

2005 discharge: EC general budget, Court of Auditors

2006/2074(DEC) - 26/07/2006 - Non-legislative basic document

PURPOSE: presentation of the final annual accounts of the European Community for the financial year 2005 – Other institutions: Section V – Court of Auditors.

CONTENT: this document sets out the amount of expenditure and the financial statement of the Court of Auditors for 2005 and presents an analysis of its financial management. The available appropriations set out in the Court's 2005 budget amounted to **EUR 107 million**, with an 87% utilisation rate.

Main axes of 2005 expenditure: budget implementation of the Court can be characterised by the under-utilisation of staff costs and associated costs (meetings, etc).

Amendments to budget: in the course of the year, the Court effected 15 budgetary transfers in all for a combined total of EUR 2 118 318. These transfers were undertaken to ensure the smooth working of the various departments of the Court and meet any requirements this entailed.

There were

- 2 chapter to chapter transfers for EUR 242 000 ;
- 5 article to article transfers for EUR 1 681 700;
- 9 item to item transfers amounting to EUR 194 618.

Overall the expenditure for 2005 totalled EUR 87 114 873, equivalent to 81.45% of the final appropriations. The cancellation of a total of EUR 13 519 727, i.e. 12.64% was the result, for the most part, of EUR 11 138 899 worth of cancellations within chapter 11 – Staff in active employment.

Other important issues of the budget implementation can be summarised as follows :

Title I (Staff costs): appropriations under this heading were utilised at 86%. This is due to :

- delays in anticipated recruitment;
- mission costs;
- exchange of civil servants and experts (59.95%): this rate of almost 60% demonstrates a stronger uptake in 2005, when compared to a utilisation rate in 2004 of 26.69%. There are clear indications that the detached national experts scheme launched by the Court in 2004 is beginning to gather momentum and higher utilisation rates can be expected in the future.

Title II (Operational expenditure): there has been a major reduction in the costs relating to the organisation of meetings (44.06%). This under-use can be attributed to the fact that there was less expenditure than originally foreseen related to meetings of the 'Contact' committee and sub-committees. The rate of publishing and communication also slowed down (59.78%).

Building policy: on the Court's extension in Luxembourg (building K.2), it has been in construction since 2001 and was satisfactorily completed in 2004. It was occupied in 2003, ahead of the scheduled date of June 2004. The accounts for the project are in the process of being closed and a full report will be provided to the budgetary authority in due course.

The special bank account set up for the project was set up and underpinned by a bank guarantee of EUR 10 million. In 2005, EUR 52 652 of interest was earned on this account. At the balance sheet date the unused balance of EUR 2 003 810 had been repaid to the Court (EUR 1 841 810 taken into budgetary revenue and EUR 162 000 put on a suspense account until certain outstanding matters are finalised). The guarantee, being no longer necessary, was returned.

For further details concerning the Court's budget in 2005, please refer to the annexed detailed analysis of expenditure.