2016 discharge: Translation Centre for the Bodies of the European Union (CdT)

2017/2153(DEC) - 17/10/2017 - 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 (CdT) for the financial year 2016, 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 **translation centre**. To recall, the Centre's task is to provide any European Union institutions and bodies which call upon its services with the translation services necessary for their activities.

Statement of assurance: pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the Centre, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2016, and
- the legality and regularity of the transactions underlying those accounts.

Opinion on the reliability of the accounts: in the Court's opinion, the Centre's annual accounts present fairly, in all material respects, its financial position as at 31 December 2016 and 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.

Opinion on the legality and regularity of the transactions underlying the accounts: in the Court's opinion, the transactions underlying the annual accounts for the year ended 31 December 2016 are legal and regular in all material respects.

The report also makes a series of observations on budget management of the Agency, accompanied by the latter's response. The main observations may be summarised as follows:

The Court's observations:

- **budgetary management**: in 2016, cash and short-term deposits held by the Centre decreased to EUR 34.2 million and reserves to EUR 31.1 million. This decrease results from a budgetary approach which intends to reduce the accumulated surplus from previous years.

The Centre's replies:

- **budgetary management**: the Centre noted that it has taken various steps to reduce its budgetary surpluses. The budget 2016 was prepared as a deficitary budget in order to reduce the reserve for stability pricing. The balance of the budget outturn of the year, which amounted to EUR -2.9 million, contributed to the decrease of the reserve for stability pricing as well as the cash balance. It

is envisaged that the decrease of the budgetary surpluses will be further accelerated in 2017 as a result of the implementation of the new pricing structure that will decrease the average price for translation paid by the Centre's clients

Lastly, the Court of Auditor's report contains a summary of **Centre's key figures in 2016**:

- **Budget**: EUR 50.5 million.
- **Staff**: 225 including officials, temporary and contract staff and seconded national experts.