

REPORT**on the annual accounts of the European Agency for Safety and Health
at Work for the financial year 2006 together with the Agency's replies**

(2007/C 309/11)

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INTRODUCTION

1. The European Agency for Safety and Health at Work (hereinafter referred to as 'the Agency') was established by Council Regulation (EC) No 2062/94 of 18 July 1994 ⁽¹⁾. The Agency's task is to collect and disseminate information on national and Community priorities in the field of safety and health at work, to support national and Community organisations involved in the formulation and implementation of policy and to provide information on preventive measures.

2. Table 1 summarises the Agency's competences and activities. Key data summarised from the financial statements drawn up by the Agency for the financial year 2006 is presented in Tables 2, 3 and 4 for information purposes.

STATEMENT OF ASSURANCE

3. This Statement is addressed to the European Parliament and the Council in accordance with Article 185(2) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 ⁽²⁾; it was drawn up following an examination of the Agency's accounts, as required by Article 248 of the Treaty establishing the European Community.

4. The Agency's accounts for the financial year ended 31 December 2006 ⁽³⁾ were drawn up by its Director, pursuant to Article 14 of Regulation (EC) No 2062/94, and sent to the Court, which is required to give a statement of assurance on their reliability and on the legality and regularity of the underlying transactions.

5. The Court conducted its audit in accordance with the IFAC and INTOSAI International Auditing Standards and Codes of Ethics, insofar as these are applicable in the European Community context. The audit was planned and performed to obtain reasonable assurance that the accounts are reliable and that the underlying transactions are legal and regular.

6. The Court has thus obtained a reasonable basis for the statement set out below.

Reliability of the accounts

The Agency's accounts for the financial year ended 31 December 2006 are, in all material respects, reliable.

Legality and regularity of the underlying transactions

The transactions underlying the Agency's annual accounts, taken as a whole, are legal and regular.

The observation which follows does not call the Court's Statement into question.

OBSERVATION

7. In 2006, the Director signed 19 decisions for approximately 880 000 euro authorising budgetary transfers from article to article within chapters. Contrary to the Financial Regulation, the Governing Board did not receive the required information ⁽⁴⁾. Thus, the budgetary principle of specification was not strictly observed.

This report was adopted by the Court of Auditors in Luxembourg at its meeting of 27 September 2007.

For the Court of Auditors
Hubert WEBER
President

⁽¹⁾ OJ L 216, 20.8.1994, p. 1. The Regulation was last amended by Council Regulation (EC) No 1112/2005 of 24 June 2005 (OJ L 184, 15.7.2005, p. 5).

⁽²⁾ OJ L 248, 16.9.2002, p. 1.

⁽³⁾ These accounts were drawn up on 4 June 2007 and received by the Court on 2 July 2007.

⁽⁴⁾ Article 23 of the Financial Regulation.

Table 1
European Agency for Safety and Health at Work (Bilbao)

| Areas of Community competence deriving from the Treaty | Competences of the Agency as defined in the Council Regulation (EC) No 2062/94 as amended by Council Regulation (EC) No 1112/2005 | Governance | Resources made available to the Agency in 2006 (Data for 2005) | Products and services provided during 2006 | |
|---|---|--|--|--|---|
| <p>Social provisions</p> <p>The Community and the Member States (...) shall have as their objectives (...) improved living and working conditions, so as to make possible their harmonisation while the improvement is being maintained (...).</p> <p>With a view to achieving the objectives of Article 136, the Community shall support and complement the activities of the Member States in the following fields: (a) improvement in particular of the working environment to protect workers' health and safety; (b) working conditions; (...)</p> <p>(Extracts from Article 136 and 137 of the Treaty)</p> | <p>Objectives</p> <ul style="list-style-type: none"> — In order to improve the working environment, as regards the protection of the safety and health of workers as provided for in the Treaty and successive Community strategies and action programmes concerning health and safety at the workplace, the aim of the Agency shall be to provide the Community bodies, the Member States, the social partners and those involved in the field with technical, scientific and economic information of use in the field of safety and health at work. | <p>Tasks</p> <ul style="list-style-type: none"> — To collect, analyse and disseminate information on national and Community priorities and on research. — To promote cooperation and the exchange of information, including information on training programmes. — To supply the Community bodies and the Member States with information they require to formulate and implement policies, in particular as regards the impact on small and medium-sized enterprises. — To make available information on preventive activities. — To contribute to the development of strategies and Community action programmes — To set up a network comprising national focal points and topic centres. | <p>1. Governing Board</p> <p><i>Composition</i></p> <ul style="list-style-type: none"> — 1 representative of the Government of each Member State. — 1 representative of the employers' organisations of each Member State. — 1 representative of the employees' organisations of each Member State. — 3 representatives of the Commission. <p><i>Task</i></p> <p>To adopt the Agency's work programme, budget and annual general report.</p> <p>2. Bureau</p> <p><i>Composition</i></p> <ul style="list-style-type: none"> — Chairman and 3 vice-chairmen of the Board — Coordinators from each of the three interest groups — 1 additional member from each of the groups and the Commission <p><i>Task:</i></p> <p>Overseeing the preparation and follow-up of the Board's decisions</p> <p>3. The Director</p> <p>Appointed by the Governing Board on a proposal from the Commission.</p> <p>4. Committees</p> <p>Obligatory consultation of the Commission and the Advisory Committee on Safety and Health at Work in respect of the work programme and budget.</p> <p>5. External audit</p> <p>European Court of Auditors.</p> <p>6. Discharge authority</p> <p>Parliament on a recommendation by the Council.</p> | <p>Final budget:</p> <ul style="list-style-type: none"> — 14,1 million euro (13,7 million euro) <p>Including:</p> <ul style="list-style-type: none"> — Community subsidy, DG Employment: 93,5 % (96%) — Community subsidy, DG Enlargement: 4,5 % (3%) — Miscellaneous revenue: 2 % (1%) <p>Staff at 31 December 2006:</p> <p>40 (40) posts in the establishment plan, of which, posts filled: 33 (32) posts vacant: 7 (8)</p> <p>26 (20) other posts (auxiliary contracts, seconded national experts and local staff).</p> <p>Total staff: 59 (52) assigned to</p> <ul style="list-style-type: none"> — operational tasks: 42 (35) — administrative tasks: 9 (9) — mixed tasks: 8 (8) | <p>Building the links — Networking:</p> <ul style="list-style-type: none"> — Strengthening of tri-partism in the Agency networks — Institutional capacity building in Accession and Candidate Countries (Phare programmes) <p>Communicating Information:</p> <ul style="list-style-type: none"> — Safe Start! — European Week 2006 campaign on young workers. — Healthy Workplace Initiative — SME-targeted campaign in EU 10, Romania and Bulgaria. — Multilingual web-based and printed information services on occupational safety and health. <p>Developing knowledge:</p> <ul style="list-style-type: none"> — Information products for national and European Week campaign 2006 (on Young People) and 2007 (MSDs) — Information products on Ageing Workers, OSH & Economic Performance, and the HORECA Sector — Risk Observatory information products including reports on OSH research priorities, biological agents and ultraviolet radiation; data collection on stress, vibration and skin problems, and on young workers and musculoskeletal disorders for the European Weeks 2006 and 2007, feasibility study for a company survey |

Source: Information supplied by the Agency.

Table 2

European Agency for Safety and Health at Work (Bilbao) — Implementation of the budget for the financial year 2006

(1 000 euro)

| Revenue | | | Expenditure | | | | | | | | |
|---------------------------------|--|-------------------|-----------------------------------|-----------------------------|---------------|---------------|--------------|--------------|--|--------------|------------|
| Source of revenue | Revenue entered in the final budget for the financial year | Revenue collected | Allocation of expenditure | Final budget appropriations | | | | | Appropriations carried over from the previous financial year | | |
| | | | | final | committed | paid | carried over | cancelled | available | paid | cancelled |
| Community subsidies | 13 200 | 11 900 | Title I Staff | 4 556 | 4 080 | 3 831 | 125 | 600 | 75 | 28 | 47 |
| Other revenue | 247 | 248 | Title II Administration | 1 524 | 1 481 | 1 083 | 381 | 61 | 331 | 313 | 17 |
| | | | Title III Operating activities | 7 367 | 7 025 | 5 060 | 1 963 | 344 | 2 213 | 1 814 | 400 |
| Assigned revenue ⁽¹⁾ | 518 | 312 | Assigned revenue ⁽¹⁾ | 518 | 407 | 324 | 194 | 0 | 206 | 0 | 206 |
| Total | 13 965 | 12 460 | Total | 13 965 | 12 993 | 10 298 | 2 663 | 1 005 | 2 825 | 2 155 | 670 |

⁽¹⁾ The amount entered in the budget for assigned revenue is 661 000 euro, of which only 518 000 euro have been received.

In order to present a correct image, the correct amount of 518 000 euro is given here.

Source: Data supplied by the Agency. This table summarises the data provided by the Agency in its annual accounts. Revenue collected and payments are estimated on a cash basis.

Table 3

European Agency for Safety and Health at Work (Bilbao) — Economic outturn account for the financial years 2006 and 2005

(1 000 euro)

| | 2006 | 2005 |
|--|---------------|---------------|
| Operating revenue | | |
| Community subsidy | 11 730 | 11 021 |
| Other subsidies | 238 | 284 |
| Other incomes | 1 580 | 2 460 |
| Total (a) | 13 548 | 13 765 |
| Operating expenditure | | |
| Staff expenditure | 3 640 | 3 312 |
| Fixed asset-related expenditure ⁽¹⁾ | 139 | - 14 |
| Other administrative expenditure | 1 825 | 1 692 |
| Other operational expenditure | 8 028 | 8 584 |
| Total (b) | 13 632 | 13 575 |
| Surplus/(deficit) from operating activities (c = a - b) | - 84 | 190 |
| Financial expenditure (d) | 6 | 7 |
| Surplus/(deficit) from non operating activities (e = d) | - 6 | - 7 |
| Economic result for the year (f = c + e) | - 90 | 183 |

⁽¹⁾ The negative amount presented for 2005 is the result of corrections.

Table 4

European Agency for Safety and Health at Work (Bilbao) — Balance sheet at 31 December 2006 and 2005

(1 000 euro)

| | 2006 | 2005 |
|---|--------------|--------------|
| Non-current assets | | |
| Intangible assets | 71 | 88 |
| Tangible assets | 247 | 247 |
| Long-term receivables | 4 | 4 |
| Current assets | | |
| Short-term pre-financing | 435 | 454 |
| Short-term receivables | 27 | 142 |
| Cash and cash equivalents | 2 990 | 3 392 |
| Total assets | 3 774 | 4 327 |
| Current liabilities | | |
| Provisions for risks and charges | 63 | 58 |
| Accounts payable | 1 981 | 2 448 |
| Total liabilities | 2 044 | 2 507 |
| Net assets | | |
| Accumulated surplus/deficit | 1 820 | 1 637 |
| Economic result for the year | - 90 | 183 |
| Total net assets | 1 730 | 1 820 |
| Total liabilities and net assets | 3 774 | 4 327 |

Source: Data supplied by the Agency. This table summarises the data provided by the Agency in its annual accounts: these accounts are drawn up on an accrual basis.

THE AGENCY'S REPLIES

1. The Agency accepts the observation. As from July 2007, the Board is notified of any transfer decisions made by the Director via the Agency's extranet.
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