2004 discharge: European Agency for Safety and Health at Work

2005/2112(DEC) - 05/10/2005 - Court of Auditors: opinion, report

This report from the Court of Auditors concerns the results of the audit carried out by the Court on the annual accounts of the European Agency for Safety and Health at Work for the financial year ended 31 December 2004. The Court states that its audit was planned and performed to obtain reasonable assurance that the accounts are reliable and the underlying transactions are legal and regular. The Agency's accounts for the financial year ended 31 December 2004 are, in all material respects, reliable. The transactions underlying the Agency's annual accounts, taken as a whole, are legal and regular. The observations which follow do not call the Court's opinion into question.

The report shows that the appropriations entered in the final budget amount to EUR 10 768 000 with EUR 9 968 000 committed and EUR 6 752 000 paid. EUR 2 857 000 was carried over to 2005, and EUR 1 159 000 cancelled. The outstanding commitments carried over from the previous financial year were EUR 6 633 000.

The Court makes the following observations:

- the Agency has not yet put in place detailed rules for the implementation of its new financial regulation or provided for internal control procedures based on risk analysis;.

- four framework contracts signed more than four years ago were used in 2004 for contracts amounting in total to EUR 208 000. Article 117 of the detailed rules for the implementation of the Financial Regulation applicable to the general budget limits the duration of such contracts to four years;

- the revenue and expenditure account for the financial year 2003 shows, before economic adjustments, a loss of EUR 1 987 000 connected with the implementation of the Agency's budget. This balance ought to have been included in an amending budget for the financial year 2004.

The Agency responds point by point to the Court's observations:

- draft detailed rules for the implementation of the new financial regulation were sent to the Commission on 30 May 2005 for comments before submission to the Administrative Board. The Agency's internal control procedures were drawn up on the basis of guidelines handed down by the Commission, and will be gradually adapted in accordance with the conclusions of the forthcoming report of the Commission's Internal Audit Service and the risk analysis to be undertaken by the Agency;

- these four service contracts will all be the subject of a call for tenders in 2005;

- the cumulative negative budget outturn for the financial year 2004 will be entered in the 2005 budget.