2003 discharge: EC general budget, Court of Justice

2004/2043(DEC) - 30/11/2004

PURPOSE : to present the report from the Court of Auditors on the implementation of the budget for the financial year 2003 (Other institutions – Court of Justice).

CONTENT : in its 27th Annual Report on the 2003 financial year, the Court states that, on the whole, the institutions have made a considerable effort to adapt their supervisory systems and controls to the requirements of the new Financial Regulation. Nevertheless, most of them have not succeeded to implement the changes necessary and weakness have been stated in terms of the legality and regularity of the underlying transactions. These discrepancies do not however jeopardise the positive character of the State of Assurance (DAS) on the implementation of the budget for the other institutions.

Concerning the expenditure, the Court highlights that there were no significant discrepancies. It does note that the new supervisory systems and controls should have been better applied by all the institutions in order to respect the rules of the new Financial Regulation.

It should be noted that in 2003, the authorising officers by delegation have presented for the first time annual activity reports which provide very useful information on the working of the control systems. The Court would like these report to be more comprehensive so that they can be used in the framework of the annual DAS.

More specifically, as regards the execution of the Court's budget, the Court of Auditors states that some of the most important requirements of the Financial Regulation or the implementing rules were not fully implemented. The lack of compliance with the Financial Regulation concerned the adoption of minimum control standards and the analysis of the risks associated with the management environment and the nature of the actions financed; drafting of charters describing tasks, rights and obligations of the financial actors; the definition of the scope of the mission of the internal auditor and the objectives and procedures for the exercise of the internal audit function.