2003 discharge: EC general budget, Committee of the Regions

2004/2046(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 – Committee of the Regions).

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 Committee of the Regions' budget, the Court highlights some difficulties in the application of control standards. Other shortcomings have been identified in the area of procurement. Moreover, for staff remunerations, the Court identified weaknesses. Personnel data were input manually and separately in both the personnel database and the payroll system. As there was no computer link between the two systems, an automatic reconciliation of data was not possible. On the other hand, a systematic and periodic reconciliation was not made manually. The administration found a large number of differences between the payroll according to the system used in 2003 and the new system, introduced in May 2004.