

REPORT
on the financial statements of the European Centre for the Development of Vocational Training
for the financial year 2002, together with the Centre's replies

(2003/C 319/06)

CONTENTS

	<i>Paragraph</i>	<i>Page</i>
THE COURT'S OPINION	1-4	37
OBSERVATIONS	5-8	37
Tables 1 to 3		38
The Centre's replies		41

THE COURT'S OPINION

1. This report is addressed to the European Parliament and to the Council in accordance with Article 185(2) of Council Regulation (EC, Euratom) No 1605/2002 ⁽¹⁾.

2. The Court has examined the financial statements of the European Centre for the Development of Vocational Training (hereinafter 'the Centre') for the financial year ended 31 December 2002. In accordance with Article 18(1) of Council Regulation (EEC) No 1416/76 ⁽²⁾, as amended by Council Regulation (EEC) No 1948/93 ⁽³⁾, the Centre's budget was implemented on the responsibility of its Management Board. This responsibility includes the drawing-up and presentation of the financial statements ⁽⁴⁾, in accordance with the internal financial provisions set out in Articles 65, 67 and 68 of Council Regulation (EEC) No 1948/93, amending Council Regulation (EEC) No 1416/76. The Court of Auditors is required pursuant to Article 248 of the Treaty establishing the European Community to audit those accounts.

3. The Court performed its audit in accordance with its auditing standards and policies. These have been adapted from generally accepted international auditing standards to reflect the specific characteristics of the Community context. The Court examined the accounting records and applied such other audit procedures as it deemed necessary in the circumstances. By means of this audit the Court obtained a reasonable basis for the opinion expressed below.

4. This examination has enabled the Court to obtain reasonable assurance that the annual accounts for the financial year ended 31 December 2002 are reliable and that the underlying transactions, taken as a whole, are legal and regular.

OBSERVATIONS

5. The Centre was established by Council Regulation (EEC) No 337/75 ⁽⁵⁾, as amended by Council Regulation (EEC) No 1946/93. Its core mandate is to serve the development of vocational training at Community level. In order to achieve this objective, it has the task of compiling and disseminating documentation on vocational training systems, which should enable it to contribute to the development and coordination of research in this field and encourage practical approaches to obtaining the mutual recognition of diplomas. In practice, in order to accomplish its tasks, besides commissioning studies and reports from experts the Centre is developing an ambitious computer project known as the Electronic Training Village, which serves as a meeting and information point for training specialists.

6. *Table 1* shows the implementation of the appropriations for the financial year 2002 and the appropriations carried over from the previous financial year.

7. The revenue and expenditure account and balance sheet published by the Centre for the financial year 2002 are presented in summary form in *Tables 2 and 3*.

8. Since 2000, the Centre and the Commission have had an arrangement for the settlement of the costs incurred by their joint participation in international events. Service providers are selected by the Commission. In the majority of cases, the Commission also meets all the costs; where it does not, they are met in full by the Centre (cumulative total since 2000: 138 000 euro). The Centre should formalise this arrangement with the Commission; in particular, it should define each party's responsibilities as regards the costs that are to be covered and the checks to be performed.

This report was adopted by the Court of Auditors in Luxembourg at the Court meeting of 15 and 16 October 2003.

For the Court of Auditors
Juan Manuel FABRA VALLÉS
President

⁽¹⁾ OJ L 248, 16.9.2002, p. 1.

⁽²⁾ OJ L 164, 24.6.1976, p. 1.

⁽³⁾ OJ L 181, 23.7.1993, p. 15.

⁽⁴⁾ As required pursuant to Article 1 of Council Regulation (EEC) No 1948/93, amending Council Regulation (EEC) No 1416/76, the accounts for all the Centre's revenue and expenditure for the financial year 2002 were drawn up on 27 June 2003 and forwarded to the Court of Auditors. They were received by the Court on 2 July 2003. A summarised version of these financial statements is presented in the tables annexed to this report.

⁽⁵⁾ OJ L 39, 13.2.1975, p. 1.

Table 1

European Centre for the Development of Vocational Training — Implementation of the budget for the financial year 2002

(EUR million)

Revenue			Expenditure														
Origin of revenue	Revenue entered under the final budget for the financial year	Revenue received	Allocation of expenditure	Appropriations in the final budget					Appropriations carried over from the previous financial year				Available appropriations (2002 budget and financial year 2001)				
				entered	committed	paid	carried over	cancelled	initial	paid	to be carried over	cancelled	appropriations	committed	paid	carried over	cancelled
Community subsidies	13,7	12,3	Title I Staff	8,1	7,9	7,6	0,3	0,2	0,2	0,2	0,0	0,0	8,3	8,1	7,8	0,3	0,2
Financial and other revenue	0,2	0,1	Title II Administration	1,1	1,1	0,8	0,3	0,0	0,3	0,3	0,0	0,0	1,4	1,4	1,1	0,3	0,0
Subsidies to non-member countries	0,3	0,2	Title III Operational activities	5,0	4,9	2,5	2,4	0,1	2,5	2,3	0,1	0,2	7,5	7,2	4,8	2,5	0,3
Total	14,2	12,6	Total	14,2	13,9	10,9	3,0	0,3	3,0	2,8	0,1	0,2	17,2	16,7	13,7	3,1	0,5

Source: Data compiled by the Centre — These tables summarise the data supplied by the Centre in its own financial statements.

Table 2

European Centre for the Development of Vocational Training — Revenue and expenditure account for the financial years 2002 and 2001

(EUR 1 000)

	2002	2001
Revenue		
Commission subsidies	12 135	13 200
Revenue from previous financial years	25	724
Sundry revenue	3	0
Earmarked revenue (Phare + other)	333	402
Financial revenue	50	104
Total revenue (a)	12 546	14 430
Expenditure		
<i>Staff — Title I of the budget</i>		
Payments	7 570	7 231
Appropriations carried over	298	266
<i>Administration — Title II of the budget</i>		
Payments	767	700
Appropriations carried over	345	323
<i>Operational activities — Title III of the budget (excluding assigned revenue)</i>		
Payments	2 491	2 720
Appropriations carried over	2 189	2 059
<i>Assigned revenue (Phare + other)</i>		
Payments	0	277
Appropriations carried over	187	453
Total expenditure (b)	13 847	14 029
Outturn for the financial year (a-b) ⁽¹⁾	- 1 301	401
Balance carried over from the previous financial year	532	- 228
Appropriations carried over which lapse	215	349
Unused reallocations from the previous financial year	8	12
Exchange-rate differences	1	- 2
Balance for the financial year	- 545	532

⁽¹⁾ Calculated as specified in Article 15 of Council Regulation (EC, Euratom) No 1150/2000 of 22 May 2000 (OJ L 130, 31.5.2000, p. 8).

Source: European Centre for the Development of Vocational Training.

Table 3

European Centre for the Development of Vocational Training — Balance sheet at 31 December 2002 and 31 December 2001

(EUR 1 000)

Assets	2002	2001	Liabilities	2002	2001
Fixed assets			Fixed capital		
Buildings	5 953	5 953	Own capital	6 007	9 080
Financial fixed assets, guarantee	5	5	Balance for the financial year	- 545	532
Equipment and furniture	4 910	3 095			
Depreciation	- 4 896	0	<i>Subtotal</i>	5 462	9 612
<i>Subtotal</i>	5 972	9 053	Long-term liabilities		
Stock			Liabilities on assigned revenue	277	0
Stationery	35	28	<i>Subtotal</i>	277	0
<i>Subtotal</i>	35	28	Current liabilities		
Long-term receivables			Liabilities on assigned revenue	661	0
Staff loans	9	0	Carryover of appropriations	3 070	3 100
Commission subsidy	277	0	Amounts to be recovered	1 615	0
<i>Subtotal</i>	286	0	Sundry accounts payable	121	20
Current receivables			VAT/other taxes	73	98
Commission subsidy	2 276	184	<i>Subtotal</i>	5 540	3 218
Other advances	94	93			
VAT to be recovered	23	42	Suspense accounts		
Sundry accounts receivable	124	37	Payments in progress	226	338
<i>Subtotal</i>	2 517	356	Sums to be reused	229	348
Cash accounts			Deferred revenue	0	36
Bank accounts	2 830	4 116	Other subsidies	0	184
Cash	4	6	<i>Subtotal</i>	455	906
Imprest account	90	173			
<i>Subtotal</i>	2 924	4 295	Suspense accounts		
Suspense accounts					
	0	3	<i>Subtotal</i>	0	3
<i>Subtotal</i>	0	3			
Total	11 734	13 735	Total	11 734	13 735

Source: European Centre for the Development of Vocational Training.

THE CENTRE'S REPLIES

8. The Centre takes note of the observation of the Court. It will contact the relevant service of the Commission in order to respond to the Court's concerns.
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