2016 discharge: EU general budget, Court of Auditors

2017/2140(DEC) - 13/07/2017

PURPOSE: presentation of the Annual report of the Court of Auditors on the implementation of the budget concerning the financial year 2016.

CONTENT: the Court of Auditors published its 40th annual report on the implementation of the general budget of the Union for the year 2016. This report follows a five-part structure:

- the statement of assurance (DAS) and a summary of the results of our audit on the reliability of accounts and the regularity of transactions;
- the analysis of budgetary and financial management;
- the Commission's performance reporting framework;
- the findings on EU revenue;
- the presentation of the main headings of the current multiannual financial framework (MFF), the results of the testing of the regularity of transactions.

The Court concludes that **payments for 2016 are legal and regular, with the exception of those based on the cost reimbursement payments**. It believes that the EU accounts present a true and fair view of the EU's financial position.

The audit also focuses on the budget implementation of the **European Court of Auditors**.

Overall, audit evidence indicates that **spending on 'Administration' is not affected by a material level of error**. For this MFF heading area, testing of transactions indicates that the estimated level of error present in the population is 0.2 %.

The Court noted that the institutions had **collectively cut the number of posts** in the establishment plan by 4% over the period from 2013 to 2017. The institutions had reduced the number of staff (posts actually occupied by a staff member) by 1.4 % between 2013 and 2017.

The Court of Justice of the European Union was assigned **137 more posts**, mostly because of an increase in the number of judges and advocates-general.

The Court also examined how the budgeted number of **contract staff** had changed. This number rose from 4 517 to 5 417 between 2013 and 2017 - an increase of 19.9 %. Contract staff made up 11.4 % of the number of staff in the establishment plan in 2013, and 14.2 % in 2017.

The institutions are **achieving the 5 % reduction target** by eliminating vacant posts in the establishment plan and by not replacing staff members leaving upon retirement, illness or at the end of temporary contracts.

According to the independent Auditor's report, the **financial statements of the European Union for the year ended 31 December 2016** present fairly, in all material respects, the financial position of the Union as at 31 December 2016, the results of its operations, its cash flows, and the changes in net assets for the year then ended.