeds less selling expenses with the carrying amount of the disposed asset and are included in the statement of financial performance.

➤ Receivables.

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 ESMA 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

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.

➤ Provisions

Provisions are recognised when the Authority 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. Provisions are not recognised for future operating losses. 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.

➤ Payables

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 the Authority.

➤ Accrued and deferred income and charges

Following the accrual accounting principle, 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. Revenue is also accounted for in the period to which it relates.

## Statement of Financial Performance

➤ Revenues and expenses

Revenues and expenses are accounted for in accordance with the accrual accounting basis principle.

Non-exchange revenue makes up the vast majority of ESMA's revenue and includes mainly the EU subsidy and the contributions from the National Competent Authorities.

Exchange revenue is the revenue from the fees received from supervised entities: credit rating agencies, trade repositories and securities financing repositories.

Interest income consist of received bank interest

## Contingent Assets and Liabilities

### ➤ Contingent assets

A contingent asset is a possible right 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 Authority. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable

### ➤ Contingent liability

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 Authority or a present obligation that arises from past events but is not recognized either because it is unlikely that the Authority will use its own resources to settle the obligation or because the value of the obligation cannot be measured with sufficient reliability.

A commitment for future funding represents a legal or constructive commitment, usually contractual, that the Authority has entered into and which may require a future outflow of resources.

Guarantees are possible assets or obligations that arise from past events and whose existence will be confirmed by the occurrence or non-occurrence of the object of the guarantee. It can thus be qualified as a contingent asset or liability. A guarantee is settled when the object of the guarantee no longer exists.

## 2.2 Intangible assets

		Internally generated Computer Software	Other Computer Software	Intangible assets under constructions	Total
<b>Gross carrying amounts 01.01.2020</b>		<b>13 897 571</b>	<b>1 087 018</b>	<b>1 798 474</b>	<b>16 783 062</b>
Additions	+	0	0	1 019 672	1 019 672
Disposals	-	0	-72 696	0	-72 696
Transfer between headings	+/-	1 873 042	0	- 1 962 122	-89 080
Other changes	+/-	89 080	- 89 080	0	0
<b>Gross carrying amounts 31.12.2020</b>		<b>15 859 692</b>	<b>925 242</b>	<b>856 024</b>	<b>17 640 958</b>
<b>Accumulated amortisation and impairment 01.01.2020</b>		<b>-10 643 518</b>	<b>-989 789</b>	<b>0</b>	<b>-11 633 307</b>
Amortisation	-	- 2 074 543	-8 149	0	- 2 082 962
Write-back of amortisation	+	0	0	0	0
Disposals	+	0	72 696	0	72 697
Impairment	-	0	0	0	0
Write-back of impairment	+	0	0	0	0
Transfer between headings	+/-	89 080	0	0	89 080
Other changes	+/-	0	0	0	0
<b>Accumulated amortisation and impairment 31.12.2020</b>		<b>- 12 628 981</b>	<b>- 925 242</b>	<b>0</b>	<b>- 13 554 223</b>
<b>Net carrying amounts 31.12.2020</b>		<b>3 230 711</b>	<b>0</b>	<b>856 024</b>	<b>4 086 735</b>

Internally generated computer software

In the course of 2020, the following internally generated intangible fixed assets have been capitalised. Below a detailed breakdown of the systems that went live in 2020 can be found:

Name of the project	Description	Development cost capitalised (in €)
PROSP	Prospectus III regulation: Amended Register that will provide market participants with easy and free access to a large range of data about public offers and admissions to trading in the EEA as well as to all prospectus documents in one central location.	804 412
MOFUN	Money Markets Fund Regulation: a central public register identifying each MMF authorised, the manager of an MMF and the competent authority of the MMF, as well as a central database for MMF reports.	539 816
BENCH	Benchmark Regulation: Public Register of Administrators and third country Benchmarks (articles 30 – 35)	279 595
TRACE3	Access to Trade Repositories for data queries submission by NCAs, distribution of those queries to Trade Repositories (TRs), receiving the query results from TRs and deliver them to NCAs (Phase 3)	338 299
		<b>1 962 122</b>

### Intangible assets under constructions

During 2020, the Authority has started/continued the development of a number of IT-systems which are expected to go live in the course of 2021 or beyond. Below an overview can be found of the capitalised internal and external development costs at the end of 2020 for the development of these IT-systems.

<b>Project Code</b>	<b>Description</b>	<b>Development cost capitalised (in €) – 2020</b>
CSDRS	Central Securities Depositories Regulation: System that should enable CSDs (under Article 7) operating settlement systems across the EU to report specifically on settlement fails and to enable settlement internalisers (under Article 9) to report to their respective competent authorities the aggregated volume and value of all securities transactions that they settle outside securities settlement systems on a quarterly basis.	496 353
STSRE	STS Register and sanctions database to be provided by ESMA following the Securitisation Regulation.	308 660
DRSPS	Data Reporting Service Providers Supervision: System aimed at collecting transaction reporting data from NCA's and allowing analysis for the purpose of supervision of ARM's and APA's	51 011
		<b>856 024</b>

In addition, in the course of 2020 the Authority has incurred € 64 386 of development costs mainly related to the finalisation of the AZURE project (migration to new infrastructure provider) and € 190 829 of research costs (outsourced study for proof of concept) in order to select the most appropriate technology for ESMA's future Markets Data.

## 2.3 Property, plant and equipment

Tangible (fixed) assets at ESMA consist of leasehold improvements, technical equipment, furniture, kitchen and cafeteria equipment, computer hardware and telecommunication and audio-visual equipment.

In the course of 2020, the Authority has mainly purchased computer tablets, mobile phones, other IT-equipment and furniture for a total amount of € 426 114.

		Buildings	Plant and Equipment	Computer hardware	Furniture	Other Fixtures and Fittings	Total
<b>Gross carrying amounts 01.01.2020</b>		<b>0</b>	<b>1 019</b>	<b>1 278 108</b>	<b>733 451</b>	<b>5 662 027</b>	<b>7 674 605</b>
Additions	+	0	0	271 053	108 656	46 404	426 114
Disposals	-	0	0	- 378 353	- 49 269	- 553 267	- 980 889
Transfer between headings	+/-	0	0	89 080	0	0	89 080
Other changes	+/-	0	0	0	0	-47 269	-47 269
<b>Gross carrying amounts 31.12.2020</b>		<b>0</b>	<b>1 019</b>	<b>1 295 888</b>	<b>792 838</b>	<b>5 107 895</b>	<b>7 161 640</b>
<b>Accumulated amortisation and impairment 01.01.2020</b>		<b>0</b>	<b>- 669</b>	<b>- 986 454</b>	<b>- 312 787</b>	<b>- 339 275</b>	<b>- 1 639 185</b>
Amortisation	-	0	- 128	- 209 377	- 75 482	- 620 452	- 905 439
Write-back of amortisation	+	0	0	0	0	1 180	1 180
Disposals	+	0	0	365 369	36 073	545 679	947 122
Impairment	-	0	0	0	0	0	0
Write-back of impairment	+	0	0	0	0	0	0
Transfer between headings	+/-	0	0	- 89 080	0	0	- 89 080
Other changes	+/-	0	0	0	0	0	0
<b>Accumulated amortisation and impairment 31.12.2020</b>		<b>0</b>	<b>- 797</b>	<b>- 919 452</b>	<b>- 352 196</b>	<b>- 412 868</b>	<b>- 1 685 402</b>
<b>Net carrying amounts 31.12.2020</b>		<b>0</b>	<b>222</b>	<b>340 346</b>	<b>440 642</b>	<b>4 695 027</b>	<b>5 476 237</b>



## 2.4 Exchange Receivable and recoverable

	31/12/2020	31/12/2019
Current receivables	984 001	0
Sundry receivables	54 184	21 208
Deferred charges	1 829 467	501 940
Accrued income	495	0
<b>TOTAL</b>	<b>2 868 146</b>	<b>523 147</b>

- ✚ The current receivables represent primarily the outstanding balance of the interim annual CCP fees established mid-December and not yet cashed at year-end.
- ✚ The sundry receivables mainly relate to amounts to be recovered from staff members.
- ✚ The deferred charges consist of prepaid annual licence costs for IT-software and subscriptions to databases for € 657 222, deferred rental cost for Q1 2021 for € 1 105 320 and deferred cost for schooling support for € 66 925. At the end of 2019 there was no deferred rental cost which explains the difference with the balance at the end of 2020.

## 2.5 Non exchange receivables and recoverable

	31/12/2020	31/12/2019
VAT refund	328 547	313 455
Other receivables	1 657	2 101
<b>TOTAL</b>	<b>330 204</b>	<b>315 556</b>

The European Securities and Markets Authority pays the invoices from local suppliers with Value Added Tax (VAT) and claims the VAT refund from the Host State on a quarterly basis. The outstanding amount at year-end amounts to € 328 547. This outstanding balance is comparable to the one at the end of 2019.

It should be noted that the outstanding balance at the end of 2019 included an amount of 45 911 of VAT paid for catering services for which the request for reimbursement was rejected by the French VAT authorities. In the course of 2020 the Agency managed, with the help of the legal service of the European Commission, to recover this amount from the French VAT authorities.

## 2.6 Cash and cash equivalents

The cash and cash equivalents position of the Authority at 31 December 2020 amounts to € 11 420 188 on the current accounts of ESMA with Crédit Agricole. The significant increase as compared to 2019 is a combination of:

- ✚ The cashing in the month of December of around 1,7 MEUR CCP fees, 360 KEUR of prepayment received from the Bulgarian NCA for their 2021 contribution and 47 KEUR advance payment by NCAs on 2021 IT-delegated projects contributions.
- ✚ 405 KEUR received from several NCA's as an advance since they opted to pay full original 2020 contribution and offset this against their 2021 contribution following the reduction generated by the Covid-19 impact on the initial requested 2020 NCA contribution.
- ✚ The cashing of a fine of 640 KEUR in 2020, which has not yet been reimbursed to the Commission since the period for launching an appeal had not yet been expired at the end of 2020.
- ✚ The lower payment implementation rate in 2020 resulting in an amount to be carried forward of 7 MEUR as compared to 5 MEUR at the end of 2019.

	2020	2019
Bank account ING – Income	0	0
Bank account ING Belgium	0	6 261 957
Current bank account Crédit Agricole	5 780 178	0
Deposit bank account Crédit Agricole	5 640 010	0
<b>Total</b>	<b>11 420 188</b>	<b>6 261 957</b>

## 2.7 Net Assets

The equity of the Authority amounts to € 7 961 792 of which:

- € 4 950 938 are the accumulated surplus from previous years.
- € 3 010 854 is the economic result of 2020.

## 2.8 Accounts payable

The total amount of current payables as per 31.12.2020 can be broken down as follows:

- ✚ € 1 330 680 representing current payables to third parties including the rental invoice for € 1 105 320 for Q1 2021
- ✚ € 11 353 representing current payables to consolidated entities

- ✚ € 1 709 representing sundry payables with consolidated entities
- ✚ € 1 593 797 representing the budget outturn to be reimbursed to the Commission in 2021. The latter includes the reimbursement of the unspent portion of EU advance for € 1 101 268 for the new fee funded activities.
- ✚ € 640 000 representing the fine collected in 2020 and to be transferred to the Commission after the expiration of the appeal period
- ✚ € 852 380 representing EMIR 2.2 fees to be paid back to the European Commission in 2021 as reimbursement of the 2019 EU advance.

## 2.9 Accrued charges and deferred income

The total amount of accrued charges and deferred income as per 31.12.2020 can be broken down as follows

- ✚ € 3 753 835 representing accrued charges for goods and services provided to the Authority in 2020 but not registered as invoiced at year end. This amount also includes a provision of € 953 737 for untaken leave of staff members.
- ✚ € 5 912 729 representing the reduction on the rental costs to be spread over the remaining years of the rental contract. This amount includes € 5 377 730 corresponding to the cost of the fit-out works done in ESMA's new premises and the 2019 rent. The total amount corresponding to the rent-free period that ESMA has obtained as part of the lease agreement for its new premises is € 9 947 041. The difference of € 3 101 660 will be deducted by the landlord from the yearly rental payment spread over the duration of the lease agreement.
- ✚ € 1 312 224 representing the deferred income relating to the NCAs contributions received to execute the IT-delegated tasks.
- ✚ € 47 191 received as an advance payment for the 2021 IT-delegated projects contribution.
- ✚ € 359 170 received as an advance payment from the Bulgarian NCA for their 2021 contribution.
- ✚ € 404 652 received from several NCA's as an advance payment to their 2021 contribution since they opted to pay the full original 2020 contribution and offset this against their 2021 contribution following the reduction generated by the Covid-19 impact on the initial requested 2020 NCA contribution.

Accrued expenses	31/12/2020	31/12/2019	% change
<b>Accrued expenses</b>	<b>3 753 885</b>	<b>3 119 037</b>	<b>20%</b>
Accrued expenses based on carry-over analysis	2 800 098	2 538 112	10%
Accrual for untaken holidays	953 737	580 925	64%

Accrued expenses based on carry-over analysis	31/12/2020	31/12/2019	% change
Title 1 – Staff	279 996	189 659	48%
Title 2 – Buildings, equipment and miscellaneous expenditure	234 537	477 570	-51%
Title 3 – Operational expenditure	2 132 343	1 564 765	36%
Title 4 – Delegated projects	153 222	306 118	-50 %
<b>Total</b>	<b>2 800 098</b>	<b>2 538 112</b>	<b>10%</b>

The overall increase of 10% in the level of the total accrued expenses is a combination of the following elements:

- ✚ Title I: Increase in cost of schooling support.
- ✚ Title II: Costs (architect and IT-connectivity) related to the new premises incurred in 2019 which did not occur in 2020.
- ✚ Title III: Delay in submission of invoices and subsequent payment for costs linked to IT-development and maintenance.
- ✚ Title IV: Quicker reception and processing of mainly maintenance costs as compared to development costs in 2019.

Accrual for untaken holidays	31/12/2020	31/12/2019	% change
Number of days not taken	3 002	1 846	63%
Accrued amount	953 737	580 925	64%

The significant increase in number of days not taken at the end of 2020 as compared to 2019 can be explained by the COVID-19 situation and the confinement/lockdown measures, which have meant that staff have not taken leave. The exceptional situation with severely increased workload and delayed recruitment has meant that staff in place were required to postpone their holidays.

### 3 Notes to the Statement of Financial Performance

#### 3.1 Operating revenue

The total operating revenue of the Authority consists mainly of contributions received from the National Competent Authorities, the Commission and fees received from supervised entities. As compared to 2019 the total operating revenue of the Authority has increased by 13%. This increase is mainly due to an increase of the NCAs contribution (1,4 MEUR) and the contribution of the EC (1,9 MEUR) and an increase of the fees from CRAs and TRs of about 1,1 MEUR. The remaining increase of 1,8 MEUR can be explained by the fees charged for EMIR 2.2., following the entry into force of the relevant legislation.

Type of revenue	2020	2019	% change
Non-exchange	36 989 498	33 635 704	10%
Exchange	17 979 014	14 985 630	20%
<b>TOTAL</b>	<b>54 968 512</b>	<b>48 621 334</b>	<b>13%</b>

#### 3.2 Administrative expenses

These include staff expenses, costs relating to intangible assets and property, plant and equipment (mainly depreciation) and other expenses.

Type of Expense	2020	2019	% change
Staff expenses	- 30 226 912	- 27 092 117	12%
Fixed asset related expenses	- 3 013 236	- 4 433 118	-32%
Other administrative expenses	- 18 114 162	- 18 118 917	0%
<b>TOTAL</b>	<b>-51 354 310</b>	<b>- 49 644 153</b>	<b>3%</b>

As compared to 2019 there has been an increase of 3% which can be explained by:

- ✚ An increase in staff expenses, which can be explained by the annual indexation of 3,1% paid out in December 2020 and the increase in the number of staff by 6,5%.
- ✚ An decrease of 32% in depreciation of intangible and tangible fixed assets which can be fully explained by the impairment costs recorded in 2019 of € 736 870 for two IT-systems and the write-off cost of tangible fixed assets following the move to the new building for € 495 577.

### **Number of employees (posts actually filled as per year-end)**

	<b>2020</b>	<b>2019</b>
Temporary agents	172	155
Contract agents	66	68
SNE	9	9
<b>TOTAL</b>	<b>247</b>	<b>232</b>

### **3.3 Operating Expenses**

The decrease in operating expenses (€ 557 975 in 2020 as compared to € 917 238 in 2019) is the direct result of the COVID-19 situation and the related confinement/lockdown measures which have led to a significant reduction in mission and meetings costs since practically all meetings were held remotely.

## **4 Notes to the Cash Flow Statement**

Cash flow information is used to provide a basis for assessing the ability of ESMA to generate cash and cash equivalents, and its needs to utilise those cash flows.

The cash flow statement is prepared using the indirect method. This means that the economic result of the financial year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of revenue or expense associated with investing cash flows.

Cash flows arising from transactions in a foreign currency are recorded in the EU's reporting currency (euro), by applying to the foreign currency amount the exchange rate between the euro and the foreign currency at the date of the cash flow.

The presented cash flow statement reports cash flows during the period classified by operating and investing activities (ESMA does not have financing activities).

### **4.1 Operating Activities**

Operating activities are the activities of the EU that are not investing activities. These are the majority of the activities performed.

## 4.2 Investing Activities

Investing activities are the acquisition and disposal of intangible assets and property, plant and equipment and of other investments which are not included in cash equivalents. The objective is to show the real investments made by ESMA.

## 5 Contingent Assets and Liabilities and Other Significant Disclosures

### 5.1 Contingent Liabilities

#### 5.1.1 Contingent liabilities amounts relating to legal cases

There is currently 1 pending staff case lodged against ESMA before the General Court on 28 December 2020 and notified to ESMA in January 2021. However at this stage it is not possible to estimate the potential costs to be borne by ESMA.

### 5.2 Other significant Disclosures

#### 5.2.1 Operating Leases

Below an overview can be found of the yearly rental charges to be paid by ESMA for the rent of its offices. The gross rental amount is € 4 774 580 from which an amount of € 344 629 is deducted representing the yearly lease incentive granted to ESMA.

Description	Charges paid in 2020	Charges to be paid next year	Charges to be paid later than one year	Total charges to be paid
Rent (Ibox – new building)	4 429 951	4 429 951	31 009 656	39 869 558
<b>Total Rent</b>	<b>4 429 951</b>	<b>4 429 951</b>	<b>31 009 656</b>	<b>39 869 558</b>

The total amount corresponding to the lease incentives that ESMA has obtained as part of the lease agreement for its new premises is € 9 947 041. This amount includes € 5 377 730 corresponding to the cost of the fit-out works done in ESMA's new premises and the 2019 rent and is recognised the aggregate as a reduction of the rent expense over the lease term on a straight-line basis.

## 5.2.2 Outstanding Commitments not yet expensed (Carryovers)

Unconsumed budgetary commitments for future funding (C8 + R0 carry-forward) have been registered by the Authority with an amount of € 8 104 437 at year end, of which € 2 811 450<sup>2</sup> (or 35%) relate to 2020. Additional expenditure of € 5 292 987 is expected for 2021, whereby budgetary commitments have been registered but do not have any impact on the 2020 accrual-based accounting.

	2020	2019
Automatic carryovers C1	7 056 742	5 073 310
Automatic carryovers R0	1 047 695	713 166
Accrued expenses	- 2 811 450	-2 672 277
<b>Outstanding commitments not yet expensed</b>	<b>5 292 987</b>	<b>3 114 199</b>

The amount disclosed above is the budgetary RAL ("Reste à Liquider") less related amounts that have been included as expenses in the 2020 statement of financial performance. The budgetary RAL is an amount representing the open commitments for which payments and/or de-commitments have not yet been made.

## 5.2.3 Brexit

On 1 February 2020 the United Kingdom ceased to be a Member State of the European Union. Following the conclusion of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (the 'Withdrawal Agreement') between the two parties, the United Kingdom committed to pay all its obligations under the current MFF and previous financial perspectives following from its membership of the Union. The United Kingdom has paid into the 2020 EU Budget during the year, and received payments, as if it were a Member State.

At the date of transmission of these accounts and based on the Withdrawal Agreement concluded and already in operation, there is no financial impact to be reported in these accounts. For further information on the impact of the Withdrawal Agreement on the EU, please see the 2020 consolidated EU annual accounts

## 5.2.4 COVID-19

During 2020 the coronavirus outbreak has had huge impacts on the EU economy. Below some more information can be found regarding the areas materially affected by this in the execution of the Agency's activities.

### Revenues

<sup>2</sup> This amount includes 11 353 EUR of accrued charges for Q4 accounting services provided by ERA's accounting officer which have been classified as current payables with consolidated entities.



Following a thorough assessment of the COVID-19 impact on ESMA's activities, some expenditure originally planned for 2020 were discontinued and/or slowed-down. ESMA's 2020 budget registered € 1 399 185 (i.e. 2.5% ESMA's initial budget) total decrease versus the level originally planned. On the revenue side, almost all fund sources were reduced: EU subsidy and EU advance, National Competent Authorities' contribution, fees from Credit Rating Agencies, Trade Repositories under EMIR, Trade Repositories under SFTR and Securitisation Repositories.

#### Expenditure

At the level of expenditure, the following reductions were registered:

- substantial decrease of the staff salary budget and related costs (*minus* €1.5M) mainly due to delays in the recruitment procedures for ESMA's new mandates.
- Significant decrease of mission and meeting costs (suspended since the beginning of the pandemic; *minus* €490k), legal advice and services on operational matters (*minus* €140k).

At the same time, ESMA increased the cost for IT security following the escalation of cyber-attacks (*plus* €500k, including €200k as a response to cyber-attacks and €300k of improvements of our IT infrastructure), for IT projects to ensure the remote functioning of ESMA's activities (e.g. voting system, recruitment processes, enhanced videoconferencing, VPNs, e-signature; *plus* €250k) and slightly for translation and communication expenditure (*plus* €270k).

#### Balance sheet

At this stage the Agency does not foresee any material impact on any of the balance sheet items.

#### Budgetary aspects

Through regular budgetary reviews and the resulting budgetary transfers and amendments, ESMA was able to keep the level of carry-overs to an acceptable level, maintain the levels of budget implementation and cancellations within the regulatory requirements.

## 6 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:

	2020	2019
<b>Financial assets</b>		
Exchange receivables and recoverables	1 039 842	23 309
Non - exchange receivables and recoverables	328 457	313 455
Cash and deposits	11 420 188	6 261 957
<b>Total monetary assets (A)</b>	<b>12 788 577</b>	<b>6 598 720</b>
<b>Financial liabilities</b>		
<b>Accounts payable</b>	4 429 918	438 292
<b>Total monetary liabilities (B)</b>	<b>4 429 918</b>	<b>438 292</b>
<b>Total net financial instruments (A) – (B)</b>	<b>8 358 659</b>	<b>6 160 429</b>

### Liquidity risk

Liquidity risk is the risk that arises from the difficulty of 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.

The Authority manages liquidity risk by continually monitoring forecast and actual cash flows.

Bank accounts opened in the name of the Authority 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.

### 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. Contributions are requested 2 times a year based on cash forecasts.

In addition, specific guidelines are applied for the selection of commercial banks in order to further minimise counterparty risk to which the Authority 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 maximum exposure to credit risk is:

	2020	2019
Exchange receivables and recoverables	1 039 842	23 309
Non-exchange receivables and recoverables	328 457	313 455
Cash and deposits	11 420 188	6 261 957
<b>Total monetary assets (A)</b>	<b>12 788 577</b>	<b>6 598 720</b>
Impairment (C)	0	0
Guarantees (E)	0	0
<b>Total credit risk (A+C+E)</b>	<b>12 788 577</b>	<b>6 598 720</b>

### Interest rate risk

Interest rate risk is the possibility of a reduction in the value of a security, especially a bond, resulting from an increase in interest rates. In general, higher interest rates will lead to lower prices of fixed rate bonds, and vice versa.

Interest rate risk at the Authority arises from cash. It is recognised that interest rates fluctuate and the Authority accepts the risk and does not consider it to be material.

The Authority'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. The Authority has therefore put in place measures to ensure that interest earned on its bank accounts regularly reflects market interest rates, as well as their possible fluctuation.

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 overnight index average) or EURIBOR (Euro Interbank Offer Rate) and is adjusted to reflect any fluctuations of this rate. As of the end of 2020 ESMA is facing a negative interest rate on its current bank accounts.

## Foreign currency risk

Currency risk is the risk that the EU's operations or its investments' value will be affected by changes in exchange rates. This risk arises from the change in price of one currency against another.

Most financial assets and liabilities are in euro, so in these cases the Authority has no foreign currency risk.

When miscellaneous receipts are received in currencies other than euro, they are converted into euro and transferred to accounts held in euro.

At the end of 2020 the Authority had no outstanding receivables in foreign currency and no material outstanding payable balance in foreign currency.

## Fair value

The estimated fair values of all financial instruments of the Authority are equal/approximate to their book values as at 31 Dec 2020. All financial assets and liabilities are receivable or repayable on demand or within one year.

## 7 Changes in Accounting Policies

There have been no changes in accounting policies for the financial year 2020.

## 8 Related Party Disclosure

The related parties of the Authority are the key management personnel. Transactions between the Authority and the key management personnel take place as part of the normal operations and as this is the case, no specific disclosure requirements are necessary for these transactions in accordance with the EU Accounting rules

Highest grade description	Grade	Number of persons of this grade
Chair + Chair CCP Supervisory Committee	AD16	2
Executive Director + Independent Members of the CCP Supervisory Committee	AD15	3



## **Reports on Implementation of the Budget of ESMA**

# 1 Budgetary Structure and Principles

The budgetary accounts are kept in accordance with the Financial Regulation and its rules of application. The budget is the instrument which, for each financial year, forecasts and authorises the revenue and expenditure considered necessary for the implementation of the Authority's mandate.

Every year, the Authority estimates its revenue and expenditure for the year and draws up a draft budget which it sends to the Commission. The Commission then sends it to the budgetary authority. On the basis of this draft budget, the Council draws up its position which is then the subject of negotiations between the two arms of the budgetary authority. The President of the Parliament declares that the joint draft has been finally adopted, thus making the budget enforceable. The task of executing the budget is the responsibility of the Authority.

The budget structure for the Authority consists of administrative and operational appropriations and has non-differentiated appropriations for titles I to III and differentiated appropriations for title IV.

## Origin of Appropriations

The main source of appropriations is the Authority's budget for the current year. However, there are other types of appropriations resulting from the provisions of the Financial Regulation. They come from previous financial years or outside sources:

- **Initial budget appropriations** adopted for the current year can be supplemented with transfers between lines and by amending budgets.
- **Appropriations carried over** from previous year or made available again also supplement the current budget. These are:

(i) non-differentiated payment appropriations which may be carried over automatically for one financial year only;

(ii) appropriations carried over by decision of the Authority in one of two cases: if the preparatory stages have been completed or if the legal base is adopted late.

 **Assigned revenue** which is made up of:

(i) internal assigned revenue such as refunds where the amounts are assigned revenue on the budget line which incurred the initial expenditure and may be carried over for one year only;

(ii) external assigned revenue

## Composition of Appropriations Available

 Initial budget = appropriations voted in year N-1;

- ✚ Final budget appropriations = initial budget appropriations adopted + amending budget appropriations + transfers + additional appropriations;
- ✚ Additional appropriations = assigned revenue (see above) + appropriations carried over from the previous financial year.

### **Calculation of the Budget Result**

The revenue entered in the accounts is the amount actually received during the course of the year. For the purposes of calculating the budget result for the year, expenditure comprises payments made against the year's appropriations plus any of the appropriations for that year that are carried over to the following year. Payments made against the year's appropriations means payments that are made by the accounting officer by 31 December of the financial year.

The following are added to or deducted from the resulting figure:

- ✚ the net balance of cancellations of payment appropriations carried over from previous years and any payments which, because of fluctuations in the euro rate, exceed non-differentiated appropriations carried over from the previous year; and the balance of exchange-rate gains and losses recorded during the year.

Payment appropriations carried over include: automatic carryovers and carryovers by decision. The cancellation of unused payment appropriations carried over from the previous year shows the cancellations on appropriations carried over automatically and by decision. It also includes the decrease in assigned revenue appropriations carried over to the next year in comparison with the previous year.

### **Budgetary principles**

The budget of the Authority has been established in compliance with the principles of unity, budget accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency as set out in the Financial Regulation of the Authority.

## 1.1 Budget result

1.1.2020 – 31.12.2020

		2020	2019
<b>REVENUE</b>			
Contributions from MS NCAs	+	21 023 185	19 590 305
Commission subsidy received by the Authority for 2020	+	16 765 424	13 612 496
Budgetary surplus	+	197 436	71 005
Contributions from Observer NCAs	+	597 250	556 543
Fees from Supervised Entities	+	14 343 779	11 527 275
NCA contributions for delegated tasks	+	1 748 539	2 087 860
Other revenue	+	86 829	13 965
<b>TOTAL REVENUE (a)</b>		<b>54 762 442</b>	<b>47 459 449</b>
<b>EXPENDITURE</b>			
<b>Title I: Staff</b>			
Payments	-	30 163 950	27 574 644
Appropriations carried over	-	530 101	284 661
<b>Title II: Administrative Expenses</b>			
Payments	-	7 084 660	6 818 780
Appropriations carried over	-	794 677	1 272 903
<b>Title III: Operating Expenditure</b>			
Payments	-	6 691 448	5 686 522
Appropriations carried over	-	5 765 341	3 522 551
<b>Title IV: Delegated Tasks Expenditure</b>			
Payments	-	2 166 068	2 720 472
Appropriations carried over	-	1 047 695	718 353
<b>TOTAL EXPENDITURE (b)</b>		<b>54 243 940</b>	<b>48 598 886</b>
<b>OUTTURN FOR THE FINANCIAL YEAR (a-b)</b>		<b>518 502</b>	<b>-1 139 437</b>
Cancellation of unused payment appropriations carried over from previous year	+	352 306	173 108
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising	+	725 157	1 161 381
Exchange differences for the year (gain +/-loss -)	+/-	- 2 168	-407
<b>BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR</b>		<b>1 593 797</b>	<b>194 645</b>
Balance year N-1	+/-	194 645	329 060
Positive balance from year N-1 reimbursed in year N to the	-	- 194 645	-329 060
<b>Result used for determining amounts in general accounting</b>		<b>1 593 797</b>	<b>194 645</b>
<b>Commission subsidy - Authority registers accrued revenue and Commission accrued expense</b>		<b>15 369 063</b>	<b>13 488 856</b>
<b>Pre-financing of EU subsidy remaining open to be reimbursed by Authority to Commission in year N+1</b>		<b>492 529</b>	<b>194 645</b>
<b>Pre-financing of EU advance remaining open to be reimbursed by Authority to Commission in year N+1</b>		<b>1 101 268</b>	<b>0</b>



## 1.2 Reconciliation of Accrual Result with Budget Result

	2020	2019
<b>ACCRUAL RESULT OF THE YEAR</b>	<b>3 010 854</b>	<b>- 1 947 898</b>
<b>Adjustments for accrual items (items included in the accrual result but not in the budget result)</b>		
Accrual Cut-off (reversal 31.12.N-1)	- 3 251 889	- 3 181 171
Accrual Cut-off (cut-off 31.12.N)	3 765 188	3 238 239
Unpaid invoices at year end but booked in charges	1 117 595	9 091
Depreciation/amortisation of intangible and tangible assets	3 013 236	4 433 118
Provisions	0	- 400 000
Recovery Orders issued in year N and not yet cashed	365 000	0
Payments made from carry-over of payment appropriations	4 721 004	4 505 530
Other	3 507 932	- 833 422
<b>Adjustments for budgetary items (items included in the budget result but not in the accrual result)</b>		
Asset acquisitions (less unpaid amounts)	- 1 442 705	- 1 398 736
New prefinancing received in year N and remaining open as at 31.12.2020	1 593 797	194 645
Budgetary recovery orders issued before year N and	0	39 226
Payment appropriations carried over to year N+1	8 137 815	- 5 798 467
Cancellation of unused carried over payment appropriations from previous year	352 306	173 108
Adjustment for carry-over from the previous year of appropriations available at 31.12.N arising from assigned revenue	725 157	1 161 381
<b>Total</b>	<b>1 593 797</b>	<b>194 645</b>
<b>BUDGET RESULT OF THE YEAR</b>	<b>1 593 797</b>	<b>194 645</b>

The accrual result of the year is calculated on the basis of accrual accounting principles. The budget result is however based on modified cash accounting rules, in accordance with the Financial Regulation. As the accrual result and the budget result both cover the same underlying operational transactions, it is a useful control to ensure that they are reconcilable.

The actual budgetary revenue for a financial year corresponds to the revenue collected from entitlements established in the course of the year and amounts collected from entitlements established in previous years. Therefore, the entitlements established in the current year but not yet collected are to be deducted from the accrual result for reconciliation purposes as they

do not form part of budgetary revenue. On the contrary the entitlements established in previous years and collected in current year must be added to the accrual result for reconciliation purposes.

The net accrued expenses mainly consist of accruals made for year-end cut-off purposes, i.e. eligible expenses incurred by beneficiaries of EU funds but not yet reported to the Agency. While accrued expenses are not considered as budgetary expenditure, payments made in the current year relating to invoices registered in prior years are part of current year's budgetary expenditure.

The net effect of pre-financing is the combination of (1) the new pre-financing amounts paid in the current year and recognised as budgetary expenditure of the year and (2) the clearing of the pre-financing paid in current year or previous years through the acceptance of eligible costs. The latter represent an expense in accrual terms but not in the budgetary accounts since the payment of the initial pre-financing had already been considered as a budgetary expenditure at the time of its payment.

Besides the payments made against the year's appropriations, the appropriations for that year that are carried to the next year also need to be taken into account in calculating the budget result for the year. The same applies for the budgetary payments made in the current year from carry-overs and the cancellation of unused payment appropriations.

The movement in provisions relates to year-end estimates made in the accrual accounts (employee benefits mainly) that do not impact the budgetary accounts. Other reconciling amounts comprise different elements such as asset depreciation, asset acquisitions, capital lease payments and financial participations for which the budgetary and accrual accounting treatments differ.

### 1.3 Comparison of Budget and Actuals

#### 1.3.1 Appropriations of the current budget – fund source C1

BL	BUDGET CHAPTER / LINE	Initial budget adopted	Amending budgets	Transfers	Final adopted budget	Actual Committed	Actual Paid
<b>TITLE I - STAFF EXPENDITURE</b>							
	<b>11. Staff in active employment</b>	<b>34 840 483</b>	<b>- 3 976 061</b>	<b>- 1 414 983</b>	<b>29 449 439</b>	<b>29 418 885</b>	<b>29 408 726</b>
1100	Staff salaries, allowances, insurance and grants	31 448 000	- 3 489 879	- 958 083	27 000 038	26 969 535	26 968 835
1120	Temporary workers	15 000	28 000	- 28 900	14 100	14 060	4 602
1133	Contribution to the Community pension scheme	3 377 483	- 514 182	- 428 000	2 435 301	2 435 290	2 435 289
	<b>12. Expenditure relating to staff management and recruitment</b>	<b>600 000</b>	<b>- 100 000</b>	<b>-30 000</b>	<b>470 000</b>	<b>459 546</b>	<b>372 295</b>
1200	Expenditure relating to staff management and recruitment	600 000	- 100 000	- 30 000	470 000	459 546	372 295
	<b>14. Socio-medical infrastructure</b>	<b>820 000</b>	<b>- 92 000</b>	<b>- 163 000</b>	<b>565 000</b>	<b>542 399</b>	<b>280 420</b>
1400	Medical service	75 000	- 5 000	- 32 000	38 000	32 837	29 421
1410	Schools and kindergartens	120 000	38 000	92 000	250 000	234 000	74 043
1420	Canteen and associated services	625 000	- 125 000	- 223 000	277 000	275 562	176 956
	<b>16. Training</b>	<b>305 000</b>	<b>- 95 000</b>	<b>50 000</b>	<b>260 000</b>	<b>245 726</b>	<b>102 508</b>
1600	Training	305 000	- 95 000	50 000	260 000	245 726	102 508
	<b>TOTAL TITLE I</b>	<b>36 565 483</b>	<b>- 4 263 061</b>	<b>- 1 557 983</b>	<b>30 744 439</b>	<b>30 666 556</b>	<b>30 163 949</b>

BL	BUDGET CHAPTER / LINE	Initial budget adopted	Amending budgets	Transfers	Final adopted budget	Actual Committed	Actual Paid
<b>TITLE II - INFRASTRUCTURE AND ADMIN. EXPENDITURE</b>							
	<b>20. Rental of building and associated costs</b>	<b>6 560 000</b>	<b>- 180 000</b>	<b>- 28 000</b>	<b>6 352 000</b>	<b>6 296 815</b>	<b>5 983 002</b>
2000	Building rental, charges and taxes	5 700 000	0	0	5 700 000	5 700 000	5 655 249
2020	Maintenance, works and refurbishment	60 000	0	0	60 000	42 748	31 872
2090	Other expenditure on buildings, security and moving services	800 000	- 180 000	- 28 000	592 000	554 067	295 881
	<b>21. Information and communication technology</b>	<b>600 000</b>	<b>- 150 000</b>	<b>80 000</b>	<b>530 000</b>	<b>521 617</b>	<b>329 113</b>
2100	ICT office equipment	600 000	- 150 000	80 000	530 000	521 617	329 113
	<b>23. Current administrative expenditure</b>	<b>855 000</b>	<b>170 000</b>	<b>85 115</b>	<b>1 110 115</b>	<b>1 006 331</b>	<b>718 367</b>
2300	Facility management services	410 000	- 20 000	- 21 885	368 115	305 755	260 229
2304	Services on administrative matters	380 000	165 000	110 000	655 000	623 317	389 974
2305	Subscriptions	60 000	25 000	0	85 000	75 259	67 936
2308	Library Expenditure	5 000	0	- 3 000	2 000	2 000	228
	<b>27. Representation expenses, receptions and events</b>	<b>6 000</b>	<b>0</b>	<b>0</b>	<b>6 000</b>	<b>1 122</b>	<b>726</b>
2700	Representation expenses, receptions and events	6 000	0	0	6 000	1 122	726
	<b>TOTAL TITLE II</b>	<b>8 021 000</b>	<b>- 160 000</b>	<b>137 115</b>	<b>7 998 115</b>	<b>7 825 886</b>	<b>7 031 209</b>

BL	BUDGET CHAPTER / LINE	Initial budget adopted	Amending budgets	Transfers	Final adopted budget	Actual Committed	Actual Paid
<b>TITLE III - OPERATING EXPENDITURE</b>							
	<b>31 Training costs</b>	<b>50 000</b>	<b>- 50 000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
3100	Training costs	50 000	- 50 000	0	0	0	0
	<b>32 IT project costs</b>	<b>8 540 000</b>	<b>605 000</b>	<b>1 871 251</b>	<b>11 016 251</b>	<b>10 844 080</b>	<b>5 780 648</b>
3200	IT costs	8 540 000	8 540 000	1 871 251	11 016 251	10 844 080	5 780 648
	<b>34 Studies and legal advice</b>	<b>150 000</b>	<b>0</b>	<b>- 85 000</b>	<b>65 000</b>	<b>49 259</b>	<b>13 009</b>
3400	Legal advice	150 000	0	- 85 000	65 000	49 259	13 009
	<b>35 Access to data for Economic Research</b>	<b>600 000</b>	<b>0</b>	<b>0</b>	<b>600 000</b>	<b>599 811</b>	<b>328 584</b>
3500	Access to data for Economic Research	600 000	0	0	600 000	599 811	328 584
	<b>36 Mission expenses</b>	<b>610 000</b>	<b>- 160 000</b>	<b>- 379 189</b>	<b>70 811</b>	<b>66 927</b>	<b>66 327</b>
3600	Mission expenses	610 000	- 160 000	- 379 189	70 811	66 927	66 327
	<b>37 Information and publishing</b>	<b>517 000</b>	<b>- 57 000</b>	<b>373 200</b>	<b>833 200</b>	<b>773 189</b>	<b>397 343</b>
3700	Translation and interpretation	257 000	43 000	343 200	643 200	643 200	367 946
3701	Communication services	260 000	- 100 000	30 000	190 000	129 989	29 397
	<b>38 Meeting expenses</b>	<b>445 000</b>	<b>- 110 000</b>	<b>- 226 471</b>	<b>108 529</b>	<b>103 572</b>	<b>91 470</b>
3800	General meeting expenses	225 000	- 80 000	- 93 071	51 929	49 059	49 059
3810	Stakeholder groups – Consultations	110 000	- 10 000	- 70 000	30 000	30 000	17 898
3820	Governance	70 000	- 20 000	- 37 000	13 000	12 513	12 513
3830	Board of Appeal costs	40 000	0	- 26 400	13 600	12 000	12 000
	<b>39 Services on operational matters</b>	<b>85 000</b>	<b>0</b>	<b>- 82 923</b>	<b>2 077</b>	<b>87 020</b>	<b>42 069</b>
3900	Services on operational matters	85 000	0	- 82 923	2 077	2 077	2 077
	<b>TOTAL TITLE III</b>	<b>10 997 000</b>	<b>278 000</b>	<b>1 420 868</b>	<b>12 695 868</b>	<b>12 438 915</b>	<b>6 679 458</b>

BL	BUDGET CHAPTER / LINE	Initial budget adopted	Amending budgets	Transfers	Final adopted budget	Actual Committed	Actual Paid
<b>TITLE IV – DELEGATED TASKS</b>							
	<b>40 Single Interface to Trade</b>	<b>66 385</b>	<b>0</b>	<b>0</b>	<b>66 385</b>	<b>66 332</b>	<b>66 332</b>
4000	Single Interface to Trade Repositories	66 385	0	0	66 385	66 332	66 332
	<b>41 Instruments Reference Data</b>	<b>686 000</b>	<b>0</b>	<b>0</b>	<b>686 000</b>	<b>685 726</b>	<b>685 726</b>
4100	Instruments Reference Data	686 000	0	0	686 000	685 726	685 726
	<b>TOTAL TITLE IV</b>	<b>752 385</b>	<b>0</b>	<b>0</b>	<b>752 385</b>	<b>752 057</b>	<b>752 057</b>
	<b>TOTAL BUDGET 2019 – C1</b>	<b>56 335 868</b>	<b>- 4 145 061</b>	<b>0</b>	<b>52 190 807</b>	<b>51 683 415</b>	<b>44 626 673</b>

### 1.3.2 Appropriations of the current budget – fund source R0

BL	BUDGET CHAPTER / LINE	Initial budget adopted	Amending budgets	Not established	Transfers	Final budget available
<b>TITLE IV – DELEGATED TASKS</b>						
	<b>40. Single Interface to Trade Repositories</b>	<b>333 615</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>333 615</b>
4000	Single Interface to Trade Repositories	333 615	0	0		333 615
	<b>41. Instruments Reference Data</b>	<b>1 364 000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 364 000</b>
4100	Instruments Reference Data	1 364 000	0	0	0	1 364 000
	<b>TOTAL TITLE IV</b>	<b>1 697 615</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 697 615</b>
	<b>TOTAL BUDGET 2019 C1 + R0</b>	<b>58 033 483</b>	<b>- 4 145 061</b>	<b>0</b>	<b>0</b>	<b>53 888 422</b>

## 1.4 Budget Implementation

### EXPLANATORY NOTES

#### Management Systems

**ABAC** - The accounting and budgetary information is integrated in one system which has SAP as a back-end for the accounting part. The reporting system for ABAC which is used by ESMA is ABAC Datawarehouse. The workflow system in ABAC allows the authorising officer to ensure that the “four eyes” principle has been observed for each transaction. To manage its inventory in accordance with the requirements of the Financial Regulation, the Agency uses ABAC Assets.

#### Nomenclature

The nomenclature of appropriations is as follows:

- C1: Current Appropriations
- C3: Appropriations non automatically carried over
- C4: Appropriations Internal Assigned Revenue
- C5: Appropriations Internal Assigned Revenue (carried over)
- C8: Appropriations automatically carried forward
- IC1: Universal income voted in the budget
- IC4: Internal assigned revenue
- R0: External assigned revenue

## **2 Annex to the Budget Accounts**



## 2.1 Budgetary Tables (01.01.2020 – 31.12.2020)

### BUDGET IMPLEMENTATION CREDIT OF THE YEAR – Fund Source: C1

#### Title I: Staff Expenditure

Budget line	Description	Commitment & Payment Appropriations (1)	Commitment (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	R A L (2-3)
A-1100	Staff salaries, allowances, insurance and grants	27 000 038	26 969 535	99.89%	26 968 835	99.88%	700
A-1120	Temporary workers	14 100	14 060	99.72%	4 602	32.64%	9 458
A-1133	Contribution to the Community pension scheme	2 435 301	2 435 290	100.00%	2 435 289	100.00%	0
A-1200	Expenditure relating to staff management and recruitment	470 000	459 546	97.78%	372 295	79.21%	87 251
A-1400	Medical service	38 000	32 837	86.41%	29 421	77.42%	3 416
A-1410	Schools and kindergartens	250 000	234 000	93.60%	74 043	29.62%	159 957
A-1420	Canteen and associated services	277 000	275 562	99.48%	176 956	63.88%	98 606
A-1600	Training	260 000	245 726	94.51%	102 508	39.43%	143 218
<b>Title I: Staff Expenditure</b>		<b>30 744 439</b>	<b>30 666 556</b>	<b>99.75%</b>	<b>30 163 949</b>	<b>98.11%</b>	<b>502 607</b>

**Title II: Infrastructure and Administrative Expenditure**

Budget line	Description	Commitment & Payment Appropriations (1)	Commitment (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	R A L (2-3)
A-2000	Building rental, charges and taxes	5 700 000	5 700 000	100.00%	5 655 249	99.21%	44 751
A-2020	Maintenance, works and refurbishment	60 000	42 748	71.25%	31 872	53.12%	10 876
A-2090	Other expenditure on buildings, security and moving services	592 000	554 068	93.59%	295 881	49.98%	258 187
A-2100	ICT office equipment	530 000	521 617	98.42%	329 113	62.10%	192 504
A-2300	Facility management services	368 115	305 755	83.06%	260 229	70.69%	45 526
A-2304	Services on administrative matters	655 000	623 317	95.16%	389 974	59.54%	233 343
A-2305	Subscriptions	85 000	75 259	88.54%	67 936	79.93%	7 323
A-2308	Library expenditure	2 000	2 000	100.00%	228	11.39%	1 772
A-2700	Representation expenses, receptions and events	6 000	1 122	18.70%	726	12.10%	396
<b>Title II: Infrastructure and Administrative Expenditure</b>		<b>7 998 115</b>	<b>7 825 886</b>	<b>97.85%</b>	<b>7 031 209</b>	<b>87.91%</b>	<b>794 677</b>

**Title III: Operating Expenditure**

Budget line	Description	Commitment & Payment Appropriations (1)	Commitment (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	R A L (2-3)
B3-200	IT costs	11 016 251	10 844 080	98.44%	5 780 648	52.47%	5 063 432
B3-400	Legal advice	65 000	49 259	75.78%	13 009	20.01%	36 250
B3-500	Access to data for Economic Research	600 000	599 811	99.97%	328 584	54.76%	271 227
B3-600	Mission expenses	70 811	66 927	94.52%	66 327	93.67%	600
B3-700	Translation and interpretation	643 200	643 200	100.00%	367 946	57.21%	275 254
B3-701	Communication services	190 000	129 989	68.42%	29 397	15.47%	100 592
B3-800	General meeting expenses	51 929	49 059	94.47%	49 059	94.47%	0
B3-810	Stakeholder group - Consultations	30 000	30 000	100.00%	17 898	59.66%	12 102
B3-820	Governance	13 000	12 513	96.26%	12 513	96.26%	0
B3-830	Board of Appeal costs	13 600	12 000	88.24%	12 000	88.24%	0
B3-900	Services on operational matters	2 077	2 077	100.00%	2 077	100.00%	0
<b>Title III: Operating Expenditure</b>		<b>12 695 868</b>	<b>12 438 915</b>	<b>97.98%</b>	<b>6 679 458</b>	<b>52.61%</b>	<b>5 759 457</b>

#### Title IV: Delegated Tasks Expenditure

Budget line	Description	Commitment & Payment Appropriations (1)	Commitment (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	R A L (2-3)
B4-000	Single Interface to Trade Repositories	66 385	66 332	99.92%	66 332	99.92%	0
B4-100	Instruments Reference Data	686 000	685 726	99.96%	685 726	99.96%	0
<b>Title IV: Delegated Tasks Expenditure</b>		<b>752 385</b>	<b>752 058</b>	<b>99.96%</b>	<b>752 058</b>	<b>99.96%</b>	<b>0</b>
<b>TOTAL FUND SOURCE C1</b>		<b>52 190 807</b>	<b>51 683 415</b>	<b>99.03%</b>	<b>44 626 673</b>	<b>85.51%</b>	<b>7 056 742</b>

#### BUDGET IMPLEMENTATION CREDITS OF THE YEAR – Fund Source: C4

Budget line	Description	Commitment & Payment Appropriations (1)	Commitment (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	R A L (2-3)
A-1100	Staff salaries, allowances, insurance and grants	27 494	0	0%	0	0%	0
<b>Title I: Staff Expenditure</b>		<b>27 494</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>
A-2000	Building rental, charges and taxes	53 451	53 451	100.00%	53 451	100.00%	0
<b>Title II: Infrastructure and Administrative Expenditure</b>		<b>53 451</b>	<b>53 451</b>	<b>100.00%</b>	<b>53 451</b>	<b>100.00%</b>	<b>0</b>
B3-600	Mission expenses	5 884	0	0.00%	0	0.00%	0
<b>Title III: Operating Expenditure</b>		<b>5 884</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>
<b>TOTAL FUND SOURCE C4</b>		<b>86 829</b>	<b>53 451</b>	<b>51.56%</b>	<b>53 451</b>	<b>61.59%</b>	<b>0</b>

**BUDGET IMPLEMENTATION CREDITS OF THE YEAR – Fund Source: C5**

Budget line	Description	Commitment & Payment Appropriations (1)	Commitment (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	R A L (2-3)
B3-400	Legal advice	11 991	11 991	100.00%	11 991	100.00%	0
<b>Title III: Operating Expenditure</b>		<b>11 991</b>	<b>11 991</b>	<b>100.00%</b>	<b>11 991</b>	<b>100.00%</b>	<b>0</b>
<b>TOTAL FUND SOURCE C5</b>		<b>11 991</b>	<b>11 991</b>	<b>100.00%</b>	<b>11 991</b>	<b>100.00%</b>	<b>0</b>

**BUDGET IMPLEMENTATION CREDITS OF THE YEAR – Fund Source: C8**

**Title I: Staff Expenditure**

Budget line	Description	Commitment & Payment Appropriations (1)	Commitment (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	To be cancelled (1-3)
A-1200	Expenditure relating to staff management and recruitment	110 417	97 750	88.53%	97 750	88.53%	12 667
A-1400	Medical Service	16 232	6 032	37.16%	6 032	37.16%	10 200
A-1420	Canteen and associated services	62 626	39 629	63.28%	39 629	63.28%	22 997
A-1600	Training	95 386	89 288	93.61%	89 288	93.61%	6 098
<b>Title I: Staff Expenditure</b>		<b>284 661</b>	<b>232 699</b>	<b>81.75%</b>	<b>232 699</b>	<b>81.75%</b>	<b>51 962</b>

**Title II: Infrastructure and Administrative Expenditure**

Budget line	Description	Commitment & Payment Appropriations (1)	Commitment (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	To be cancelled (1-3)
A-2000	Building rental, charges and taxes	202 592	117 483	57.99%	117 483	57.99%	85 109
A-2020	Maintenance, works and refurbishment	10 000	10 000	100.00%	10 000	100.00%	0
A-2090	Other expenditure on buildings, security and moving services	469 316	456 568	97.28%	456 568	97.28%	12 748
A-2100	Internal ICT and telecommunications	194 486	167 926	86.34%	167 926	86.34%	26 560
A-2300	Facility management services	66 164	54 192	81.91%	54 192	81.91%	11 972
A-2304	Services on administrative matters	327 545	304 712	93.03%	304 712	93.03%	22 833
A-2308	Library expenditure	397	380	95.48%	380	95.48%	17
A-2700	Representation expenses, receptions and events	2 402	86	3.59%	86	3.59%	2 316
<b>Title II: Infrastructure and Administrative</b>		<b>1 272 902</b>	<b>1 111 347</b>	<b>87.31%</b>	<b>1 111 347</b>	<b>87.31%</b>	<b>161 555</b>

**Title III: Operating Expenditure**

Budget line	Description	Commitment & Payment Appropriations (1)	Commitment (2)	% Committed (2/1)	Paid (3)	% Paid (3/1)	To be cancelled (1-3)
B3-200	IT costs	2 763 507	2 723 970	98.57%	2 723 970	98.57%	39 537
B3-400	Legal advice	9 750	3 700	37.95%	3 700	37.95%	6 050
B3-500	Access to data for Economic Research	156 522	155 708	99.48%	155 708	99.48%	814
B3-600	Mission expenses	93 597	55 489	59.28%	55 489	59.28%	38 108
B3-700	Translation and interpretation	375 563	352 780	93.93%	352 780	93.93%	22 783
B3-701	Communication services	655	596	90.99%	596	90.99%	59
B3-800	General meeting expenses	44 246	25 594	57.84%	25 594	57.84%	18 652
B3-810	Stakeholder groups	20 969	8 983	42.84%	8 983	42.84%	11 986
B3-820	Governance	800	0	0%	0	0%	800
B3-900	Services on operational matters	44 951	44 951	100.00%	44 951	100.00%	0
<b>Title III: Operating Expenditure</b>		<b>3 510 560</b>	<b>3 371 771</b>	<b>96.05%</b>	<b>3 371 771</b>	<b>96.05%</b>	<b>138 789</b>

**Title IV: Delegated Tasks Expenditure**

<b>Budget line</b>	<b>Description</b>	<b>Commitment &amp; Payment Appropriations (1)</b>	<b>Commitment (2)</b>	<b>% Committed (2/1)</b>	<b>Paid (3)</b>	<b>% Paid (3/1)</b>	<b>To be cancelled (1-3)</b>
B4-000	Single Interface to Trade Repositories	5 186	5 186	100.00%	5 186	100.00%	0
<b>Title IV: Delegated Tasks Expenditure</b>		<b>5 186</b>	<b>5 186</b>	<b>100.00%</b>	<b>5 186</b>	<b>100.00%</b>	<b>0</b>
<b>TOTAL FUND SOURCE C8</b>		<b>5 073 310</b>	<b>4 721 004</b>	<b>93.06%</b>	<b>4 721 004</b>	<b>93.06%</b>	<b>352 306</b>



**BUDGET IMPLEMENTATION CREDITS OF THE YEAR AND PREVIOUS YEARS – Fund Source: R0**

**Title IV: Delegated Tasks Expenditure**

Budget line	Description	Commitment Appropriations carried over from Last year (LY)	Commitment Appropriations Current year (CY)	Total Commitment Appropriations (1)	Commitment CY (2)	% Committed (2/1)	Paid (3)	% Paid (3 /1)	R A L (1-3)
B4-000	Single Interface to Trade Repositories	405 474	384 539	790 013	441 945	55.94%	273 219	34.58%	516 794
B4-100	Instruments Reference Data	307 692	1 364 000	1 671 692	1 462 412	87.48%	1 140 791	68.24%	530 901
<b>Title IV: Delegated Tasks Expenditure</b>		<b>713 166</b>	<b>1 748 539</b>	<b>2 461 705</b>	<b>1 904 357</b>	<b>77.36%</b>	<b>1 414 010</b>	<b>57.44%</b>	<b>1 047 695</b>
<b>TOTAL FUND SOURCE R0</b>		<b>713 166</b>	<b>1 748 539</b>	<b>2 461 705</b>	<b>1 904 357</b>	<b>77.36%</b>	<b>1 414 010</b>	<b>57.44%</b>	<b>1 047 695</b>

### 3 ESMA's Management Board Members

(December 2020)

Steven Maijor	Chair	ESMA
Elisabeth Roegele	Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)	Germany
Sebastian Albella Amigo	Comisión Nacional del Mercado de Valores	Spain
Robert Ophèle	Autorité des Marchés Financiers (AMF)	France
Derville Rowland	Central Bank of Ireland	Ireland
Gabriela Figueiredo Dias	Comissão do mercado de valores mobiliários (CMVM)	Portugal
Erik Thedéen	Finansinspektionen (FI)	Sweden
Verena Ross	Executive Director (non-voting Member )	ESMA
Ugo Bassi - Director	(non-voting Member )	European Commission
Anneli Tuominen	Vice-Chair (observer)	Finland

#### Members of the Board of Supervisors as at 31 December 2020

Member	Authority	Country
Steven Maijor	ESMA	
Jean-Paul Servais	Financial Services and Markets Authority (FSMA)	Belgium
Mariya Filipova	Комисията за финансов надзор (FSC)	Bulgaria
Vojtěch Belling	Česká národní banka (CNB)	Czech Republic
Karen Dorte Abelskov	Finanstilsynet	Denmark
Elisabeth Roegele	Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)	Germany
Andre Nõmm	Finantsinspektsioon (FSA)	Estonia
Derville Rowland	Central Bank of Ireland	Ireland

<b>Member</b>	<b>Authority</b>	<b>Country</b>
Vasiliki Lazarakou	Ελληνική Επιτροπή Κεφαλαιαγοράς (HCMC)	Greece
Rodrigo Buenaventura Canino	Comisión Nacional del Mercado de Valores (CNMV)	Spain
Robert Ophèle	Autorité des Marchés Financiers (AMF)	France
Ante Žigman	Hrvatska agencija za nadzor financijskih usluga (HANFA)	Croatia
Paolo Savona	Commissione Nazionale per le Società e la Borsa (CONSOB)	Italy
Demetra Kalogerou	Επιτροπή Κεφαλαιαγοράς Κύπρου (CySEC)	Cyprus
Santa Purgaile	Finanšu un kapitāla tirgus komisija (FKTK)	Latvia
Vaidas Cibas	Lietuvos Bankas	Lithuania
Claude Marx	Commission de Surveillance du Secteur Financier (CSSF)	Luxembourg
Gergő Szeniczey	Magyar Nemzeti Bank (MNB)	Hungary
Christopher Buttigieg	Malta Financial Services Authority (MFSA)	Malta
Laura Van Geest	Autoriteit Financiële Markten (AFM)	Netherlands
Eduard Muller	Finanzmarktaufsicht (FMA)	Austria
Magdalena Łapsa-Parczewska	Komisja Nadzoru Finansowego (KNF)	Poland
Gabriela Figueiredo Dias	Comissão do Mercado de Valores Mobiliários (CMVM)	Portugal
Gabriel Gradinescu	Autoritatea de Supraveghere Financiară (ASF)	Romania
Miloš Čas	Agencija za trg vrednostnih papirjev (ATVP)	Slovenia
Peter Tkac	Národná Banka Slovenska (NBS)	Slovakia
Anneli Tuominen	Finanssivalvonta (FSA)	Finland
Erik Thedéen	Finansinspektionen (FI)	Sweden

### **Non-voting members of the Board of Supervisors as of 31 December 2020**

<b>Name</b>	<b>Authority</b>	<b>Country</b>
Unnur Gunnarsdóttir	Fjármálaeftirlitið (FME)	Iceland
Marcel Lötscher	Finanzmarktaufsicht (FMA)	Liechtenstein
Anne Merethe Bellamy	Finanstilsynet	Norway
François-Louis Michaud	European Banking Authority (EBA)	EU
Fausto Parente	European Insurance and Occupational Pensions	EU

<b>Name</b>	<b>Authority</b>	<b>Country</b>
	Authority (EIOPA)	
Francesco Mazzaferro	European Systemic Risk Board (ESRB)	EU
Ugo Bassi	European Commission	EU
Frank Buchel	European Free Trade Association (EFTA) Surveillance Authority	EFTA

## 4 Establishment plan 2020

Function group and grade	2020			
	Authorised under the EU Budget		Filled as at 31/12/2020	
	Permanent posts	Temporary Posts	Permanent posts	Temporary Posts
AD16		2		2
AD15		2		1
AD14				
AD13		3		
AD12		7		5
AD11		14		5
AD10		17		10
AD9		39		38
AD8		30		25
AD7		57		28
AD6		10		17
AD5		32		31
<b>Total AD</b>		<b>214</b>		<b>164</b>
AST11				
AST10				
AST9				
AST8		2		
AST7		3		
AST6		3		
AST5		3		5
AST4		1		2
AST3				
AST2				
AST1				1
<b>Total AST</b>		<b>12</b>		<b>8</b>
<b>Grand total</b>		<b>226</b>		<b>172</b>