2014 discharge: European Securities and Markets Authority (ESMA)

2015/2190(DEC) - 27/01/2016 - Supplementary non-legislative basic document

Having examined the revenue and expenditure accounts for the financial year 2014 and the balance sheet as at 31 December 2014 of the European Securities and Markets Authority (ESMA), as well as the Court of Auditors' report on the annual accounts of the Authority for the financial year 2014, accompanied by the Authority's replies to the Court's observations, the Council recommended the European Parliament to give a discharge to the Executive Director of the Authority in respect of the implementation of the budget for the financial year 2014.

The Council welcomed the Court's opinion that, in all material respects, the Authority's annual accounts present fairly its financial position as at 31 December 2014 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Authority's Financial Regulation, and that the underlying transactions for 2014 are legal and regular in all material respects.

Nevertheless, the Council has made some observations which may be summarised as follows:

- **financial programming**: the Council called on the Authority to pay due attention to proper financial programming and monitoring of budget implementation in order to improve budget execution, to avoid the cancellations of appropriations and to reduce the level of committed appropriations carried over to the following financial year, in line with the budgetary principle of annuality;
- **reliability of the accounts**: the Council called on the Authority to improve the reliability of its account as regards its revenue part and to set the fees charged to the supervisory entities on the basis of actual instead of estimated costs and welcomes the development of an activity-based costing model to address this matter;
- **public procurement**: the Council noted the shortcomings in the compliance with the Financial Regulation as far as procurement procedures are concerned as well as the fact that the Authority took the necessary steps to remedy this situation.