2012 discharge: Translation Centre for the Bodies of the European Union (CdT)

2013/2214(DEC) - 10/09/2013 - Court of Auditors: opinion, report

PURPOSE: presentation of the report of the Court of Auditors on the annual accounts of the Translation Centre for the Bodies of the European Union for the financial year 2012, together with the Centre's replies (CdT).

CONTENT: in line with the tasks and objectives conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, it provides in the context of the discharge procedure, both in Parliament and Council, a Statement of Assurance concerning the reliability of the accounts and the legality and regularity of the underlying transactions of each institution, body or agency of the EU, based on an independent external audit.

This audit also focused on the annual accounts of the Centre CdT.

On issuing this audit, in the Court's opinion, **the Centre's annual accounts present fairly, in all material respects, its financial position as at 31 December 2012**, as well as the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commission's accounting officer.

It also considered that the **transactions underlying the annual accounts** for the year ended 31 December 2012 are **legal and regular** in all material respects.

The report also confirmed that the resources made available to the Centre in 2012 were EUR 48 293 million.

The report of the Court of Auditors at the same time has a series of observations on budget management and financial agency, together with the responses of the latter. The main observations can be summarised as follows:

Observations of the Court:

- **budget surplus**: at the end of 2012, the Centre held cash and short term deposits amounting to 35 million euro (budgetary surplus and reserves amounting to 30.9 million euro). The Centre cannot adjust prices during the year in order to balance income and expenditure although it has occasionally refunded its clients in order to reduce the surplus;

- **revision of the Centre's Founding Regulation**: the Founding Regulation of 20 regulatory agencies audited by the Court in 2012 requires them to use the Centre for all their translation needs (the Centre's Founding Regulation stipulates the same for four other agencies). Other agencies are not obliged to use the Centre. For non-technical documents agencies could reduce their costs by using local services. In the Court's opinion the legislator should consider allowing all agencies to do so.

Responses of the Centre:

- **budget surplus**: the cumulative budget surplus that may be reimbursed to clients amounts to 3.9 million euro, with the remaining part of the budget surplus being blocked by the statutory reserve

and other reserves created by the Centre for specific purposes. In the long term, based on the Centre's pricing policy, the Centre should balance its costs with its revenues. The prices of the Centre's products are fixed by the Management Board for one year and, therefore, the surplus of 3.9 million euro will be reflected in the price modification for 2014 in order to assure long-term equilibrium.

- **revision of texts**: the Translation Centre takes due note of the Court's observation. The Centre stresses, however, that the opinion of the Court deviates from the framework established by the legislator in the Founding Regulation of the agencies.

Finally, the report of the Couirt of Auditors summarises the **activities of the Centre in 2012**. It is particularly focused on the following activities:

- number of pages translated: 735 007 pages against 712 813 the previous year;
- number of pages by languages: in the official EU languages: 722 505 pages; in other languages: 12 502 pages;
- number of pages per client: bodies: 707 888 pages; institutions: 27 119 pages;
- number of pages translated by freelancers: 480 695 pages.