2005 discharge: EC general budget, Court of Auditors

2006/2074(DEC) - 24/04/2007 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution drafted Daniel **CASPARY** (EPP-ED, D), and granted the Court of Auditors' Secretary-General discharge for the implementation of the Court of Auditors budget for the financial year 2005. In doing so, it made a number of observations on the discharge in its accompanying resolution.

Parliament began by noting that in 2005 the European Court of Auditors (ECA) had available commitment appropriations amounting to a total of EUR 107 548 618,24 with a utilisation rate of 87,22%. Following the introduction of accrual accounting with effect from 1 January 2005, the ECA's 2005 financial statements disclose a negative economic out-turn for the year (EUR 16 820 000) and an excess of liabilities over assets of EUR 11 450 000. It recalled that for the financial year 2005 the ECA's accounts were audited by an external firm, KPMG, which signed off on the accounts subject to the effect of any rectifications that might prove necessary with respect to the treatment given to the ECA's Members' pensions, bearing in mind that the relevant accounting standard No 12 was then being revised. Parliament believed that both the liability for future pension payments and also the long-term claim against the Member States should be included in the balance sheet in order to reflect the principles of accrual accounting applicable from 1 January 2005.

It went on to note with concern the ECA's difficulty in recruiting qualified staff for several posts. It reiterated its hope that it would be possible to devise a more rational structure for the ECA before the next enlargement, and asked the ECA to consider existing models with a view to reducing the total number of ECA Members. There should be a consideration of proposals to introduce a rotating system similar to that applying to the Governing Council of the ECB or a system with a single Auditor-General.

Parliament also noted that the ECA' decided in 2005, to begin a self-assessment exercise and that, following that self-assessment, an action plan had been adopted by the ECA, with actions covering broad areas such as mission and strategic objectives, programming and performance measuring, audit methodology, human resource strategy, internal and external communication and administrative procedures. This action plan will be subjected to a "peer review".

In relation to declarations of Members' financial interests, Parliament noted that ECA Members communicate a declaration of their financial interests and other assets. As a matter of principle and in the interests of transparency, Members of all EU institutions should be required to submit a declaration of financial interests which should be accessible on the Internet via a public register. Parliament called on the ECA to inform Parliament by 30 September 2007 of what appropriate measures it will take.