2010 discharge: IMI Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines

2011/2241(DEC) - 08/02/2012

Having examined the revenue and expenditure accounts for the financial year 2010 and the balance sheet at 31 December 2010 of the Innovative Medicines Initiative Joint Undertaking, and the report by the Court of Auditors on the annual accounts of the Joint Undertaking for the financial year 2010, accompanied by the Joint Undertaking's replies to the Court's observations, the Council recommends the European Parliament to give a discharge to the Executive Director of the Joint Undertaking in respect of the implementation of the budget for the financial year 2010.

However, the Council considers that observations made in the Court of Auditor's report call for a certain number of remarks:

- the Council welcomes the Court's opinion that, in all material respects, the Joint Undertaking's annual accounts fairly present the financial position as at 31 December 2010 and the results of operations and cash flows for the year then ended, in accordance with the provisions of the Joint Undertaking's Financial Rules, and that the underlying transactions for that financial year are legal and regular;
- the Council calls on the Joint Undertaking to adopt its annual budgets by the end of the preceding year, and to comply with the budgetary principle of annuality: due attention should be paid to the **proper implementation of commitment and payment appropriations**, thus avoiding under-spending, excessive carry-overs and high cash balances;
- it asks the Joint Undertaking to fully implement and further strengthen its accounting, internal control and financial information systems, and to launch timely ex-post audits of cost claims to assess the legality and regularity of transactions;
- it encourages the Joint Undertaking to **complete its Financial Rules** in order to ensure that the operational roles of the Commission's Internal Auditor and the Joint Undertaking's internal audit function are clearly defined.