



**GOVERNING BOARD MEETING
29 JUNE 2004**

ANALYSIS OF ANNUAL REPORT 2003

The Governing Board has analysed the Director's annual report on the activities of the Foundation in 2003 and makes the following assessment:

The Governing Board

- Notes that the ETF has implemented the objectives set out in the work programme for 2003 and has executed the 2003 budget as planned;
- Welcomes the progress made in the implementation of the action plan adopted in response to the Commission's Communication.
- Welcomes the ETF's report on the return it has provided on the European Community's investment in its activities;
- Notes with satisfaction a reduction of 50% in the funds carried forward to 2004 as compared with financial year 2002; encourages ETF to take advantage of the possibilities offered by differentiated appropriations to finance operations in the medium-term and further reduce funds carried forward;
- Notes the Director's report on internal controls and the results of ex-post verifications and his assurances that appropriate action has been taken to rectify shortcomings revealed in the course of such checks;
- Welcomes the progress made in the implementation of the new Financial Regulation and requests that the Foundation complete the implementation of the internal control standards adopted by the Governing Board, in accordance with article 38 of the ETF Financial Regulation, before 31 December 2004;
- Requests, in future annual reports, more complete information on the above, including on the risks associated with the activities of the Foundation and management of them in accordance with article 40 of the ETF's financial regulation.

The Governing Board adopts the ETF Annual Report 2003, and requests that it be forwarded, together with this analysis and assessment, to the European Parliament, the Council, the Commission, the European Economic and Social Committee and the Court of Auditors.

Nikolaus G. van der Pas
Chairman

