

EUROSAI

GOAL TEAM 4: GOVERNANCE & COMMUNICATION

EUROSAI Strategic Plan 2011-2017

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EUROSAI Financial Rules

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INTRODUCTION	5
CHAPTER I – EUROSAI’S FINANCIAL MANAGEMENT	6
I.1. <i>EUROSAI’s financial management principles</i>	6
I.2. <i>Planning and Programming</i>	7
I.3. <i>Budgeting</i>	7
I.4. <i>Budget Execution and Accounting</i>	7
I.5. <i>Internal Control</i>	7
I.6. <i>External Audit</i>	7
CHAPTER II – EUROSAI BUDGET	8
II.1. <i>Budgetary principles</i>	8
II.1.1. <i>Principle of unity</i>	8
II.1.2. <i>Principle of trienniality</i>	8
II.1.3. <i>Principle of equilibrium</i>	9
II.1.4. <i>Principle of unit of account</i>	9
II.1.5. <i>Principle of universality</i>	9
II.1.6. <i>Principle of specification</i>	9
II.1.7. <i>Principle of transparency</i>	10
II.2. <i>Establishment of the budget</i>	10
II.3. <i>Contents and structure of the budget document</i>	10
CHAPTER III – IMPLEMENTATION OF THE BUDGET	12
III.1. <i>Responsibility for implementing the budget</i>	12
III.2. <i>Revenue operations</i>	12
III.2.1. <i>EUROSAI Members’ contributions</i>	12
III.2.2. <i>Contribution of the EUROSAI Secretariat</i>	13
III.2.3. <i>External funding</i>	14
III.3. <i>Expenditure operations</i>	14
III.3.1. <i>Procedure for application and granting of funds from Chapter 2 of EUROSAI budget</i>	15
III.3.2. <i>Amount of financial subsidies</i>	17
III.3.3. <i>Justification of financial subsidies from EUROSAI budget</i>	18
CHAPTER IV - ACCOUNTING AND FINANCIAL STATEMENTS	19
IV.1. <i>Accounting system</i>	19
IV.2. <i>Accounting books</i>	20
IV.3. <i>Financial Statements</i>	20
CHAPTER V – EUROSAI EXTERNAL AUDIT	22

V.1. <i>EUROSAI Auditors</i>	22
V.2. <i>Appointment and duration of the mandate</i>	22
V.3. <i>Conduct of the external audit</i>	22
V.4. <i>Audit Report: opinion and recommendations</i>	23
CHAPTER VI – FINANCIAL REPORTING	24
VI.1. <i>Reporting to the Governing Board</i>	24
VI.2. <i>Reporting to the Congress and approval of the EUROSAI financial management</i>	24
CHAPTER VII – APPROVAL AND AMENDMENT OF THE EUROSAI FINANCIAL RULES	26
VII.1. <i>Approval</i>	26
VII.2. <i>Amendment</i>	26
ANNEX I	27
STRUCTURE OF EUROSAI BUDGET	27
ANNEX II	28
MEMBERSHIP CONTRIBUTION TO EUROSAI	28
ANNEX III	29
CRITERIA TO BE FOLLOWED FOR DETERMINING THE AMOUNT OF THE SUBSIDY TO BE AWARDED TO EACH APPLICATION FOR FINANCING ACTIVITIES:	29

INTRODUCTION

EUROSAI (European Organisation of Supreme Audit Institutions) was founded in Madrid, in 1990, and is one of the Regional Groups of the International Organisation of Supreme Audit Institutions (INTOSAI). The objectives of EUROSAI are to promote professional and technical co-operation and mutual support, and to foster the sharing of information and experiences among SAIs of the European region.

EUROSAI undertakes its activity through three main organs - the Congress, the Governing Board and the Secretariat -, and other bodies (such as Goal Teams, Working Groups, Task Forces and Project and Study Groups).

The Secretariat is held permanently by the Spanish Court of Audit, in Madrid, Spain, which is also the EUROSAI headquarters. The Secretary General of EUROSAI is the President of the Spanish Court of Audit.

The VIII EUROSAI Congress adopted the *EUROSAI Strategic Plan 2011-2017*, based on four Strategic Goals that reflect the needs and priorities of the Organisation's membership. The organisational model of EUROSAI has been adapted to enable the Organisation to implement this Strategic Plan, through the creation of four Goal Teams (GT1: Capacity Building; GT2: Professional Standards; GT3: Knowledge Sharing; and GT4: Governance and Communication).

EUROSAI's regulatory framework is composed of its Statutes, Standard Procedures, Strategic Plan and triennial Budgets. The EUROSAI Statutes regulate the role of EUROSAI's different organs in its financial framework and contain specific financial regulations in Chapter VIII. The EUROSAI Standard Procedures cover the areas of authority and the responsibilities of EUROSAI's different organs, notwithstanding any established practices that the Organisation may have adopted, provided that they do not conflict with the EUROSAI Statutes.

This document, the "EUROSAI Financial Rules" - written in accordance with the EUROSAI Statutes and Standard Procedures - collects and consolidates the financial rules formerly approved and adapts some of them to the new goals and structure of the Organisation.

For additional information on EUROSAI, please visit www.eurosai.org.

CHAPTER I – EUROSAI’S FINANCIAL MANAGEMENT

I.1. EUROSAI’s financial management principles

Rule 1

The “EUROSAI Financial Rules” contain the principles, policies and procedures that govern EUROSAI’s financial management. They should be considered in conjunction with EUROSAI’s regulatory framework, which is composed of its Statutes, Standards Procedures, Strategic Plans and the decisions of the Congress and the Governing Board. For any aspect relating to financial management which is not expressly defined by this regulation, the aforementioned regulatory framework shall apply.

Rule 2

The EUROSAI’s financial management system shall ensure that resources are:

- used efficiently and effectively;
- properly accounted for; and
- used for the purpose intended.

The financial management system shall ensure the production of reliable and useful financial information to assist EUROSAI’s organs in their decision taking.

Rule 3

The EUROSAI’s financial management system shall include the following components:

- planning and programming;
- budgeting;
- budget execution and accounting;
- internal control;
- external audit.

I.2. Planning and Programming

Rule 4

The Strategic Plan contains the goals and objectives established for EUROSAI by the Congress. Sufficient, rational and balanced financing is needed to ensure that the defined implementation strategies, key activities and projects can be delivered effectively.

I.3. Budgeting

Rule 5

The budget's primary objectives are to support the ordinary operations of EUROSAI and to provide financing for the implementation of its Strategic Plan.

I.4. Budget Execution and Accounting

Rule 6

The Secretariat shall implement the budget. It shall also maintain the related accounting records and prepare the financial documents necessary for proper accountability and decision making by the other organs of EUROSAI.

I.5. Internal Control

Rule 7

The financial management system shall also include efficient and effective internal controls which shall be consistent with the INTOSAI GOV on Internal Control. The Secretariat shall implement methods and procedures adopted to ensure that resources are used in accordance with the provisions of these rules and in a manner consistent with the goals and objectives of EUROSAI, and its Statutes.

I.6. External Audit

Rule 8

An external audit shall be conducted on an annual basis to provide EUROSAI members and other stakeholders with assurance on the completeness and accuracy of financial information, and to provide information on the efficiency and effectiveness of operations to management. Further rules are laid down in Chapter V of this document.

CHAPTER II – EUROSAI BUDGET

II.1. *Budgetary principles*

Rule 9

The EUROSAI budget shall be established and implemented in accordance with the principles of unity, trienniality, equilibrium, unit of account, universality, specification and transparency.

II.1.1. Principle of unity

Rule 10

The budget shall present an estimate of revenue and expenses and shall determine the level of resources available to reach EUROSAI's strategic and operational objectives.

Rule 11

The revenue shall comprise the members' contribution and any other revenues. Expenditure shall comprise the operating expenses as well as expenditure financed by the EUROSAI budget for the development of the specific objectives of the Strategic Plan. No revenue shall be collected and no expenditure effected unless booked to a line in the budget.

II.1.2. Principle of trienniality

Rule 12

In accordance with article 9.4 of the Statutes, the EUROSAI budget covers the period between two ordinary Congresses (three years), beginning on January 1 of the year following a Congress and ending on December 31 of the year the next Congress takes place.

Rule 13

The funds which have not been used at the end of the three year period of the budget will be registered in the Welfare Fund¹. Any use of the Welfare Fund other than to cover operating expenses needs the Governing Board's approval.

II.1.3. *Principle of equilibrium*

Rule 14

Budget revenue and expenditure must be balanced. Expenditure must not exceed the amount of revenue.

II.1.4. *Principle of unit of account*

Rule 15

The budget shall be established and implemented in euro and the financial statements shall be presented in euro.

II.1.5. *Principle of universality*

Rule 16

Total revenue shall cover total expenditure, with the exception of revenue assigned to specific items of expenditure. All revenue and expenditure shall be entered in full without any netting off.

II.1.6. *Principle of specification*

Rule 17

The proposed budget shall be based around chapters with individual budget lines used for different types of income and expenditure within each chapter.

Rule 18

The transfer of funds between budget chapters shall be approved by the Governing Board. The transfer of funds between budget lines within the same chapter shall be approved by the Secretary General.

¹ The Welfare Fund is the account where any credit surpluses from the previous years remaining at the end of the period of the budget are registered. This account is included in the Net Equity of the balance.

II.1.7. Principle of transparency

Rule 19

The budget shall be established and implemented and the financial statements presented in compliance with the principle of transparency. The budget, as finally approved, shall be transmitted for information to the Congress' Members and published on the EUROSAI website.

II.2. Establishment of the budget

Rule 20

The Secretariat shall prepare and submit the draft triennial budget to the Governing Board for review and discussion, in accordance with article 14.3 of the Statutes.

Rule 21

After discussing the proposed budget, the Governing Board shall endorse the draft budget, with the necessary amendments, if any, and shall submit it to the Congress for adoption, in accordance with article 11.3 of the Statutes.

Rule 22

The Congress approves the budget, in accordance with article 9.4 of the Statutes.

II.3. Contents and structure of the budget document

Rule 23

The budget shall comprise a statement of revenue and a statement of expenditure. It shall show an estimate of revenue and expenditure for each year of the triennial period in question, with comparatives shown for the previous triennial period. The budget document shall include a brief statement on the main changes compared with the previous triennial period, and any annexes or statements the Secretary General deems necessary and useful.

Rule 24

The estimated revenue and expenditure shall be divided into chapters and articles, classified according to their nature, following the activities of EUROSAI (see Annex 1):

In the statement of expenditure:

- Chapter 1 “Operating expenses” shall include expenditure on the ordinary operations of EUROSAL; and
- Chapter 2 “Implementation expenses of the Strategic Plan” shall include expenditure on the operations for the development of the specific objectives of the Strategic Plan for the period of the budget.

In the statement of revenue:

- Chapter 1 “Contributions” shall include the contributions of the members, according to the four contribution groups; and
- Chapter 2. “Other income” shall include any other income.

CHAPTER III – IMPLEMENTATION OF THE BUDGET

III.1. Responsibility for implementing the budget

Rule 25

In accordance with article 14.5 of the Statutes, the Secretariat shall implement the budget. The budget shall be executed attending to EUROSAI's needs and funds shall be invested according to prudent investment practices until they are needed. Any procurement process necessary to implement the budget is carried out according to the Secretariat country's legislation.

III.2. Revenue operations

Rule 26

In accordance with article 16.1 of the Statutes, EUROSAI's main source of income is its members' contributions. Apart from these contributions, EUROSAI may also be financed through grants, donations or any other kind of contribution from national or international entities or individuals; from the proceeds of the sale of publications and other activities of EUROSAI; and by means of any other income.

III.2.1. EUROSAI Members' contributions

a) *Basis for contributions*

Rule 27

In accordance with article 16.1 of the Statutes, Members' contributions are fixed according to classifications used by the United Nations Organisation (UNO). SAIs are allocated to one of the four contribution groups showed in Annex II according to the scales of development assigned to each country by the UNO.

Rule 28

The Secretariat shall propose the contributions to the Governing Board, which, after discussion, shall submit its proposal to the Congress. The Congress approves Members' contributions, in accordance with article 9.4.b of the Statutes.

b) Billing procedure

Rule 29

In accordance with article 16.1.a of the Statutes, the Secretary General shall notify each member of their annual contributions at the beginning of each calendar year, by issuing an invoice. For those members in arrears, the Secretary General shall note this in the same invoice and add the amount overdue to the current year's assessment.

c) Payment and receipt of membership contributions

Rule 30

Payments are due to the Secretariat no later than 31st March and shall be made by a transfer to the bank account notified by the Secretary General. Any bank charges should be borne by the payee institution. All payments shall be effected in euro. The Secretary General shall acknowledge receipt of payment of contributions by letter.

d) Late payment of contributions

Rule 31

The Secretary General shall send reminder letters to members who have not paid their membership contributions by 1st July.

III.2.2. *Contribution of the EUROSAI Secretariat*

Rule 32

In accordance with article 16.2 of the Statutes, the Supreme Audit Institution of the Secretariat country, the Spanish Court of Audit, shall provide and pay for the necessary staff and premises for the ordinary management of the Secretariat. These ordinary expenses are the estimated salaries of the personnel that take part in the EUROSAI Secretariat activity, the hosting/maintenance of the website of the Organisation, as well as running expenses (electricity, premises, telephone and fax) and IT equipment. These expenses of the Secretariat are not included in the EUROSAI budget. As established in the Strategic Plan, the EUROSAI Secretariat might be supported by staff secondments from EUROSAI Members.

III.2.3. External funding

Rule 33

The following principles govern any external funding:

- EUROSAI's independence must be ensured;
- EUROSAI's activities must not be influenced by the external financing; and
- the external financing must not affect the objectives and priorities of the EUROSAI Members, nor the activities of the Strategic Plan.

Rule 34

Any request or proposal for the use of external financing for a specific activity shall be sent to the Secretary General by the entity responsible for the activity concerned. The Secretary General shall prepare a report on the external financial requests received and present it to the Governing Board for approval.

Rule 35

The entity responsible for using external funds in support of a EUROSAI activity shall send to the Secretary General a letter certifying that the funding received was used for the purpose for which it was granted, and provide the financial donor with any information or justification they might request.

III.3. Expenditure operations

Rule 36

The appropriations adopted by the Congress for operating expenses (Chapter 1 of the budget) constitute a direct authorisation for the Secretary General to incur obligations and make payments for the purposes approved. The funding which is not used in Chapter 1 during the current fiscal year shall be added to this chapter's allocated funding of the next fiscal year within the current triennial budget.

Rule 37

Implementation expenses of the Strategic Plan (Chapter 2 of the budget) must be specifically approved by the Governing Board. Therefore, the Secretariat shall submit the expense to the Governing Board, within the approved budgetary framework. The funding which is not used by Goal Teams during the current fiscal year shall be added to the Goal Teams allocated funding of the next fiscal year within the current triennial budget.

Rule 38

The Secretary General shall authorize the payments to be made related to the implementation of the EUROSAL activity, once the services or supplies have been provided and the invoice received. The documents for authorisation of non-ordinary costs and payment for all transactions shall be kept by the EUROSAL Secretariat together with the payments justification documents.

III.3.1. Procedure for application and granting of funds from Chapter 2 of EUROSAL budget

Rule 39

Funding of activities of EUROSAL Goal Teams, Working Groups, Task Forces and other bodies shall be primarily borne by the SAIs carrying out the respective activity. Nevertheless, financial requests from the EUROSAL budget may be made by the SAI which is responsible for a certain activity or by the Chairs of Goal Teams, Working Groups, Task Forces or other bodies, following the provisions below.

Rule 40

The EUROSAL budget can subsidise necessary expenses incurred in the organisation of events (such as technical equipment, conference rooms or interpretation), while hospitality expenses (such as meals and social programmes) shall not be covered by the EUROSAL budget. Travel and accommodation costs shall usually be covered by each participating SAI in meetings, events or other activities.

Rule 41

The SAI, or the Chair of the EUROSAL body carrying out an activity, must present a financial request to EUROSAL's Secretary General by letter, along with a report explaining:

- the content, structure and full scope of the activity;
- the amount requested;
- details of what any EUROSAL money granted would be used for;
- as well as any other relevant information.

A copy of the letter must also be sent by the SAI, or the Chair of the body carrying out the activity, to the Goal Team in charge of the activity for which the subsidy is requested.

Rule 42

SAIs and/or bodies are expected to ask for funding for the current fiscal year at the latest by March 31. Claims for approval and reimbursement of costs already incurred may only be submitted in exceptional cases and should be subject to a level of reporting and justification equal to or greater than that applied to requests made prior to costs being incurred.

Rule 43

Each Goal Team shall collect, discuss and prioritise the financial requests regarding its activities, considering the appropriations assigned in the budget for the respective Goal, and report on their content and priority to Goal Team 4.

Rule 44

Goal Team 4 shall prepare a global report on all financial requests as described in provision 4.2 of its Terms of Reference. The report shall be concise and clear, covering

- the prioritised requests received;
- Goal Team 4's proposal on the requests received;
- the amounts to be covered and their order of priority;
- the funds which would cover the requests (EUROSAI budget, external funds);
- and special recommendations to be made in relation to the use or justification of the funds granted, if appropriate.

It shall conclude with a recommendation to the Governing Board. The report shall be sent to the Secretary General so that the necessary proposal can be raised to the Governing Board.

Rule 45

The General Secretary shall submit to the Governing Board a proposal on the financial requests and Goal Team 4's report.

Rule 46

In accordance with article 16.3 of the Statutes, the cost resulting from each Congress meeting shall be borne by the Supreme Audit Institution hosting the Congress. The Congress may decide to make a contribution to the Supreme Audit Institution concerned.

Rule 47

EUROSAI training activities can be totally or partially funded through participants' fees provided that they only cover actual costs and are kept at a reasonable level.

Rule 48

Proposals to fund non-EUROSAI members' activities must fit in the Strategic Goals of EUROSAI, shall be presented by the respective Goal Team and shall follow the procedures described above.

III.3.2. *Amount of financial subsidies*

Rule 49

The Governing Board shall decide on the opportunity, validity and size of the financial support, considering the Goal Team 4's report, the proposal from the Secretary General, the availability of EUROSAI funds and the subsidy limits that correspond to each SAI.

Rule 50

The limit for financial support from the EUROSAI budget shall be determined by applying to the unit of account, the rate fixed for each contribution group. Annex III contains the criteria for determining the amount of the subsidy and the current subsidy limits.

Rule 51

Once the financial support is approved by the Governing Board, the Secretariat shall notify it to the applicant SAI and the Goal Team 4. The payment shall be made by the Secretariat to the bank account of the requesting SAI during the agreed financial year.

III.3.3. Justification of financial subsidies from EUROSAl budget

Rule 52

Once the activity subsidized is concluded, the responsible SAI shall send a letter of justification to the Secretary General attesting that the funding received was applied to the purpose for which it was granted. This justification must be made during the two months following the end of the activity.

Rule 53

In the case of financial support provided to non-EUROSAl members for contributing to the performance of training or institutional capacity building programmes in the framework of the EUROSAl Strategic Plan, the Governing Board may establish a reinforced justification procedure, including the submission of an annual financial report to the EUROSAl Governing Board, through the Secretariat, on the use of the earmarked amount.

CHAPTER IV - ACCOUNTING AND FINANCIAL STATEMENTS

IV.1. Accounting system

Rule 54

In accordance with article 14.5 of the Statutes, the Secretariat shall keep the accounting system and draw up the financial statements.

Rule 55

The EUROSAI accounting system shall give information on assets, liabilities, net assets, revenue and expenses for each financial year. It shall be based on the general accounting principles of the Secretariat's country and generally accepted accounting standards. In any case, the accounting system shall respect the following principles:

- a) Going concern: EUROSAI shall be viewed as a going concern, that is, as continuing in operation for the foreseeable future. It is assumed that EUROSAI has neither the intention nor the necessity of liquidation or of curtailing materially the scale of its operations.
- b) Consistency: Accounting policies shall be applied consistently from one period to another.
- c) Accrual Basis: Revenues and expenses shall be recorded with the accrual basis of accounting, under which transactions and other events are recognized when they occur. Therefore transactions and events shall be assigned to the periods to which they relate.
- d) Offsetting: Assets and liabilities, and revenue and expenses, shall be reported separately.

Rule 56

The Secretariat shall record, in chronological order using the double entry method, all events and operations which affect the economic and financial situation and the assets and liabilities of EUROSAI.

Rule 57

All supporting records and documents shall be filed in chronological order. The receipts of expenses as well as income shall be duly filed and kept at the EUROSAI Secretariat and ordered according to the entry number with which they were registered into the accounting system.

Rule 58

Appropriate accounting controls shall be instituted to ensure that all transactions are identified and properly authorised and supported.

IV.2. Accounting books

Rule 59

The accounting system shall comprise a General Ledger to classify, summarize and maintain asset, liability and net assets account balances, and an Auxiliary Bank Book to record bank movements.

IV.3. Financial Statements

Rule 60

The financial statements for each financial year (a 12 month period, beginning on January 1 and ending on December 31) must be complete and accurate and present a true and fair view of the financial position and financial performance of EUROSAI. They shall be presented in euro and shall comprise:

- a) the Balance Sheet, which shows the assets, liabilities and net assets at the end of the year;
- b) the Statement of Revenues and Expenses setting out all revenue and expenses for the financial year, and recording any deficit or surplus;
- c) the Statement of Changes in Net Assets, which reports on all the changes occurred in net assets deriving from the surplus or deficit for the year in the statement of revenue and expenses, the variations originated by operations with partners (members), the effects of changes in accounting policies and corrections of errors, and the remaining variations that have taken place in net assets;
- d) the Settlement Statement of Expenses Budget showing the distribution of expenditure by budgetary item, as well as the budget execution; and
- e) the Settlement Statement of Income Budget, which provides information on the initial budget, changes introduced during the financial year and the final budget at

the end of the year, as well as cancelled contributions, contributions pending collection and paid-up contributions.

- f) Notes, comprising any other information which is necessary for:
- providing an adequate explanation for the accounting rules applied;
 - permitting a correct interpretation of the statements; and
 - reflecting the contribution owed by member SAIs for the current year and for each of the preceding three years, together with the total of the sums received at the end of the current year in relation to the other years.

Comparative information shall be disclosed in respect of the previous period for all amounts reported, as well as for narrative and descriptive information when it is relevant to an understanding of the financial statements.

Rule 61

The Secretary General shall accompany the financial statements with:

- a certificate, in which he/she must certify that the financial statements for each year have been drawn up in conformity with the established standards and that they provide a true and fair view of the results of the operations and of the financial situation of EUROSAI; and
- a certificate in which he/she shall quantify the Spanish Court of Audit's contribution to the expenses of the Secretariat not included in the EUROSAI budget.

CHAPTER V – EUROSAI EXTERNAL AUDIT

V.1. EUROSAI Auditors

Rule 62

In accordance with article 15.1 of the Statutes, two Auditors, belonging to two different Supreme Audit Institution members of EUROSAI, shall audit the financial statements and financial management of the Organisation and report to the Governing Board and to the Congress.

Rule 63

The two Auditors shall be selected from Supreme Audit Institutions that are not members of the Governing Board, in accordance with article 15.2 of the Statutes.

V.2. Appointment and duration of the mandate

Rule 64

The Congress appoints the Auditors of EUROSAI, in accordance with article 9.10 of the Statutes. The Auditors can appoint officers from their respective SAIs to carry out the audit.

Rule 65

Each Auditor's mandate is for three years, in accordance with article 15.2 of the Statutes. This three-year period includes the financial year in which the Auditors are appointed by the Congress and the subsequent two years.

V.3. Conduct of the external audit

Rule 66

It falls to the Auditors to conduct an "on site" audit of the accounts and of the related documents kept by the Secretariat, for each year of the three-year period for which they have been appointed.

Rule 67

The Secretariat shall supply to the Auditors all documents and information required for the performance of their duties and shall assist them in the fulfilment of their tasks, in accordance with article 15.3 of the Statutes.

Rule 68

The Secretary General must send each of the Auditors a certified copy of the financial statements for each year of the three-year period, in the Secretariat country's language, as well as another copy in the working language of the Auditors which has been agreed upon.

V.4. Audit Report: opinion and recommendations

Rule 69

It falls to the Auditors to draw up and sign a report sent to the Governing Board, stating whether or not the financial statements give a true and fair view of the results of operations and the financial performance for the year, and the financial position of EUROSAI at the end of the year. It shall also include any appropriate recommendations.

Rule 70

The report which the Auditors have to draw up on the financial statements for each of the three years stated has to declare:

- a) whether in their opinion, the said financial statements are based on adequate accounts records and documentation;
- b) whether the said financial statements agree with the corresponding accounts records and documentation;
- c) whether the income, expenses and investments made during the year, as well as the acquisition and sale of assets have been properly authorised; and
- d) any other matter arising from the auditing carried out concerning which the Auditors consider that the Governing Board ought to be informed.

Rule 71

The Auditors shall present their report for each of the three financial years to the Congress.

CHAPTER VI – FINANCIAL REPORTING

VI.1. Reporting to the Governing Board

Rule 72

The Secretary General shall present the financial statements and an Annual Financial Report to the Governing Board, in accordance with article 14.4 of the Statutes, as well as the Auditors' reports.

Rule 73

The Annual Financial Report shall contain, together with the Secretary General certificates regarding the financial statements and the General Secretariat contribution described in Rule 61, information on EUROSAI's activities during the year ended. In particular, it shall inform about:

- the execution of the budget;
- the transfers of funds between budget chapters and lines authorised;
- the amount registered in the Welfare Fund and the allocation given to it (incorporation of credit to the revenue budget); and
- grants, donations or any other kind of contribution received from national or international entities or individuals.

VI.2. Reporting to the Congress and approval of the EUROSAI financial management

Rule 74

When a Congress takes place, the Secretary General must present the financial statements and the Auditors' reports to the members of the Governing Board, no later than 4 weeks in advance. The Secretary General shall also agree with the SAI hosting the Congress on the distribution of those financial statements and reports to the heads of the delegations attending the Congress.

Rule 75

In accordance with article 11.5 of the Statutes, the Governing Board submits the financial statements, together with the Auditors' reports and its own comments to the Congress. The Congress approves the financial statements of EUROSAI, in accordance with article 9.4.c of the Statutes.

CHAPTER VII – APPROVAL AND AMENDMENT OF THE EUROSAI FINANCIAL RULES

VII.1. Approval

Rule 76

The EUROSAI Financial Rules were approved by the Governing Board, on 30 May 2013, in accordance with article 11.4 of the Statutes, which establishes that this EUROSAI organ shall draft the directions for the preparation and presentation of financial statements by the Secretariat and for their audit by the Auditors.

VII.2. Amendment

Rule 77

Amendments and changes to these Financial Rules shall be made only upon approval by the Governing Board. Any proposal in this regard shall be made through the Secretary General by written procedure.

Rule 78

Annexes to these Financial Rules shall be modified as needed to reflect the current applicable instruments upon approval by the Governing Board. Any proposal in this regard shall be made through the Secretary General by written procedure.

ANNEX I

STRUCTURE OF EUROSAI BUDGET

EXPENSE BUDGET
CHAPTER 1. OPERATING EXPENSES
Art.1.1.Translations
Art.1.2.Communications
Art.1.3.Printed matter
Art.1.4.Representation
Art.1.5.EUROSAI Publications
Art.1.6.Sundries
Art.1.7.Web site
CHAPTER 2. IMPLEMENTATION EXPENSES OF THE STRATEGIC PLAN
Art 2.1.Strategic Goal 1: Capacity building
Art 2.2.Strategic Goal 2: Professional standards
Art 2.3.Strategic Goal 3: Knowledge sharing
Art 2.4.Strategic Goal 4: Governance and communication
<i>TOTAL EXPENSES (CHAPTER 1 + CHAPTER 2)</i>

INCOME BUDGET
CHAPTER 1. CONTRIBUTIONS
Group I
Group II
Group III
Group IV
CHAPTER 2. OTHER INCOME
<i>TOTAL INCOME (CHAPTER 1+ CHAPTER 2)</i>

ANNEX II

MEMBERSHIP CONTRIBUTION TO EUROSAI

The following table contains membership contribution scheme of EUROSAI, as approved in the VIII Congress.

EUROSAI's contribution group ²	Annual contribution to EUROSAI in EUR	UN's scales range
Group I ³	6,950	2,000 and more
Group II	3,887	0,900 to 1,999
Group III	1,498	0,050 to 0,899
Group IV	468	Up to 0,049

² For further information on the classification of each country in these Groups, please consult the prevailing EUROSAI Budget.

³The European Court of Auditors, as supranational organisation, is allocated to Group I.

ANNEX III

CRITERIA TO BE FOLLOWED FOR DETERMINING THE AMOUNT OF THE SUBSIDY TO BE AWARDED TO EACH APPLICATION FOR FINANCING ACTIVITIES:

- Differentiation of the SAI by groups, according to the budget.
- Financing inversely proportional to the provision of financial resources to the Organisation.
- Use of a group of indices for calculating the subsidy.
The indices are calculated taking the highest subscription in the budget (GROUP I) as an account unit, and the inverse proportion with respect to the rest is established for the rest of the subscriptions.
- Use of the account unit as a basis on which to apply the group of indices calculated for the subscriptions approved for the next three-year period.
The account unit shall depend on the total amount of the budget approved by the Congress.

These criteria must be followed by the SAI applying for the subsidy, the Goal Teams prioritising the requests, Goal Team 4 in its global report, and the Secretary General in his or her proposal to the Governing Board. The Secretariat shall ensure that in all requests the correct index set for each contribution group has been applied to the account unit. The financing is liable to be changed by the Governing Board, which has the final decision regarding its approval.

The V EUROSAI Congress decided that the limit for the financial support from the EUROSAI budget shall be determined by applying the indices fixed for each contribution group to the unit of account, and adopted the following unit of account, indices and subsidy limits:

- *Unit of Account* to be used (maximum): 6,950 Euros (this amount corresponds to the contribution of Group I established in the budget)
- Determination of the *subsidy limit* (depending on the fees groups):
 - Contribution Group I, index 1, maximum subsidy:..... € 6,950
 - Contribution Group II, index 1.4, maximum subsidy€ 9,730
 - Contribution Group III, index 1.8, maximum subsidy € 12,510
 - Contribution Group IV, index 2, maximum subsidy € 13,900