

SUMMARY

Summary of Report 22/2020, relating to the Institute of Agrifood Research and Technology, year 2017

Barcelona, 11 November 2020

The Public Audit Office for Catalonia has issued Report 22/2020, relating to the Institute of Agrifood Research and Technology (IRTA), financial year 2017, in accordance with its Annual Programme of Activities.

The report, which was presented by Board Member Ms Emma Balseiro, was approved by the Audit Office Board at its meeting on 14 October 2020.

The subject of this report is the audit of IRTA's annual accounts for year 2017 and its compliance with applicable legislation in the areas of accounting, the budget cycle, staffing and procurement.

IRTA is a public-law entity, set up in 1985, whose purpose includes, amongst other things, helping to modernise, improve and promote the competitiveness and sustainable development of the agriculture, food, forestry, aquaculture and fishery sectors, by developing research programmes, transferring knowledge, and providing research and technological support and advisory services to businesses and training centres in these sectors.

In the scientific domain, IRTA has the status of a recognised animal health research centre (IRTA-CReSA) as a collaborating centre for the World Organisation for Animal Health (OIE) for researching and monitoring emerging and re-emerging swine diseases in Europe and has been designated by the OIE as a reference laboratory for classical swine fever.

Bearing in mind the aim of the audit, the Audit Office's opinion is that, except for the possible effects of the limitation and the matters described, respectively, in findings 2 and 3 of the report, the annual accounts represent, in all significant aspects, a true and fair view of the assets and financial and budgetary position of IRTA as at 31 December 2017, according to the financial reporting regulatory framework applied and, in particular, the accounting principles and criteria contained in that framework.

Section 3 of the report, Conclusions, provides the most significant findings from the audit carried out, of which the following can be highlighted:

- IRTA had pending the inclusion and valuation of part of its fixed assets, received on loan, in its accounts. This contravened the reporting and valuation rules in the Catalan Government's General Public Accounting Plan.
- In year 2017 IRTA put a provision of € 1.50m on its books to cover a claim for damages which the other party had valued at €5.63m. Given the unfavourable court verdict handed down in 2016 and the large difference between the two figures, the Audit Office considers that this provision was insufficient.
- In 2017 no multi-year programme-contract had been arranged to establish the relations between the Government and IRTA. This was contrary to article 14 of the Institute of Agrifood Research and Technology Act. Each year a cooperation agreement was signed with the Department for Agriculture, Livestock and Fisheries, setting out a plan of activities.
- As regards its public sector procurement, the Audit Office considers that in the year under audit IRTA had the status of a governmental contracting authority. Its procurement procedures should therefore have been governed, not by the internal instructions approved by the entity, but entirely by Spain's Consolidated Public Sector Contracts Act (TRLCSP).

The report also includes recommendations which, in the Audit Office's opinion, would help to improve the way IRTA is run.

This summary is solely for information purposes. The audit report (in Catalan and Spanish) can be consulted at www.sindicatura.cat.