



Court of Audit

Annual activity report 2013

[abridged version]



Brussels, July 2014



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ANNUAL
ACTIVITY
REPORT 2013

As in the past years, this annual activity report outlines the resources allocated in 2013 to the Belgian Court of Audit to carry out its missions. This information will allow the reader to form an opinion about the Court's activities and results achieved. The annual report also includes a chapter with an overview of the evolution of the Court's powers and duties.

The full annual activity report is available in Dutch and French.

1 Quantitative data

In 2013, the Court employed 530 staff members on average, of which about two-thirds are auditors and controllers. The rest of the staff members hold ancillary functions. The Court's total expenditure amounted to 49,5 million euros, of which 41,3 million was for remunerations.

The report also presents an overview of the audit results. In addition to financial audits related to the general accounts, the accounts of government bodies and departments as well as the accounts of public accountants, the Court issued in 2013 45 budget analysis reports, 25 special reports, 53 articles in its Annual Report of comments and 11 opinions with regard to the budgetary impact of draft acts put before the parliaments and provincial councils.

In 2013, the Court carried out 12 audits or analyses at the request of parliamentary assemblies. Ten members of Parliament made use of their individual right of access to documents and information on eleven occasions.

In 2013, the Court of Audit responded to 6 advice requests from the executive authorities.

2 Impact of the audits

In its annual activity report the Court also pays attention to the impact of its audits. It examines the way its publications are perceived and monitors the implementation of its recommendations. This allows the Court to increase the quality of the information provided to parliaments and at the same time to improve its possibilities of action.

It can be mentioned in this respect that the Court's representatives attended 65 sittings of the different parliaments in 2013 to answer questions on budget review, comments and special reports.

3 International relations

In cooperation with the European Court of Auditors (ECA), the Belgian Court of Audit takes part in audits of the European Union expenditure, participates in the activities of the various organizations of Supreme Audit Institutions (SAIs) and welcomes foreign delegations.

3.1 European Court of Auditors

In 2013, the ECA carried out five audits in Belgium, in conjunction with the Belgian court of Audit and as part of the so-called “déclaration d’assurance – DAS” (statement of assurance).

Besides the cooperation in auditing, there is also a consultative structure for the SAIs of the member states of the European Union which provides them with the opportunity to discuss topics of common interest with the ECA. Within this framework, meetings of the Contact Committee of SAI presidents took place on 8 May 2013 in Luxembourg and on 10 and 11 October 2013 in Vilnius; there was also a meeting of the SAI liaison officers of the European Union on 16 and 17 May 2013 in Budapest.

The Court is a member of the network dealing with the reporting by national SAIs on the financial management of European Union funds, of the working group on VAT, of the information network on the Common Agricultural Policy, of the information network Europe 2020 and of the information network on the budget policy.

3.2 Organizations of Supreme Audit Institutions

Intosai

In October 2013, a delegation of the Court of Audit participated in the 21st INTOSAI congress in Beijing. The Court also sent a delegation to take part in the 22nd UNO/INTOSAI conference on audit and advisory activities by SAIs, which took place in Vienna in March 2013.

As a member, the Court of Audit took part in the activities of the sub-committee on internal control standards of INTOSAI. Furthermore, the Court participated in the activities of the INTOSAI Working Group on Programme Evaluation, which met in Paris in June 2013.

Eurosai

As a member of the Governing Board of EUROSAI (European Organisation of Supreme Audit Institutions), the Belgian Court of Audit hosted the 40th meeting of the Board in May 2013. It was organized in close cooperation with the House of Representatives and the Ministry of Foreign Affairs. In the margins, the Court of Audit also organized a meeting between the governing bodies of EUROSAI and the European Confederation of Institutes of Internal Auditing (ECIIA).

The Court of Audit sent a delegate to the 4th joint conference of EUROSAI and the Arab Organization of Supreme Audit Institutions (ARABOSAI), in Baku in April 2013.

In the framework of the implementation of the EUROSAI Strategic Plan for 2011-2017, the Belgian Court of Audit is a member of Goal Team 2 (Professional Standards) and Goal Team 3 (Knowledge Sharing). In the framework of Goal Team 2, the Court leads the operational cooperation between EUROSAI and ECIIA.

The Belgian Court of Audit took part as member in the regular activities of the EUROSAI Working Group on Information Technologies (IT) (with a plenary meeting in Paris in February 2013 and sub-group meetings in Luxemburg in March and November 2013) and the Working Group on Environmental Audit. Within the framework of the IT Working Group, staff members of the Court of Audit attended a seminar on the application of Control Objectives for Information and related Technology (Cobit).

Aisccuf

Since 1994 the Court has been treasurer of the Association of Supreme Audit Institutions that have in common the use of the French language (“Association des institutions supérieures de contrôle des finances publiques ayant en commun l’usage du français” – Aisccuf).

On 7 and 8 November 2013, the Senior President of the Court of Audit attended the conference of the heads of SAIs on Performance Evaluation within the French speaking SAIs.

3.3 Audit of international organizations or projects

The Senior President of the Belgian Court of Audit was a member of the Audit Committee of the European Space Agency (ESA) from 2009 to 2013.

A councilor of the Belgian Court of Audit chairs the OCCAr (Organisation for Joint Armament Cooperation) board of external auditors.

A councilor of the Belgian Court of Audit was external auditor of the ECMWF (European Centre for Medium-Range Weather Forecasts) for the fiscal years 2010 to 2013.

On the initiative of the European Commission, the Belgian Court of Audit participates in the technical assistance project for the SAI of Greece. Furthermore, it provided expertise regarding financial audit in 2013, in cooperation with the Netherlands Court of Audit and the European Court of Auditors.

3.4 Foreign delegations

In 2013, the Court hosted 81 members of 10 foreign delegations as part of a visit or an information training with regard to the Court's missions, organization and audit methods.

4 External representation

On 12 September 2013, a staff member of the Court of Audit presented in The Hague the results of the follow-up research of the Belgian and Netherlands Courts of Audit regarding quality control on higher education in the Netherlands and in Flanders before the Commission Education, Culture and Science of the Lower House of the States-General.

As part of the two-day seminar on carrying out effective audits in the field of public procurement, organized by the European Academy for Taxes, Economics & Law, a representative of the Belgian Court of Audit lectured on the jurisprudence of the European Court of Justice as guidance for public procurement audit.

On 26 November 2013, representatives of the Court of Audit lectured at the seminar organized by the Information centre for chartered accountants (ICCI), focusing on performance auditing. On 11 December 2013, it also collaborated on the seminar with respect to the concept and possibilities of single audit.

Staff members of the Belgian Court of Audit held a discussion at the trainings and colloquia organized by the International Faculty for Executives Benelux (IFE) about public procurement legislation, topical legal matters and civil service litigation.

Furthermore, staff members of the Belgian Court of Audit participated actively in activities and study days organized by universities or educational institutions, the Central Supervisory Council of Prisons, the Flemish Government Commissioners at the universities and colleges and the Flemish Parliament.

Representatives of the Court of Audit also contributed to different publications in 2013.

5 Evolution of the powers and duties of the Court of Audit

Since its establishment in 1846, the Court of Audit has been charged with three major assignments: reviewing the financial policy of the executive power (financial, legality and regularity control), informing the parliament about the findings of its audits and judging upon officials responsible for the handling of public funds (accounting officers).

The last two decades indicate however a striking evolution, which led to additional competences and a series of special assignments for the Court of Audit.

The last two decades, the Court was thus charged with:

- auditing tax revenues (mainly systems audit and by no means control of individual tax returns) and a relating statutory duty to give advice on laws the Regions intend to make in order to establish general tax reductions and increases, surcharges or deductions;
- providing advice regarding the draft budgets and the justifications of the general expenditure budgets within strict deadlines;
- ex post auditing of the observance of the principles of economy, efficiency and effectiveness (“performance audits”);
- permanently monitoring the expenditure appropriations and reporting immediately about any case of excess spending;
- verifying the outcomes of the students counting, imposed by law in order to determine the way public funds for educational matters are allocated between the Communities;
- checking on political parties’ and candidates’ campaign expenditure, and examining the political parties’ accounts;
- ensuring that the 9,000 political representatives and senior officials fulfil their obligations to file annually and periodically a list of mandates and a declaration of assets to the Belgian Court of Audit;
- auditing the accounts of public institutions which are granted public funds for their workings (such as the Constitutional Court or the High Council of Justice).

The Court’s competences have been considerably extended especially since the previous term.

The amendments of the law on public accounts verification will have a major impact on the future scope of the Court’s missions.

Indeed, the financial auditing by the Court has been extended to all legal bodies of the central public authorities. This has already been confirmed by law at several levels: the Federal State, the Flemish Community and the Brussels Capital Region. From now on, some hundred other public institutions come to fall within the audit scope of the Court of Audit.

Besides, the Court of Audit must certify the annual accounts of the Federal State and all Federated entities as from the year 2020 at the latest. This new mission derives from the transposition into national law of the European regulations on the Member States budgets (six-pack and two-pack).

Finally, within the context of self-management of the judiciary, the Court of Audit was entrusted by law early 2014 with auditing the accounts, transactions and the closing of the accounts for all judicial entities in Belgium (Courts of Justice and Public Prosecutor’s offices).

Art. 180 (on the Court of Audit) of the Belgian Constitution was amended during the sixth State reform package. First, a constitutional base was provided to the legal provisions organising the auditing of the Court on the budget and the accounts of the federal entities and the public institutions that depend on them and second, this revision of the Constitution allowed the federal entities to entrust the Court of Audit with other missions against payment of a fee.

Furthermore, through the sixth State reform, the Court of Audit will have to fulfil – permanently or temporarily – additional advisory and reporting missions on the federal entities financing and on health policy and justice.

A full version of this activity report in French or Dutch is available on the Court's internet site: www.courtofaudit.be.



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