Opinion on the Annual Accounts 2016 and the regularity of the transactions of the Ministry of Rural Affairs

Summary of audit results

What did we audit?

The State Budget Act requires the NAO to audit the accuracy of the annual accounts and the regularity of transactions of the state on an annual basis. The annual accounts of the state consolidate the financial statements - that recognise the effected economic transactions - of all state accounting entities, state-controlled companies, state-established foundations, and the state-owned commercial body.

The audit of the annual accounts and the regularity of transactions of the Ministry of Rural Affairs is part of the audit of the accuracy of the annual accounts and the regularity of transactions of the state. To provide an opinion on the accuracy of the annual accounts and the regularity of transactions of the state, the NAO conducted audit operations in the Ministry of Rural Affairs to determine:

- whether the financial statement items that are relevant for the annual accounts of the state are accurately recognised in the financial statement of the Ministry; and
- whether the 2016 budget implementation report is accurate; and
- whether the economic transactions carried out in 2016 comply with the State Budget Acts and the Public Procurement Act.

Further, to determine the effectiveness of internal controls, the NAO conducted audit operations in the field of revenue from the sale of goods and services, and expenses related to swine fever.

What did we conclude as a result of the audit?

The NAO is of the opinion that, as at 31 December 2016, the items in the financial statement of the Ministry of Rural Affairs have been recognised in accordance with the generally accepted accounting principles, incl. the public sector financial accounting and reporting guidelines and the Accounting Act have been respected. It is the NAO's opinion that the Ministry and the agencies it governs have recognised their transactions on the basis of complete and relevant information.

The NAO finds that the 2016 budget implementation report of the Ministry of Rural Affairs which shows budgetary expenses of 303,404,124 euros, investments of 5,549,089 euros, financing operations of -1,501,111 euros and revenue of 292,878,187 euros provides reliable information on the Ministry's revenue (incl. grants received), expenditure, investments and financing operations.

The NAO is of the opinion that the economic transactions of the Ministry of Rural Affairs have in all material respects been carried out in compliance with the State Budget Act, the 2016 State Budget Act and the 2016 State Budget Act Amendment Act.

In the NAO's opinion, the Ministry has in all material respects complied with the principles of the Public Procurement Act.