# 2006 discharge: European Training Foundation (ETF)

2007/2056(DEC) - 15/11/2007

PURPOSE: to present the report of the Court of Auditors on the 2006 accounts of the European Training Foundation (ETF).

CONTENT: the report notes that the appropriations entered in the Turin Foundation's budget for the financial year in question amount to **EUR 26.484 million**, of which EUR 18.859 million was committed (commitment appropriations in the context of differentiated appropriations) and EUR 18.193 million was paid. Out of this general amount, EUR 5.474 million was carried over to 2007 and EUR 2.826 million was cancelled.

The Court notes that the accounts for the financial year are reliable in all material aspects and that the underlying transactions of the Foundation's accounts are, on the whole, legal and regular.

**Analysis of the accounts by the Court:** in its report, the Court notes that the appropriations under title III of the budget (operating appropriations) are differentiated. Article 31 of the financial regulation lays down that the budget published in the Official Journal must present commitment appropriations and payment appropriations, as well as a payment schedule when the appropriations are differentiated. In its 2006 budget, the Foundation only published the commitment appropriations. In doing so, it did not comply with the rules on the presentation of the budget.

The Court also notes that, in 2006, the Foundation held 2 multi-annual contracts with the Commission, granted in 2004 in the framework of the MEDA and TEMPUS programmes. The funds generated by these contracts are considered as assigned revenues. The Foundation entered the total contractual amount corresponding to these revenues in its budget instead of the amounts received each year.

**The Foundation's response**: while accepting the criticism, the Foundation notes that it was obliged to present different budgets with commitment appropriations and payment appropriations. This approach has already been implemented for the 2007 amending budget.

In addition, the Foundation notes that, in future, it will adopt the approach proposed by the Court for the presentation of all financing agreements.