2003 discharge: Translation Centre for the bodies of the Union

2004/2062(DEC) - 30/12/2004

This report from the Court of Auditors concerns the results of the audit carried out by the Court on the annual accounts of the Translation Centre for the bodies of the European Union for the financial year ended 31 December 2003.

The Court has obtained reasonable assurance that the annual accounts for the financial year ended 31 December 2003 were reliable and that the underlying transactions, taken as a whole, were legal and regular.

The report states that the appropriations entered into the final budget amount to EUR 29 million of which EUR 16.1 million were committed and EUR 14.9 million were paid. EUR 1.2 million were carried over to 2004 and ER 12.9 million were cancelled.

In its report, the Court states that the Centre's accounts for 2003 were adopted on the basis of the accounting principles laid down in its new Financial Regulation. The Centre did not reprocess all of the accounting data for the financial year 2002 in accordance with the accounting rules used to draw up its annual accounts for the financial year ending 31 December 2003.

In addition, provisions for risks and charges totalled EUR 8.6 million at the end of 2003, an increase of EUR 2.2 million when compared with 2002. Most of this amount concerned the sums claimed by the Commission corresponding to its share of pension contributions for the Centre's employees; the amount is disputed by the Centre. The remainder was established to cover rent owed to the Luxembourg authorities as soon as the definitive amount has been set. The Centre must make every effort to resolve these problems as it had already underlined these problems in 2002 (in its report concerning the financial year 2001 C326/2002).

The Centre responds point by point to the observations made by the Court and indicates that in principle, when there are changes to the methods used, the accounts for previous financial years should be drawn up using the new method. Nevertheless, it was not possible for the Centre to make an objective evaluation of the effect of the change on previous years. The analysis of the impact of the change on the accounting for the financial year 2003 can be found in the annexes to the Centre's accounts. In July 2004 the Centre signed a memorandum of understanding with the Luxembourg authorities resolving the problem of the costs of using the Nouvel Hémicycle building. With regard to the pension contributions for the Centre's employees, renewed attempts will be made to find a solution.