



EUROPEAN
ORGANIZATION
OF REGIONAL
AUDIT INSTITUTIONS

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**Communicating and reporting the audit:
A comparative approach of practices in four countries –
France, Germany, Spain and the United Kingdom**

**Working papers for the second session
“The different types of annual reports produced
by regional audit institutions and their public impact”**

Regional Audit Chamber of Andalusia:

- **Annual report on the budgetary outturns and financial statements, public procurement and the interregional compensation fund of the Regional Government of Andalusia**

Speaker:

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ANNUAL REPORT ON THE BUDGETARY OUTTURNS AND FINANCIAL STATEMENTS, PUBLIC PROCUREMENT AND THE INTERREGIONAL COMPENSATION FUND OF THE REGIONAL GOVERNMENT OF ANDALUSIA

Law 1/1988, of 17 March 1988, creating the Audit Chamber of Andalusia, sets out in Article 8 that the exercise of the audit function will be carried out, subject to the legal system, by the procedures of examination and verification, among others, of the budgetary outturns and financial statements of the Regional Government of Andalusia. This overall account comprises all of the budgetary, equity and treasury operations carried out over the financial year by the Regional Government of Andalusia and its autonomous agencies, institutions and enterprises.

CONTENT OF THE REPORT

The reports drawn up by the Audit Chamber should be clear and concise, and limit themselves to an objective description of the facts obtained, avoiding value judgements. They should contain a brief introduction of the organisation or subject audited, the scope and aims pursued as well as a reference to the methodology used, the limitations to the scope that have been posed and the uncertainties that have arisen regarding those aspects which are not entirely certain, an ordered description of the information obtained and a section with conclusions and recommendations. This will be accompanied by the tables, graphs or other data deemed appropriate and the non accepted or partially accepted comments made by the audited entities on the audit draft report with the relevant annotations. It should be clarified in this regard that when a comment is accepted and a paragraph has to be deleted from the text of the report, the comment should not be reproduced.

To conclude this brief overview of the content of reports, we should mention the mandatory inclusion of the dissenting votes that the members of the Audit Chamber may have casted when the report was approved. The Plenum/Board of the Chamber which comprises all its members has established the criterion that dissenting votes must be casted during the provisional approval phase of reports, so that the audited organisations may also know them when drawing up their comments, and that dissenting opinions may be proposed when approving the final report only if they refer to new facts or to the treatment given to comments of the audited bodies on the audit draft report.

Specifically, the annual report on the budgetary outturns and financial statements, public procurement and the interregional compensation fund has the following basic structure:

- Introduction
- Objectives
- Scope
- Limitations
- Conclusions and general recommendations
- Year's results
- Budgetary amendments
- Settlement of the expense budget
- Settlement of the revenue budget
- Cash management
- Extra-budgetary operations account
- Overall account of public debt and borrowing
- Guarantees
- Monitoring of the resolutions passed by the Parliament of Andalusia
- Monitoring of the recommendations of the previous report
- Autonomous agencies
- Public enterprises
- Public procurement
- Interregional compensation fund
- Appendices
- Comments of the auditees

COMMUNICATION OF THE REPORT

Final reports are sent simultaneously to the organisation audited, the Parliament of Andalusia, the Spanish Court of Audit and the Official Gazette of the Regional Government of Andalusia for publication.

One of the reasons for sending final reports to the Court of Audit is so that this institution can integrate the results of the audit work performed by the Audit Chamber, for everything relating to Andalusia, in its various reports by sector or theme: autonomous regions, interregional compensation fund, local authorities, public universities, etc.

PARLIAMENTARY TREATMENT OF REPORTS

Articles 177 and 178 of the current regulations of the Parliament of Andalusia regulate the processing of the reports issued by the Audit Chamber once they have been sent to it. The first of these articles specifically regulates everything concerned with the report on the budgetary outturns and financial statements of the Regional Government of Andalusia, while the second deals with the remaining reports. In both cases, the reports are then published in the parliamentary journal so that all of the parliamentary parties know of them. Within thirty days they are presented before the parliamentary economic and finance committee, either by the President of the Audit Chamber, especially if the report on the budgetary outturns and financial statements of the regional government is concerned, or by another member of the Chamber, should this have been decided in its full session, solely for the remaining reports. In each case, the parliamentary parties may draw up proposals for resolutions, which will be submitted for approval to the economic and finance committee, and those referring to the overall account of the regional government may be submitted for consideration to the plenary meeting of the parliament. In both events, the resolutions will be published in the Official Gazette of the Parliament of Andalusia and will be sent to the Audit Chamber and the audited body so that they have knowledge of them. The agreements of the plenary meeting of the parliament on the overall account of the region will also be published in the Official Gazette of the Regional Government of Andalusia.

In 1992, the presidency of parliament issued an interpretative resolution of these rules to the effect that, in the event of reports requested by local authorities or by the regional government through the parliamentary economic and finance committee, neither publication nor presentation before parliament would be necessary, with it being sufficient for the committee to know of the audit being carried out and that the result had been sent to the applicant. However, subsequent legislations have required the appearance of the President of the Audit Chamber to present some of these reports before the economic and finance committee.