2000 discharge: EC general budget, Court of Justice

2001/2105(DEC) - 10/10/2001

PURPOSE : to present the Annual Report of the Court of Auditors concerning the financial year 2000.
CONTENT : the Annual Report concerning the financial year 2000 focuses on the all the accounts and operations involving administrative expenditure of the European Union's institutions. These appropriations are managed directly by these authorities and are used primarily to pay the salaries, allowances and pensions of persons working for the Community institutions, as well as rent, property purchases and miscellaneous administrative expenditure. The Court has reviewed the information presented in Volumes I to IV of the revenue and expenditure account. Volumes I and III provide a commentary on budgetary management for the year and, in particular, explanations of variations between the initial approved budget and the appropriations finally available, as well as between the appropriations finally available and those utilised. The Court indicates that the general approach adopted by the institutions to the analysis of budgetary management fails to inform readers of the most significant features of expenditure for the year. All of the institutions focus on explaining variances between out turn and the budget, sometimes in great detail. The way they do this is, however, inconsistent both within and between institutions. The analysis often obscures key issues in budgetary management. For the Court, it is desirable for the institutions to provide a more global analysis in the future, focusing on the main trends in expenditure, and the major capital items, as well as offering key measures of economy and efficiency. In view of all the results of its audit, the Court is of the opinion that the transactions underlying the financial statements, taken as a whole, are legal and regular in respect of revenue, commitments and administrative expenditure but declines to provide this assurance in respect The way in which the budget implementation process is split up in terms of place and time thus makes the task of verifying the legality and regularity of all the transactions a particularly complex one. The Commission, which, under Article 274 of the EC Treaty, is responsible for implementing the budget, is dependent on the good cooperation of the national authorities and other bodies involved. This system is characterised by great diversity in terms of the administrative and accounting cultures, traditions and practices involved. of the other payments. In addition, the Court of Auditors has examined the consolidated accounts of the European Communities for the financial year ended 31 December 2000. The accounts consist of the consolidated revenue and expenditure account and balance sheet as well as explanatory notes and are the responsibility of the Commission. The Court is required to provide the Parliament and the Council with a statement of assurance as to the reliability of the accounts and the legality and regularity of the transactions which underlie these accounts. As regards the Court of Justice, the Court believes that there is a need for the creation of a particular regulatory framework for property acquisition by the institutions, notably the Court of Justice. The financial and budgetary mechanisms currently inplace are not well suited to the financing of a building policy, especially since there is a shift from a purely rental policy towards the acquisition of buildings.