



EUROPEAN DATA
PROTECTION SUPERVISOR

Annual accounts of the
European Data Protection
Supervisor

Financial year 2014

CONTENTS

CERTIFICATION OF THE ACCOUNTS	3
BACKGROUND INFORMATION ON THE EDPS	4
FINANCIAL STATEMENTS AND EXPLANATORY NOTES	5
BALANCE SHEET	7
STATEMENT OF FINANCIAL PERFORMANCE	8
CASHFLOW STATEMENT	9
STATEMENT OF CHANGES IN NET ASSETS	10
NOTES TO THE FINANCIAL STATEMENTS	11
REPORTS ON THE IMPLEMENTATION OF THE BUDGET AND EXPLANATORY NOTES ...	22

CERTIFICATION OF THE ACCOUNTS

The annual accounts of the European Data Protection Supervisor for the year 2014 have been prepared in accordance with the Financial Regulation applicable to the general budget of the European Union and the accounting rules adopted by myself in my capacity as the Commission's Accounting Officer, as are to be applied by all the institutions and Union bodies.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European Data Protection Supervisor in accordance with Article 68 of the Financial Regulation.

I have obtained from the authorising officers, who certified its reliability, all the information necessary for the production of the accounts that show the European Data Protection Supervisor's assets and liabilities and the budgetary implementation.

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

[signed]

Manfred Kraff

Accounting Officer

10 June 2015

BACKGROUND INFORMATION ON THE EDPS

The European Data Protection Supervisor (EDPS) is an independent supervisory authority that ensures that the European institutions and bodies respect the right to privacy when they process personal data and develop new policies. A number of specific duties of the EDPS are laid down in Regulation (EC) No 45/2001. The three main fields of work are:

- (1) **Supervision:** The EDPS monitors the processing of personal data in the EU administration and ensures compliance with the data protection rules;
- (2) **Consultation:** The EDPS advises the European Commission, the European Parliament and the Council on proposals for new legislation and a wide range of other issues having an impact on data protection and
- (3) **Cooperation:** The EDPS cooperates with other data protection authorities in order to promote consistent data protection throughout Europe.

The EDPS operates as a unique and independent institution with its own budgetary responsibility before the Parliament and the Council. Its budget is entirely administrative, and is funded directly by the General Budget of the EU.

As an EU institution, within the meaning of the Financial Regulation (FR), the EDPS is required to prepare and adopt its own annual accounts, which are ultimately consolidated in those of the EU. The preparation of the annual accounts is entrusted to the EDPS Accounting Officer which is (by EDPS decision) the Accounting Officer of the Commission.

FINANCIAL STATEMENTS AND EXPLANATORY NOTES

It should be noted that due to the rounding of figures into thousands of euros, some financial data in the tables below may appear not to add-up.

CONTENTS

BALANCE SHEET	7
STATEMENT OF FINANCIAL PERFORMANCE	8
CASHFLOW STATEMENT	9
STATEMENT OF CHANGES IN NET ASSETS	10
NOTES TO THE FINANCIAL STATEMENTS	11
1. SIGNIFICANT ACCOUNTING POLICIES	12
2. NOTES TO THE BALANCE SHEET	17
3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE.....	19
4. CONTINGENT ASSETS & LIABILITIES AND OTHER SIGNIFICANT DISCLOSURES	21

BALANCE SHEET

	Note	31.12.2014	31.12.2013
<i>EUR '000</i>			
NON-CURRENT ASSETS			
<i>Intangible assets</i>	2.1	254	344
<i>Property, plant and equipment</i>	2.2	50	4
		303	348
CURRENT ASSETS			
<i>Exchange receivables and non-exchange recoverables</i>	2.3	40	165
		40	165
TOTAL ASSETS		344	513
NON-CURRENT LIABILITIES			
<i>Employee benefits</i>	2.4	-	(3 656)
		-	(3 656)
CURRENT LIABILITIES			
<i>Provisions</i>	2.5	-	(139)
<i>Payables</i>	2.6	(6)	(284)
<i>Accrued charges and deferred income</i>	2.7	(331)	(378)
		(338)	(802)
TOTAL LIABILITIES		(338)	(4 458)
NET ASSETS			
<i>Accumulated deficit</i>		(3 945)	(3 768)
<i>Economic result of the year</i>		3 951	(177)
NET ASSETS		6	(3 945)

STATEMENT OF FINANCIAL PERFORMANCE

	Note	2014	2013
<i>EUR '000</i>			
REVENUE			
Revenue from non-exchange transactions			
<i>Funds transferred from the Commission</i>		6 488	6 324
<i>Other non-exchange revenue</i>	3.2	4 536	770
Total		11 025	7 094
Revenue from exchange transactions			
<i>Other exchange revenue</i>	3.3	53	52
Total		53	52
		11 078	7 146
EXPENSES			
<i>Staff and pension costs</i>	3.4	(4 837)	(4 563)
<i>Changes in employee benefits liability</i>		-	(447)
<i>Other expenses</i>	3.5	(2 290)	(2 313)
		(7 127)	(7 323)
ECONOMIC RESULT OF THE YEAR		3 951	(177)

CASHFLOW STATEMENT ¹

	EUR '000	
	2014	2013
<i>Economic result of the year</i>	3 951	(177)
Operating activities		
<i>Amortisation and depreciation</i>	102	25
<i>(Increase)/decrease in exchange receivables and non-exchange recoverables</i>	125	(160)
<i>Increase/(decrease) in provisions</i>	(139)	(114)
<i>Increase/(decrease) in payables</i>	(278)	250
<i>Increase/(decrease) in accrued charges and deferred income</i>	(47)	(210)
<i>Increase/(decrease) in employee benefits</i>	(3 656)	447
Investing activities		
<i>(Increase)/decrease in intangible assets and property, plant and equipment</i>	(58)	(63)
NET CASHFLOW	-	-
<i>Net increase/(decrease) in cash and cash equivalents</i>	-	-
<i>Cash and cash equivalents at the beginning of the year</i>	-	-
<i>Cash and cash equivalents at year-end</i>	-	-

¹ The EDPS does not have its own bank accounts. All payments are processed via the Commission's treasury system and registered on a liaison account. At year-end, this account is regularised and the total cash transfer is reflected as funds transferred from the Commission in the statement of financial performance.

STATEMENT OF CHANGES IN NET ASSETS

EUR '000

	Accumulated Surplus/(Deficit)	Economic result of the year	Net Assets
BALANCE AS AT 31.12.2012	(2 568)	(1 200)	(3 768)
<i>Allocation of the 2012 economic result</i>	<i>(1 200)</i>	<i>1 200</i>	<i>-</i>
<i>Economic result of the year</i>	<i>-</i>	<i>(177)</i>	<i>(177)</i>
BALANCE AS AT 31.12.2013	(3 768)	(177)	(3 945)
<i>Allocation of the 2013 economic result</i>	<i>(177)</i>	<i>177</i>	<i>-</i>
<i>Economic result of the year</i>	<i>-</i>	<i>3 951</i>	<i>3 951</i>
BALANCE AS AT 31.12.2014	(3 945)	3 951	6

NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the entity are the same as those applied by all consolidated EU entities. They are outlined in the note 1 of the consolidated annual accounts of the EU. A summary of the most important policies is given below.

1.1. LEGAL BASIS AND ACCOUNTING RULES

In accordance with Article 143 of the Financial Regulation, the EU and its consolidated entities prepare their financial statements on the basis of accrual-based accounting rules that are based on International Public Sector Accounting Standards (IPSAS). The accounting rules adopted by the Accounting Officer of the Commission are applied by all the Institutions and bodies of the EU falling within the scope of consolidation in order to establish a uniform set of rules for accounting, valuation and presentation of the accounts with a view to harmonising the process for drawing up the financial statements and consolidation, as required by Article 152 of the Financial Regulation.

1.2. ACCOUNTING PRINCIPLES

The overall considerations (or accounting principles) to be followed when preparing the financial statements are laid down in EU accounting rule 2 (the same as in IPSAS 1): fair presentation, accrual basis, going concern, consistency of presentation, aggregation, offsetting and comparative information. The qualitative characteristics of financial reporting according to Article 144 of the Financial Regulation are relevance, reliability, understandability and comparability.

1.3. CONSOLIDATION

The accounts of this entity are fully consolidated in the EU consolidated annual accounts.

1.4. BASIS OF PREPARATION

1.4.1. Currency and basis for conversion

The annual accounts are presented in thousands of euros, the euro being the EU's functional and reporting currency. Foreign currency transactions are translated into euros using the exchange rates prevailing at the dates of the transactions. Year-end balances of monetary assets and liabilities denominated in foreign currencies are converted into euros on the basis of the exchange rates applying on 31 December.

Euro exchange rates

Currency	31.12.2014	31.12.2013	Currency	31.12.2014	31.12.2013
BGN	1.9558	1.9558	LTL	3.4528	3.4528
CZK	27.7350	27.4270	PLN	4.2732	4.1543
DKK	7.4453	7.4593	RON	4.4828	4.4710
GBP	0.7789	0.8337	SEK	9.3930	8.8591
HRK	7.6580	7.6265	CHF	1.2024	1.2276
HUF	315.5400	297.0400	JPY	145.2300	144.7200
LVL	-	0.7028	USD	1.2140	1.3791

1.4.2. Use of estimates

In accordance with IPSAS and generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions by management based on the most reliable information available. Significant estimates include, but are not limited to; amounts for employee benefit liabilities, provisions, financial risk on inventories and accounts receivables, accrued income and

charges, contingent assets and liabilities, and degree of impairment of intangible assets and property, plant and equipment. Actual results could differ from those estimates. Changes in estimates are reflected in the period in which they become known.

1.5. BALANCE SHEET

1.5.1. Intangible assets

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. 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.

1.5.2. 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 the entity 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. Land and works of art are not depreciated as they are deemed to have an indefinite useful life. 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:

Type of asset	Straight line depreciation rate
<i>Buildings</i>	4%
<i>Plant, machinery and equipment</i>	10% to 25%
<i>Furniture</i>	10% to 25%
<i>Fixtures and fittings</i>	10% to 33%
<i>Vehicles</i>	25%
<i>Computer hardware</i>	25%
<i>Other tangible assets</i>	10% to 33%

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.

Leases

Leases of tangible assets, where the entity has 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 as liabilities. 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 charged to the statement of financial performance on a straight-line basis over the period of the lease.

1.5.3. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation/depreciation and are tested annually for impairment. Assets that are subject to amortisation/depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Intangible assets and property, plant and equipment residual values and useful lives are reviewed, and adjusted if appropriate, at least once per year. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. If the reasons for impairments recognised in previous years no longer apply, the impairment losses are reversed accordingly.

1.5.4. Financial assets

The financial assets are classified in the following categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available for sale financial assets. The classification of the financial instruments is determined at initial recognition and re-evaluated at each balance sheet date.

(i) Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by the entity. Derivatives are also categorised in this category. Assets in this category are classified as current assets if they are expected to be realised within 12 months of the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the entity provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in non-current assets, except for maturities within 12 months of the balance sheet date.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the entity has the positive intention and ability to hold to maturity. During this financial year, the entity did not hold any investments in this category.

(iv) Available for sale financial assets

Available for sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are classified as either current or non-current assets, depending on the time period in which the entity expects to dispose of them which is usually the remaining maturity at the balance sheet date.

1.5.5. Pre-financing amounts

Pre-financing is a payment intended to provide the beneficiary with a cash advance, i.e. a float. It may be split into a number of payments over a period defined in the particular pre-financing agreement. The float or advance is repaid or used for the purpose for which it was provided during the period defined in the agreement. If the beneficiary does not incur eligible expenditures, he has the obligation to return the pre-financing advance to the entity. The amount of the pre-financing is reduced (wholly or partially) by the acceptance of eligible costs (which are recognised as expenses) and amounts returned.

At year-end, outstanding pre-financing amounts are valued at the original amount(s) paid less: amounts returned, eligible amounts expensed, estimated eligible amounts not yet cleared at year-end, and value reductions.

1.5.6. Receivables and recoverables

Receivables and recoverables are carried at original amount less write-down for impairment. A write-down for impairment is established when there is objective evidence that the entity 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.

1.5.7. Cash and cash equivalents

Cash and cash equivalents are financial instruments and classified as available for sale financial assets. They include cash at hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

1.5.8. Provisions

Provisions are recognised when the entity 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. Where the provision involves a large number of items, the obligation is estimated by weighting all possible outcomes by their associated probabilities ("expected value" method).

1.5.9. Payables

A significant amount of the payables of the entity are not related to the purchase of goods or services – instead they are unpaid cost claims from beneficiaries of grants or other EU funding. They are recorded as payables for the requested amount when the cost claim is received. Upon verification and acceptance of the eligible costs, the payables are valued at the accepted and eligible amount.

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 entity.

1.5.10. Accrued and deferred income and charges

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. At year-end, if an invoice is not yet issued but the service has been rendered, the supplies have been delivered by the entity 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 will be deferred and recognised in the subsequent accounting period.

1.6. STATEMENT OF FINANCIAL PERFORMANCE

1.6.1. Revenue

Revenue from non-exchange transactions are taxes and transfers because the transferor provides resources to the recipient entity without the recipient entity providing approximately equal value directly in exchange. Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Exchange revenue from the sale of goods and services 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.

1.6.2. Expenses

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

Non-exchange expenses account for the majority of the entity's expenses. They 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 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.

1.7. CONTINGENT ASSETS AND LIABILITIES

1.7.1. 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 the entity. A contingent asset is disclosed when an inflow of economic benefits or service potential is probable.

1.7.2. 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 entity; 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.

2. NOTES TO THE BALANCE SHEET

ASSETS

2.1. INTANGIBLE ASSETS

These amounts relate to a data protection case management software that was developed for the EDPS and is operational since October 2013. The decrease in the value is due to the amortisation expense of the year.

2.2. PROPERTY, PLANT AND EQUIPMENT

These amounts refer to furniture and equipment.

2.3. EXCHANGE RECEIVABLES AND NON-EXCHANGE RECOVERABLES

These amounts largely (kEUR 36) refer to non-exchange recoverables, specifically accrued income for the expected reimbursement of a surplus from the translation services price stability reserve (accumulated in prior years by the Translation Centre for the Bodies of the EU).

The decrease in the total amount of receivables and recoverables is related to the absence of exchange receivables this year - on 31/12/2013 there had been an amount of kEUR 164 included relating to deferred rental charges (debit note issued by the European Parliament related to 2014 rent).

LIABILITIES

2.4. EMPLOYEE BENEFITS

The administration and the payment of the pensions of the Members, i.e. the current and former European Data Protection Supervisors and Assistant Supervisors, have been transferred to the Commission and therefore the related liability will be shown in the Commission's accounts at 31.12.2014. Consequently, the 2013 liability of EDPS has been fully released to other non-exchange revenue in 2014 (see note 3.2).

2.5. PROVISIONS

The decrease in provisions relates to the remuneration adjustments of EU civil servants for the years 2011 and 2012 that were, following the ruling of the Court of Justice, settled in 2014. The unused amount of kEUR 54 has been reversed to other non-exchange revenue (see note 3.2).

2.6. PAYABLES

The amounts on 31/12/2014 refer to suppliers. The decrease in the payables amount, is largely (kEUR 164) related to the absence of the deferred payable rental charges (see note 2.3) this year.

2.7. ACCRUED CHARGES AND DEFERRED INCOME

The whole amount refers to accrued charges. The most significant accrued charges concern translation and interpretation costs (kEUR 67), untaken staff holidays (kEUR 60) and expenses related to publishing and information (kEUR 55).

3. NOTES TO THE STATEMENT OF FINANCIAL PERFORMANCE

3.1. RECLASSIFICATION OF 2013 FIGURES

So as to better present information to the users of these accounts, the layout of the Statement of Financial Performance has been restructured in the 2014 accounts. As required by with the EU accounting rules, a reclassification of the 2013 figures is made, noting that no amounts have been changed, only the presentation of existing figures – revenues, expenses and the result remain as originally published in the 2013 accounts. An overview of the impact of the changes is given below:

	Funds transferred from the Commission	Other operating revenue	Total Administrative expenses	Operating expenses	Total operating expenses	Surplus from operating activities	Financial revenue	Financial expenses	Movement in employee benefits liability	Economic result of the year	2013 (reclassified)
2013 (published)	6 324	822	(6 876)		(6 876)	270			(447)	(177)	
Non-exchange revenue	6 324										6 324
Funds transferred from the Commission		822									
Other		770									770
Total non-exchange revenue	6 324	770									7 094
Exchange revenue		52									52
Other exchange revenue		52									52
TOTAL REVENUE	6 324	822									7 146
Staff and pension costs											(4 563)
Changes in employee benefits liability									(447)		(447)
Other expenses											(2 313)
TOTAL EXPENSES			(6 876)		(6 876)				(447)		(7 323)
Economic result of the year											(177)

REVENUE

3.2. OTHER NON-EXCHANGE REVENUE

	EUR '000	
	2014	2013
<i>Release of employee benefits liability</i>	3 656	-
<i>Staff</i>	790	635
<i>Other</i>	90	136
Total	4 536	770

The administration and the payment of the pensions of the Members, i.e. the current and former European Data Protection Supervisors and Assistant Supervisors, have been transferred to the Commission and the related liability will be shown in the Commission's accounts at 31.12.2014. Consequently, the 2013 liability of EDPS has been fully released to other non-exchange revenue in 2014.

Out of the kEUR 90 under the subheading "other", an amount of kEUR 54 refers to the unused part of the provision for the remuneration adjustments of EU civil servants. The remaining kEUR 36 refers to accrued income for the expected reimbursement of a surplus from the translation services price stability reserve (accumulated in prior years by the Translation Centre for the Bodies of the EU).

3.3. OTHER EXCHANGE REVENUE

This amount refers to property plant and equipment related revenue.

EXPENSES

3.4. STAFF AND PENSION COSTS

These amounts are paid directly to the beneficiaries by the European Commission and recharged to the EDPS by using a liaison account.

3.5. OTHER EXPENSES

	EUR '000	
	2014	2013
<i>Property, plant and equipment related expenses</i>	102	25
<i>Land and buildings</i>	751	821
<i>Communications & publications</i>	94	83
<i>Training costs</i>	55	64
<i>Missions</i>	105	155
<i>IT related services</i>	393	224
<i>Other</i>	789	940
Total	2 290	2 313

The amount under the "other" sub-heading largely relates to translations.

4. CONTINGENT ASSETS & LIABILITIES AND OTHER SIGNIFICANT DISCLOSURES

4.1. OTHER SIGNIFICANT DISCLOSURES

4.1.1. Outstanding commitments not yet expensed

At 31.12.2014 the Outstanding commitments not yet expensed amounted to kEUR 520. The amount comprises the budgetary RAL ("Reste à Liquider") less related amounts that have been included as expenses in the 2014 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. This is the normal consequence of the existence of multi-annual programmes.

REPORTS ON THE IMPLEMENTATION OF THE BUDGET AND EXPLANATORY NOTES

It should be noted that due to the rounding of figures into thousands of euros, some financial data in the tables below may appear not to add-up.

CONTENTS

1.	RESULT OF IMPLEMENTATION OF THE BUDGET	24
2.	IMPLEMENTATION OF BUDGET REVENUE	25
3.	IMPLEMENTATION OF COMMITMENT APPROPRIATIONS BY BUDGET LINE	26
4.	IMPLEMENTATION OF PAYMENT APPROPRIATIONS BY BUDGET LINE	28

1. RESULT OF IMPLEMENTATION OF THE BUDGET

	EUR '000	
	2014	2013
Revenue for the financial year	780	662
Payments against current year appropriations	(6 875)	(6 492)
Payment appropriations carried over to year N+1	(887)	(795)
Cancellation of unused payment appropriations carried over from year N-1	430	420
Exchange rate difference	(0)	0
Budget result:	(6 552)	(6 205)

2. IMPLEMENTATION OF BUDGET REVENUE

Item	Income appropriations		Entitlements established		Revenue		Outstanding
	Initial	Final	Current year	Carried over	Current year	Carried over	
			Total	Total	Total	Total	% of budget
EUR '000							
Detail Title 4: Miscellaneous community taxes, levies and charges							
Chapter 40 : Miscellaneous taxes and deductions							
Proceeds from the tax on the salaries, wages and allowances of officials, other servants and persons in receipt of a pension							
4000	489	489	383	383	383	383	78.33%
Proceeds from the special levy on the salaries of officials and other servants in active employment							
4040	77	77	72	72	72	72	93.74%
Total Chapter 40	566	566	455	455	455	455	80.42%
Chapter 41 : Contribution to the pension scheme							
Staff contributions to the pension scheme							
4100	434	434	325	325	325	325	74.89%
Total Chapter 41	434	434	325	325	325	325	74.89%
Total Title 4	1 000	1 000	780	780	780	780	78.02%

3. IMPLEMENTATION OF COMMITMENT APPROPRIATIONS BY BUDGET LINE

Budget line	Voted budget		Changes		Budget appropriations		Additional appropriations		EUR '000	
	1	2	3=1+2	4	5=4/3	6	7	8=3+6	9=4+7	10=9/8

Title 1 : EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION

Chapter 10 : MEMBERS OF THE INSTITUTION										
	617	-	617	588	95.24%	-	-	617	588	95.24%
1000	Remuneration and allowances									
1001	Entitlements on entering and leaving the service	130	-	130	100.00%	-	-	130	130	100.00%
1002	Temporary allowances	296	(246)	50	0.00%	-	-	50	-	0.00%
1003	Pensions	40	-	40	95.21%	-	-	40	38	95.21%
1004	Provisional appropriation	11	(2)	9	0.00%	-	-	9	-	0.00%
1010	Further training	15	-	15	0.00%	-	-	15	-	0.00%
1011	Mission expenses, travel expenses and other ancillary expenditure	59	-	59	100.00%	-	-	59	59	100.00%
Total Chapter 10	1 169	(248)	921	816	88.60%	-	-	921	816	88.60%
Chapter 11 : STAFF OF THE INSTITUTION										
1100	Remuneration and allowances	4 000	(406)	3 595	97.58%	-	-	3 595	3 508	97.58%
1101	Entitlements on entering the service, transfer and leaving the service	50	(40)	10	100.00%	-	-	10	10	100.00%
1110	Contract staff	197	560	757	96.01%	-	-	757	727	96.01%
1111	Cost of traineeships and staff exchanges	179	(80)	99	100.00%	-	-	99	99	100.00%
1112	Services and work to be contracted out	51	(40)	11	24.14%	-	-	11	3	24.14%
1120	Mission expenses, travel expenses and other ancillary expenditure	113	-	113	100.00%	-	-	113	113	100.00%
1121	Recruitment costs	7	7	14	100.00%	-	-	14	14	100.00%
1122	Further training	79	-	79	100.00%	-	-	79	79	100.00%
1124	Medical service	15	(7)	7	100.00%	-	-	7	7	100.00%
1125	Union nursery centre and other day nurseries and after-school centres	80	-	80	75.00%	-	-	80	60	75.00%
1126	Relations between staff and other welfare expenditure	6	-	6	97.64%	-	-	6	6	97.64%
Total Chapter 11	4 777	(6)	4 771	4 626	96.95%	-	-	4 771	4 626	96.95%
Total Title 1	5 946	(254)	5 692	5 441	95.60%	-	-	5 692	5 441	95.60%

Budget line	Voted budget			Changes			Budget appropriations			Additional appropriations			EUR '000	
	1	2	3=1+2	4	5=4/3	6	7	8=3+6	9=4+7	10=9/8	%	%		

Title 2 : BUILDINGS, EQUIPMENT AND EXPENDITURE IN CONNECTION WITH THE OPERATION OF THE INSTITUTION

Chapter 20 : BUILDINGS, EQUIPMENT AND EXPENDITURE IN CONNECTION WITH THE OPERATION OF THE INSTITUTION

2000	885	-	885	885	100.00%	-	-	885	885	100.00%		
2010	350	20	370	370	100.00%	-	-	370	370	100.00%		
2011	15	-	15	15	100.00%	-	-	15	15	100.00%		
2012	105	-	105	105	100.00%	-	-	105	105	100.00%		
2013	775	(95)	680	680	100.00%	-	-	680	680	100.00%		
2014	112	15	127	127	100.00%	-	-	127	127	100.00%		
2015	79	60	139	139	100.00%	-	-	139	139	100.00%		
Total Chapter 20	2 321	-	2 321	2 321	100.00%	-	-	2 321	2 321	100.00%	-	100.00%
Total Title 2	2 321	-	2 321	2 321	100.00%	-	-	2 321	2 321	100.00%	-	100.00%
TOTAL EDPS	8 267	(254)	8 013	7 762	96.87%	-	-	8 013	7 762	96.87%	-	96.87%

4. IMPLEMENTATION OF PAYMENT APPROPRIATIONS BY BUDGET LINE

Budget line	Voted budget			Changes			Budget appropriations			Additional appropriations			Total		
	11	12	13=11+12	14	15=14/13	16	17	18=13+16	19=14+17	20=19/18	21	22	23=21+22	24=23/22	

EUR '000

Title 1 : EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION

Chapter 10 : MEMBERS OF THE INSTITUTION	617	-	617	588	95.24%	-	-	617	588	95.24%
1000 Remuneration and allowances	617	-	617	588	95.24%	-	-	617	588	95.24%
1001 Entitlements on entering and leaving the service	130	-	130	-	0.00%	-	-	130	-	0.00%
1002 Temporary allowances	296	(246)	50	-	0.00%	-	-	50	-	0.00%
1003 Pensions	40	-	40	38	95.21%	-	-	40	38	95.21%
1004 Provisional appropriation	11	(2)	9	-	0.00%	-	-	9	-	0.00%
1010 Further training	15	-	15	-	0.00%	-	-	15	-	0.00%
1011 Mission expenses, travel expenses and other ancillary expenditure	59	-	59	28	47.70%	22	7	81	35	43.22%
Total Chapter 10	1 169	(248)	921	655	71.10%	22	7	942	661	70.18%

Chapter 11 : STAFF OF THE INSTITUTION

Chapter 11 : STAFF OF THE INSTITUTION	4 000	(406)	3 595	3 508	97.58%	-	-	3 595	3 508	97.58%
1100 Remuneration and allowances	4 000	(406)	3 595	3 508	97.58%	-	-	3 595	3 508	97.58%
1101 Entitlements on entering the service, transfer and leaving the service	50	(40)	10	0	3.94%	21	-	31	0	1.29%
1110 Contract staff	197	560	757	727	96.01%	-	-	757	727	96.01%
1111 Cost of traineeships and staff exchanges	179	(80)	99	95	96.03%	8	2	107	97	90.49%
1112 Services and work to be contracted out	51	(40)	11	3	24.14%	24	-	35	3	7.77%
1120 Mission expenses, travel expenses and other ancillary expenditure	113	-	113	68	60.65%	41	25	154	93	60.74%
1121 Recruitment costs	7	7	14	6	38.87%	7	3	21	8	38.78%
1122 Further training	79	-	79	34	43.17%	55	22	133	56	41.96%
1124 Medical service	15	(7)	7	3	35.28%	15	5	22	8	35.83%
1125 Union nursery centre and other day nurseries and after-school centres	80	-	80	38	46.92%	1	-	81	38	46.07%
1126 Relations between staff and other welfare expenditure	6	-	6	6	97.64%	1	1	7	7	97.88%
Total Chapter 11	4 777	(6)	4 771	4 487	94.04%	172	57	4 943	4 545	91.94%
Total Title 1	5 946	(254)	5 692	5 142	90.33%	193	64	5 885	5 206	88.46%

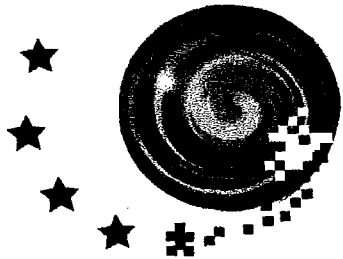
Budget line	Voted budget			Changes			Budget appropriations			Additional appropriations			Total	
	11	12	13=11+12	14	15=14/13	16	17	18=13+16	19=14+17	20=19/18	%	%		

EUR '000

Title 2 : BUILDINGS, EQUIPMENT AND EXPENDITURE IN CONNECTION WITH THE OPERATION OF THE INSTITUTION

Chapter 20 : BUILDINGS, EQUIPMENT AND EXPENDITURE IN CONNECTION WITH THE OPERATION OF THE INSTITUTION

2000	885	-	885	751	84.83%	13	-	898	751	83.59%
2010	350	20	370	323	87.20%	67	55	437	377	86.44%
2011	15	-	15	9	59.61%	12	7	27	16	57.88%
2012	105	-	105	91	86.40%	14	7	119	98	81.85%
2013	775	(95)	680	446	65.54%	333	163	1 013	609	60.14%
2014	112	15	127	49	38.93%	107	21	234	71	30.24%
2015	79	60	139	65	46.68%	56	48	195	113	58.01%
Total Chapter 20	2 321	-	2 321	1 733	74.67%	602	301	2 923	2 034	69.60%
Total Title 2	2 321	-	2 321	1 733	74.67%	602	301	2 923	2 034	69.60%
TOTAL EDPS	8 267	(254)	8 013	6 875	85.80%	795	365	8 808	7 240	82.20%



EUROPEAN DATA
PROTECTION SUPERVISOR

Accounting Officer

Brussels,
BUDG.DGA.C2/AP/nb

**NOTE TO MR VITOR DA SILVA CALDEIRA,
PRESIDENT OF THE EUROPEAN COURT OF AUDITORS**

Subject: Representation letter covering the final 2014 annual accounts

This representation letter is provided in connection with your audit of the "Annual accounts of the EDPS" consisting of the "Financial statements and the reports on the implementation of the budget" for the financial year ended 31 December 2014 for the purpose of expressing an opinion as to whether the "Consolidated accounts of the European Union"¹ consisting of the "Consolidated financial statements"² (into which the "Annual accounts of the EDPS" are consolidated) and the "Aggregated budgetary accounts" present fairly, in all material respects, the financial position of the European Union as of 31 December 2014 and of the results of its operations, its cash flows, and the changes in net assets for the year then ended.

In line with Article 68 of the Financial Regulation (FR)³, the accounting systems laid down by myself and, where appropriate, the systems laid down by the authorising officers to supply and justify accounting information have been validated.

¹ The "Consolidated accounts of the European Union" cover the accounts of the European Union, the European Atomic Energy Community and the European Coal and Steel Community (in liquidation).

² The "Consolidated financial statements" comprise the balance sheet, the statement of financial performance, the cash flow statement, the statement of changes in net assets and the notes to the financial statements.

³ Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 - OJ L 298, 26.10.2012, p. 1.

All the information necessary for the production of the annual accounts of the EDPS which give a true and fair view of the assets and liabilities and of the budgetary implementation has been obtained from the Authorising Officers by delegation of the EDPS, who guaranteed its reliability.

I confirm, to the best of my knowledge and belief, having made such inquiries as I considered necessary for the purpose of appropriately informing myself, the following representations:

Annual Accounts

1. The "Annual accounts of the EDPS" for the financial year ended 31 December 2014 referred to above are presented in accordance with the FR, its rules of application⁴ and the accounting rules and methods established under the responsibility of the Accounting Officer of the European Commission. These accounting rules are based on internationally accepted accounting standards for the public sector: there is no material divergence requiring disclosure in the notes to the financial statements under Art. 143(1) FR.
2. No other issues requiring a reservation have been brought to my attention.
3. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
4. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the accounting rules.
5. All events subsequent to the date of the accounts and for which the accounting rules and methods require adjustment or disclosure have been adjusted or disclosed.
6. There are no uncorrected misstatements that are material, both individually and in the aggregate, to the financial statements as a whole.
7. There are no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements. The carrying value of receivables and recoverables which are potentially irrecoverable has been corrected, where necessary.
8. Intangible assets and property, plant and equipment have been reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where appropriate, such assets have been written down to their recoverable amount.

⁴ Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union – OJ L 362, 31.12.2012, p. 1.

9. The EDPS has satisfactory title to all assets and there are no liens or encumbrances on the assets.

10. All liabilities, both actual and contingent, have been recorded or disclosed, as appropriate, and all guarantees that have been given to third parties have been disclosed in the notes to the financial statements.

11. All claims against the EDPS are reflected in the financial statements as a provision or, where relevant, as a contingent liability.

12. There are no formal or informal compensating balance arrangements with any of our cash and investment accounts. There are no lines of credit arrangements.

Information Provided

13. I have provided you with:

- Access to all information of which I am aware that is relevant to the preparation of the accounts such as records, documentation and other matters;
- Additional information that you have requested for the purpose of the audit; and
- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

14. All transactions have been recorded in the accounting records and are reflected in the accounts.

15. I have disclosed to you the results of my assessment of the risk that the accounts may be materially misstated as a result of fraud.

16. I have sought and disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity and involving management, employees who have a significant role in internal control, or others where fraud could have a material effect on the entity's accounts, including issues communicated by employees, by former employees that I have been informed of by the relevant services, including the European Anti-Fraud Office (OLAF).

17. I have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which I am aware, in accordance with the EU accounting rule 15.

18. I have disclosed to you all instances of non-compliance and of suspected non-compliance with laws and regulations that I am aware of and whose effects should be considered when preparing the accounts.

19. Apart from the above, I confirm that:

- for all receivables which are not yet definitive an adequate disclosure, including when possible an estimate of the amounts involved, is given in the notes to the accounts;
- the accounts include all the recovery orders issued by the Authorising Officers concerning the operations giving rise to reimbursement to the EDPS by third parties recovery. Authorising Officers have not informed me of delays or other problems in the establishment of recovery orders;



Manfred Kraff

c.c: B. Albugues, ECA
C. Docksey, EDPS
R. Aldea Busquets, E. Lobera Argüelles, DG BUDG



EUROPEAN DATA
PROTECTION SUPERVISOR

Accounting Officer

Brussels,
BUDG.DGA.C02/AP/nb

**NOTE TO MR BUTTARELLI,
EUROPEAN DATA PROTECTION SUPERVISOR**

Subject: Annual Accounts of the EDPS for 2014

In accordance with Article 148 of the Financial Regulation, you are required to approve and then send the final accounts of the European Data Protection Supervisor (EDPS) for the financial year 2014 to myself, in the capacity of the Accounting Officer of the Commission; to the European Court of Auditors, the European Parliament and the Council before 1 July 2015.

With this in mind, I hereby enclose these accounts, for your approval and transmission to the above mentioned parties. You will note that I have, in accordance with the Financial Regulation, certified these accounts (see page 3).

I remain at your disposal should you have any questions on the enclosed.


Manfred Kraff

Enclosure: Annual Accounts of the EDPS for 2014