



Conselho das Finanças Públicas  
*Portuguese Public Finance Council*

# Activity, Management and Accounting Report **2014**

*20 April 2015*



## Contents

1	∴ Context.....	1
1.1	Mission .....	1
1.2	Structure .....	2
2	∴ CFP's activities in 2014.....	3
2.1	Summary.....	3
2.2	Publications .....	3
3	∴ Public interventions .....	5
3.1	Institutional cooperation.....	8
3.2	Initiatives open to the public.....	9
4	∴ Resources.....	13
4.1	Human resources .....	13
4.2	IT resources.....	15
4.3	Financial resources.....	15
5	∴ Accounts.....	16
5.1	Budget .....	16
5.2	Asset position .....	17
6	∴ Legal certification of accounts.....	20
7	∴ Singles Auditor's Report and Opinion.....	22

## Tables

Table 1 – CFP Publications in 2014.....	4
Table 2 - Senior Board public interventions.....	6
Table 3 – “Fridays of Reform” seminars held in 2014.....	11
Table 4 – Human resources .....	14
Table 5 – Approved budget.....	16
Table 6 – Economic breakdown of budget outturn .....	16
Table 7 – Total depreciation.....	17
Table 8 – Historic cost and depreciation of fixed assets .....	17

## Part One : Activity Report

### 1 : Context

#### 1.1 Mission

The mission of the Portuguese Public Finance Council (CFP) is to conduct an independent assessment of the consistency, compliance with the stated objectives and sustainability of public finances, while promoting fiscal transparency.

CFP was set up under article 12 (I) of Law No. 91/2001 of 20 August (the original Budget Framework Law), as amended by Law no. 22/2011 of 20 May. Its Statutes (*Estatutos*) were approved by Law No. 54/2011 of 19 October and published as an appendix to that law. Article 187 of Law No. 82-B/2014 of 31 December amended the wording of articles 16 and 26 of the Statutes. Following a joint proposal from the Presiding Judge of the *Tribunal de Contas* (Court of Auditors) and the Governor of the Bank of Portugal, the original members of the institution's Senior Board were appointed by a Council of Ministers Resolution (Resolução do Conselho de Ministros n.º 1/2012, of 19 January).

CFP is required to assess the macroeconomic scenarios adopted by the Government and the consistency of fiscal forecasts with those scenarios, as well as the compliance with the fiscal rules and the financial position of the autonomous regions and local authorities. It is also charged with assessing the economic

and financial position of state-owned companies and their potential impact on the public accounts consolidated position and its sustainability.

CFP is also required to monitor the general government budget outturn, examine public debt dynamics and the development of its sustainability, as well as the evolution of tax expenditure and existing commitments, namely with regard to the health and social security systems, private-public partnerships and concession agreements—including an assessment of their implications for the sustainability of public finance.

## 1.2 Structure

Pursuant to article 10 of the Statutes, CFP's governing bodies comprise the Senior Board, the Executive Committee and the Single Auditor.

The Senior Board is the highest body within the CFP, and is responsible for fulfilling the mission of the Council, performing its tasks, defining its plan of action and approving its internal regulations. The Senior Board is a collegiate body and comprises five members – the Chair, the Vice-President, one Executive



*Photo: The Senior Board taking office on 16 February 2012*

Member and two Non-Executive Members. It may include up to two non-Portuguese nationals, preferably from European Union Member-States. The Chair and the Executive Member must reside in Portugal.

The Executive Committee undertakes the day-to-day management of CFP. It is comprised of the Chair of the Senior Board, the Executive Member and the Head of Staff.

The Single Auditor is responsible for controlling the Council's financial and asset management and the legality of its actions.

In 2014 the Senior Board was made up of the original members identified in Subsection 4.1 of this Report. Over the year it met formally on three occasions and the minutes of those meetings are available at the Internet portal. In addition to the formal meetings, the Senior Board members interact regularly by other means, in particular informal meetings and via electronic mail and videoconferencing.

Pursuant to article 21 of its Statutes, the Executive Committee is charged with day-to-day management of CFP. In 2014, the Chair and the Executive Member took responsibility for day-to-day management as the post of Head of Staff was vacant.

Upon a joint proposal from the Presiding Judge of the Court of Auditors and the Governor of the Bank of Portugal, the Minister of State and Finance appointed Carlos Fernando Calhau Trigacheiro as the CFP's Single Auditor, effective from 4 July 2012. Since then he has supervised and commented upon the institutions financial and administrative structure, as well as performing his other duties laid down in the Statutes.

## 2 :: CFP's activities in 2014

### 2.1 Summary

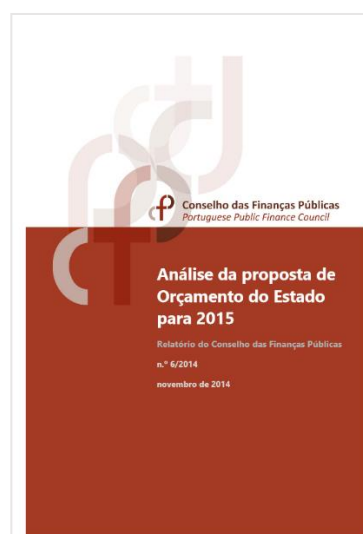
In 2014, the CFP consolidated its mission. At the same time as it analysed the Government's planning documents and the budget outturns, it undertook a series of proactive activities relating to the national and international economic framework of public finance. It broadened its range of publications, public interventions and initiatives. In this context the CFP issued for the first time an opinion on the macroeconomic scenario defined by the Government to support the draft State Budget, as required by European rules; it launched a new series of works that monitor

social protection, and it published papers on reform of the budgetary procedure and coordination of public policies aimed at economic growth and development. It sought to enrich public debate through a number of seminars on reform of the public sector and public policy in Portugal, in conjunction with other bodies, as well as through the many public interventions of Senior Board members. Institutional contacts were strengthened and special mention must be made of the first regular meetings with international official forecasters.

### 2.2 Publications

Article 7 (1) of the CFP's Statutes states that, within the scope of its duties, the Council shall produce "compulsorily and prior to their discussion in the Portuguese Parliament, reports on: a) the Stability and Growth Programme and other procedures within the regulatory European framework of the Stability and Growth Pact; b) the Multiannual Budgetary Framework Programming; c) the Draft State Budget." It shall also "produce regular reports on the sustainability of public accounts and others deemed appropriate".

**Table 1** sets out the publications delivered in the year under review, which are available in Portuguese and English at the CFP Portal. The column "Title" contains the link to the documents in English, by which the publication and the associated material may



*CFP publication: Analysis of Draft State Budget for 2015*

be downloaded, along with presentations made to the Portuguese Parliament and editable Excel files containing the publications' tables and charts.

Table 1 – CFP Publications in 2014

Date	Title	Type	No.
16 January	<u>Analysis of the General Government budget outturn until the 3rd quarter of 2013</u>	Report	1/2014
30 January	<u>From Public Accounts Balance to National Accounts Balance</u>	Notebook	1/2014
22 April	<u>Analysis of the General Government budget outturn 2013</u>	Report	2/2014
13 May	<u>Opinion regarding the 8th amendment to the Budgetary Framework Law</u>	Opinion	1/2014
27 May	<u>Analysis of the 2014-2018 Fiscal Strategy</u>	Report	3/2014
16 July	<u>Analysis of the General Government budget in the 1st quarter of 2014</u>	Report	4/2014
7 October	<u>Social Protection Systems</u>	Notebook	2/2014
7 October	<u>Analysis of the Social Security and Civil Servants Insurance System budget outturn in 1st half of 2014</u>	Report	5/2014
9 October	<u>To better manage Portuguese common resources — the budgetary procedure reform</u>	Occasional Paper	1/2014
9 October	<u>Towards predictability and sustainability of public finances: a commentary on 'Control of the Central Government Budget Outturn'</u>	Occasional Paper	2/2014
15 October	<u>Macroeconomic projections underlying the 2015 State Budget Proposal</u>	Opinion	2/2014
11 November	<u>Analysis of the 2015 State Budget Proposal</u>	Report	6/2014
2 December	<u>Territory and economic development: institutional flaws</u>	Occasional Paper	3/2014

As part of the series of seminars known as "Fridays of Reform", organised jointly by the Bank of Portugal, the Calouste

Gulbenkian Foundation and the Public Finance Council, a book entitled "Towards a Comprehensive Reform of Public



Government – Presentations and Comments” was published. This book brings together all the interventions delivered and respective comments made

during the twelve sessions held over a period of eighteen months. It is available in electronic format at the institutions’ websites.



*The “Fridays of Reform” seminar series book*

### 3 :: Public interventions

The public interventions of Senior Board members, whether they be speeches made at conferences and other public events or interviews with the press, are also a means

of disseminating the results of the Council’s activities. **Table 2** lists the public interventions that took place in 2014.



*Photo: Teodora Cardoso speaking at a “Fridays of Reform” seminar ©Bank of Portugal*

Table 2 - Senior Board public interventions

Date	Event	Senior Board Member	Topic under discussion
22 January	Interview on “Negócios da Semana” programme on the <u>SIC Notícias</u> TV channel	•Teodora Cardoso	
27 January	Interview with the <u>Público</u> newspaper	•Jürgen von Hagen	
06 February	Interview with <u>Agência Lusa</u>	•Teodora Cardoso	
14 March	Participation in the “ <u>Theories of the Portuguese State</u> ” ( <i>Teorias do Estado Português: Fendas e Emendas</i> ), conference held at Minho University in Braga, Portugal	•Rui Nuno Baleiras	Title: “ <u>Deadly sins in public policy</u> ”
17 March	Interview given to <u>Diário Económico</u> and radio <u>Antena 1</u>	•Teodora Cardoso	
24 March	<u>Address at PSD Parliamentary Day</u> , in Viseu, Portugal	•Teodora Cardoso	Title: “Fiscal sustainability: concept, practices, ideas”
01 April	Participation in the 6th Annual Meeting of <u>OECD Parliamentary Budget Officials and Independent Fiscal Institutions</u> , in Jerusalem	•George Kopits	Title: “Coping with Fiscal Risk: Analysis and Practice”
01 April	Participation in the 6th Annual Meeting of <u>OECD Parliamentary Budget Officials and Independent Fiscal Institutions</u> , in Jerusalem	•Rui Nuno Baleiras	
04 April	Participation in the <u>Accounting Day: The Role of Accounting in the Public Accounts</u> , at Minho University, Braga	•Teodora Cardoso	Title: “Accountancy: a key public finance management instrument”
04 April	Participation in seminar “ <u>Fridays of Reform</u> ” ( <i>Sextas da Reforma</i> ), Calouste Gulbenkian Foundation, Lisbon	•Rui Nuno Baleiras	Title: “ <u>Commentary on Orlando Calço’s presentation, ‘Control of State Budget Outturn’</u> ”

Date	Event	Senior Board Member	Topic under discussion
29 April	Participation in the conference " <a href="#">The New Paradigms of the Future</a> " ( <a href="#">Os Novos Paradigmas do Futuro</a> ), Portuguese Parliament	•Teodora Cardoso	Public policy
27 May	Participation in CFP and Northern CCDR Seminar " <a href="#">Sustainability of Public Finance: the new local finance law and Fiscal Strategy Document 2014/2018</a> " ( <a href="#">Sustentabilidade das Finanças Públicas: Nova Lei das Finanças Locais e Documento de Estratégia Orçamental 2014/2018</a> ), Vila Flor Cultural Centre in Guimarães, Portugal	•Teodora Cardoso •Rui Nuno Baleiras •Miguel Almeida •Noémia Goulart	Local authority budget outturn and financial imbalances; CFP analysis of 2014-2018 FSD
03 June	<a href="#">Hearing</a> before the Parliamentary Committee on Budget, Finance and General Government, at the Portuguese Parliament	•Teodora Cardoso, •Rui Nuno Baleiras, •George Kopits, •Carlos Marinheiro	Analysis of 2014-2018 Fiscal Strategy Document
11 July	Participation in the <a href="#">20th Congress</a> of the <i>Associação Portuguesa para o Desenvolvimento Regional</i> , Evora University	•Rui Nuno Baleiras	Portugal and the world in 2020: economic development challenges
12 August	Statements made to the Brazilian newspaper <a href="#">Valor Econômico</a>	•George Kopits	
13 August	Article in <a href="#">Conference Proceedings</a> , European Commission	•George Kopits	Title: "Ireland's Fiscal Framework: Options for the Future"
14 August	Article in the Yearbook " <a href="#">O Economista</a> "	•Teodora Cardoso	Title: "Debt must always be paid back"
19 September	Participation in the seminar cycle " <a href="#">Fridays of Reform</a> ", Calouste Gulbenkian Foundation, Lisbon	•Teodora Cardoso	Title: " <a href="#">To better manage Portuguese common resources — the budgetary procedure reform</a> "
21 October	Participation in the conference " <a href="#">Portugal em Exame</a> ", <i>Pavilhão de Portugal</i> , Lisbon	•Teodora Cardoso	National economy

Date	Event	Senior Board Member	Topic under discussion
24 October	Participation in <u>seminar “Friday’s of Reform”</u> , at Calouste Gulbenkian Foundation, Lisbon	•Rui Nuno Baleiras	Title: “ <u>Territory, economic development and fiscal decentralisation</u> ”
27 October	Presentation of the OECD’s “ <u>Economic Survey of Portugal 2014</u> ”, Culturgest Foundation, Lisbon	•Teodora Cardoso	OECD Report commentary
29 October	Participation in “ <u>V Fórum Fiscalidade: State Budget 2015</u> ”, Institute of Accountants and <i>Diário Económico</i> , Lisbon	•Carlos Marinheiro	Title: “ <u>Economic growth and fiscal consolidation</u> ”
06 November	<u>Hearing</u> before the Parliamentary Committee on the Budget, Finance and General Government, at the Portuguese Parliament	•Teodora Cardoso •Jürgen von Hagen •Rui Nuno Baleiras •George Kopits •Carlos Marinheiro	Analysis of Draft State Budget for 2015
06 November	Interview with the <i>Jornal de Negócios</i> newspaper	•Teodora Cardoso	State Budget
19 November	Participation in the 10th Annual Conference of the Economists’ Association	•Teodora Cardoso	State Budget
09 December	Participation in the debate organised by the TV channel <i>Económico TV</i>	•Carlos Marinheiro	European Commission Assessment of Portuguese budget projects

### 3.1 Institutional cooperation

In the pursuit of its mission the CFP kept in close contact with a number of national and international bodies, which naturally involved numerous working meetings on economics and public finance.

In this context attention is drawn to the hearings at the Parliamentary Committee on Budget, Finance and General Government, as well as the meetings with Cabinet members responsible for finance and local government, the President and Director-

General of the Court of Auditors, and the Governor and other Board Members of the Bank of Portugal. Of equal importance to the work of the CFP were the meetings and exchanges of information with the Directorate-General for Budget, the Office of Planning, Strategy, Assessment and International Relations of the Ministry of Finance, the Tax Authority, Statistics Portugal, the Bank of Portugal's Departments of Statistics and Economic Studies, the International Monetary Fund's Delegation in Portugal and its Fiscal Affairs Department, the European Commission's Directorate-General of Economic and Financial Affairs, the Organisation for Economic Cooperation and Development, a number of rating agencies and a mission from the East Timor Parliament.

Mention must also be made of the CFP's participation as an observer in two structures linked to subnational public finance. It was represented on the "Committee on Municipal Financial Recovery", which was set up on 12 December 2013 and disbanded in 2014, having fulfilled its mandate by proposing the Municipal Support Fund regulation to the Government, which was adopted by Parliament ([Law No. 53/2014](#), of

25 August). Pursuant to the legislation ([Law No. 2/2013](#), of 2 September) the CFP is a member of the Steering Committee on Financial Policies, as laid down in article 15 of this Law. This Council is the body charged with coordinating the finances of the Autonomous Regions and of the State. This body met twice last year.

On the international front CFP took part in the annual meeting of its counterparts, organised by the OECD - the *Sixth Annual Meeting of OECD Parliamentary Budget Officials and Independent Fiscal Institutions* – which was held in Jerusalem on 31 March and 1 April, and where George Kopits was a guest speaker. The CFP also took part in the *Workshop EU IFI and the New Fiscal Framework*, which was held in Bratislava, on 8 October. On 20 November Brussels hosted the 2nd Meeting of the *EU Network of Independent Fiscal Institutions (EUNIFI)*, which was attended by CFP. The international cooperation with counterparts is also worthy of note. In 2014, the CFP hosted a mission from Canada's Office of the Parliamentary Budget Officer in Lisbon, to conduct a two week exchange concerning the building of econometric forecasting models.

### 3.2 Initiatives open to the public

Throughout 2014 the CFP, the Calouste Gulbenkian Foundation and the Bank of Portugal heightened their cooperation to further the public debate on the subject of public sector reform in Portugal. A total of nine seminars were held in the "Fridays of Reform" series, that culminated in a closing ceremony where the book containing the

speakers' and commentators' interventions, entitled "[Towards a Comprehensive Reform of Public Governance – Communications and Comments](#)" (*Para uma Reforma Abrangente da Organização e Gestão do Sector Público – Comunicações e Comentários*) was presented.



*Photos: Moments from the seminar series "Fridays of Reform" ©Bank of Portugal*

This initiative had a high attendance made up of the upper tiers of civil service, leaders and members of civil society who, session after session, attended and intervened in the various seminars held. The proceedings were also available via a live stream.

The "Fridays of Reform" initiative sought to have a three-pronged effect: underline the importance of a far-reaching reform of Portuguese general government; contribute to the nurturing of informed public opinion that encourages policy-makers to promote and support essential reform of the public sector and public policies; and stimulate the appearance of specific reforms, adapted to the Portuguese reality while taking into account best international practice. Over the

"Fridays of Reform" sessions and under the common theme of State and public policy reform, a series of subjects were discussed such as Bureaucracy, Human Resources, the Justice system, Education, Social Security and Territorial Development.



*Photos: Moments from the seminar series "Fridays of Reform" ©Bank of Portugal*

Special attention was paid to the budgetary procedure and the requirements of good public finance management. A consensus was reached around a number of ideas which could be further explored and constitute a basis for reflection on future reforms. In some fields distinctions were made and alternative paths presented, which deserve careful discussion and the weighing of the pros and cons. Table 3 sets out the seminars held in the context of this initiative in 2014.



Table 3 – “Fridays of Reform” seminars held in 2014

Date	Topic	Moderator	Speaker	Commentators
10 January	<u>“Debate on the amendments to the Budgetary Framework Law”</u>	•Teodora Cardoso	•Norberto Rosa •Manuel Baganha •Emanuel Santos •Luís Morais Sarmiento	
24 January	<u>“Public servants: from cost to asset after fiscal consolidation”</u>	•Maximiano Pinheiro	•Mario Marcel	•Joana Ramos •Joaquim Filipe Araújo
21 March	<u>“Judicial Reform and implications to the State budget and the economy”</u>	•Paulo Esteves	•Nuno Garoupa •Zélia Gil Pinheiro	•Margarida Olazabal Cabral •Paula Costa e Silva
04 April	<u>“Government Budget Outturn Control”</u>	•Paulo Esteves	•Orlando Calíço	•Rui Nuno Baleiras •Manuela Proença
23 May	<u>“Education Commitments”</u>	•Pedro Pita Barros	•Eduardo Marçal Grilo	•Paulo Santiago
06 June	<u>“Social Security: what future?”</u>	•Maximiano Pinheiro	•Margarida Corrêa de Aguiar •Miguel Teixeira Coelho •Pedro Marques	
19 September	<u>“To better manage Portuguese common resources: the budgetary procedure reform”</u>	•Maximiano Pinheiro	•Teodora Cardoso	•António Vitorino •Rui Rio
24 October	<u>“Territory, economic development and fiscal decentralisation”</u>	•Pedro Pita Barros	•Linda Veiga •Rui Nuno Baleiras	
05 December	<u>“Organisation and control of public sector institutions”</u>	•Teodora Cardoso	•António Correia de Campos •Luís Morais Sarmiento	

Still in the field of initiatives aimed at civil society, mention must be made of two events open to the public that were organised this year. On 27 May in the city of Guimarães, the CFP and the Northern Regional Coordination and Development Commission held a debate on fiscal sustainability, at the aggregate and municipal level, in regard to the 2014/2018 Fiscal Strategy Document and the new Local Finance Law. The *Vila Flor Cultural Centre* hosted a number of leaders and representatives from Northern Portugal who got together to discuss public finance.

On 27 October, *Culturgest* in Lisbon hosted the presentation and discussion of the "OECD Economic Survey for Portugal 2014",

in order to discuss more fully the OECD's conclusions about the challenges the Portuguese economy faces. The session was



*Photo: Rui Nuno Baleiras at the Vila Flor Cultural Centre ©CCDR-N*

attended by Jens Arnold, Head of Brazil and Portugal Desk and Teodora Cardoso as the commentator.



## Part two : Management and Accounting

### 4 : Resources

Pursuant to article 1 of its Statutes, the CFP has administrative and financial autonomy and its own property, and is subject to the regime of autonomous services and funds.

On 16 July 2014, the CFP's Senior Board approved the following rules and procedures for its own management:

- Corruption Risk and Related Offenses Management Plan;

- Training and Professional Enrichment Regulation;

- Petty Cash Management Procedures Manual.

This section refers to the main human resources and financial resources that CFP employed in 2014.

#### 4.1 Human resources

The Senior Board is responsible for the strategic guidelines, for current management and for representing the institution. In 2014 it retained its original composition, namely the members that took office on 16 February 2012:

- Chair: Teodora Cardoso;
- Vice-President: Jürgen von Hagen;
- Executive Member: Rui Nuno Baleiras;
- Non-Executive Member: Carlos Marinheiro;
- Non-Executive Member: George Kopits.

In accordance with the Statutes, Jürgen von Hagen and George Kopits are not Portuguese nationals nor do they reside in the country, and they perform their duties on a part-time basis.

Following a joint proposal from the Presiding Judge of the Court of Auditors and the

Governor of the Bank of Portugal, the offices of the Non-Executive Members were renewed as from 22 December, by means of a Council of Ministers Resolution (*Resolução do Conselho de Ministros n.º 35/2014, of 18 November*).

Control over financial and asset management, as well as auditing of compliance with the law, continued to be performed by Carlos Trigacheiro in his role as the CFP's Single Auditor. The final part of this document includes the legal certification of the accounts and the Single Auditor's Report and Opinion on the Accounts and this Report.

At the end of 2014, CFP was able to call upon the services of sixteen technical staff, plus an IT specialist supplied by the company running the ICT infrastructure.

The aforesaid number of staff is made up of 10 economics and public finance specialists, three administrative and financial staff, a legal advisor, an institutional communications officer and a technical assistant for secretarial work. Over 2014 there were changes in personnel. Two economics and public finance specialists left and two new staff members were recruited, one on the economic and public finance side and the other on the administrative and

financial side. The latter joined under the civil service secondment system and the former was hired following a recruitment process under the individual employment contract regime and the secondment regime.

Table 4 shows CFP Technical Services human resources at the end of 2014, compared to the previous year, in terms of rank and highest academic qualification.

*Table 4 – Human resources*

Rank	Position at 31 December 2014							
	31-12-12	31-12-13	Total	Doctors	Masters	Post-Grad <sup>1</sup>	Bachelors	Other qualifications
Head of Staff	-	-	-	-	-	-	-	-
Administrative and Financial Manager	1	1	1	-	-	1	-	-
Economics and public finance specialists	-	11	10	-	5	4	1	-
Communications officer	-	1	1	-	1	-	-	-
Legal advisor	1	1	1	-	-	-	1	-
Administrative and financial staff	1	1	2	-	-	-	1	1
Technical Assistant	1	1	1	-	-	-	-	1
<b>Total</b>	<b>4</b>	<b>16</b>	<b>16</b>	<b>0</b>	<b>6</b>	<b>5</b>	<b>3</b>	<b>2</b>

1 - Successful completion of a Higher Education course, open only to graduates, which does not confer an academic degree.

The acquisition of knowledge and the honing of skills became matters of continuing interest from 2014 onwards. All staff was encouraged to undertake this process and the institution introduced an internal

regulation on training and professional advancement. The overriding concern was to encourage among the staff a proactive search for training that could make a positive

contribution to the Council's work and its staff's *résumés*.

Over the year, 14 employees benefited from training, which represents a participation rate of 87.5%. Overall they took part in 91 courses, totalling 1,263 training hours, at a total cost of 22,783€ borne by the employer. Three courses deserve a special mention. From September to December 24 hours of classroom training were provided on the use of the STATA application. The aim was to ensure all the economics and public finance specialists had the minimum knowledge to process data and conduct econometric analysis with this tool. From 24 November to

5 December, two members of Canada's Office of the Parliamentary Budget Officer worked on the CFP's premises with CFP's econometricians on the design of macroeconomic forecasting tools. Lastly, we would like to recognise the merit of the technical cooperation provided by the Bank of Portugal's Economic Studies and Statistics Departments; a training course lasting around 19 hours was given in January for all CFP's economic and public finance specialists and, throughout the year, there were various exchanges of experience and knowledge as regards the drawing up and the maintaining of macroeconomic and fiscal forecasting models.

## 4.2 IT resources

In 2014 CFP purchased licences for the following software: STATA/IC version 13 and EndNote X7. These programs are required to perform quantitative analysis. Also of note is the completion of the Council's Intranet

Project which has provided the following functions: content management; document management; contact management; creation of personal areas; resource management; and communities of practice.

## 4.3 Financial resources

The Senior Board is responsible for preparing the CFP budget which is subject to a favourable opinion issued jointly by the Presiding Judge of the Court of Auditors and

the Governor of the Bank of Portugal, pursuant to article 29 of its Statutes.

The original CFP budget for 2014 was 2,526,022€.

## 5 :: Accounts

### 5.1 Budget

The budget appropriation for 2014 was provided for under financing source 311—General Revenue not relating to co-financed projects—included in Budget Programme 01—Sovereign Bodies/General Costs of the

Nation—as shown in Table 5, which also provides a breakdown of the forecasted expenditure, according to economic classification:

*Table 5 – Approved budget*

REVENUE BUDGET		
Revenue EC	Designation	Allocation
06.03.01	Current transfers - Central Government - State	2 471 389 €
10.03.01	Capital transfers - Central Government - State	54 633 €
<b>Total</b>		<b>2 526 022 €</b>

EXPENDITURE BUDGET	
Economic Aggregate	Allocation
Compensation of employees	1 639 642 €
Purchase of goods and services	831 747 €
Purchase of capital goods	54 633 €
<b>Total</b>	<b>2 526 022 €</b>

The final accounts, which were closed on 20 April 2015, suggest that 69% of the total sum allocated by the State Budget in 2014 was employed. Actual compensation of employees accounted for 77% of the original total budget.

Table 6 provides further details of the budget outturn. Expenditure on goods and services was 46% of the original sum allocated to that grouping.

The outturn rate for compensation of employees, compared to the original budget, was 82%, which is explained by staff numbers being lower than forecast. Of the sum spent around 688,940€ returned to the State as a result of income tax withheld at source and other mandatory deductions on salaries and employee and employer contributions.

*Table 6 – Economic breakdown of budget outturn*

EXPENDITURE EXECUTION	
Economic Aggregate	Allocation
Compensation of employees	1 346 410 €
Purchase of goods and services	379 253 €
Purchase of capital goods	19 976 €
<b>Total</b>	<b>1 745 639 €</b>

Expenditure on goods and services stems essentially from the use of premises. It

includes the cost of cleaning services, communications, ICT and rents.

## 5.2 Asset position

Overall the provisions of the Official Chart of Accounts for Central Administration (POCP) were fulfilled to the extent that they apply to the Council.

CFP adopted the following measurement criteria laid down in the POCP:

- Fixed assets were valued at historic cost, which was deemed to be the sum of the asset purchase price plus the direct and indirect costs of placing that asset in its current state;
- Fixed assets have a limited useful life; accordingly they are systematically depreciated using the straight-line method. Pursuant to the materiality principle, assets

of little worth were fully depreciated in the year of purchase;

- No assets or liabilities are held in foreign currencies, so the criteria relating to exchange differences are not applicable;
- Under the accruals principle, the effects of incomes and costs that should be recognised in years other than that in which they arise were recorded as accruals and deferrals both on the asset and liability sides.

Changes in the fixed assets included in the balance sheet and their respective depreciation and provisions are given in [Table 7](#).

*Table 7 – Total depreciation*

DEPRECIATION MAP	
Items	Accumulated value
Tangible fixed assets	214 219 €
<b>Total</b>	<b>214 219 €</b>

No second hand assets were acquired, nor were any assets sold, transferred or written-off during the year. A breakdown of the

historic cost and accumulated depreciation of the fixed assets is given in [Table 8](#).

*Table 8 – Historic cost and depreciation of fixed assets*

BALANCE SHEET - ASSETS			
ASSETS	Gross Assets	Depreciations	Net Assets
<b>Tangible fixed assets</b>			
Basic equipment	207 214 €	69 805 €	137 409 €
Office equipment	27 726 €	8 921 €	18 806 €
Other tangible fixed assets	338 171 €	135 493 €	202 677 €
<b>Total</b>	<b>573 111 €</b>	<b>214 219 €</b>	<b>358 892 €</b>

In accordance with the applicable rules an accrued cost was recorded relating to the holiday pay and holiday bonuses payable as at 1 January 2015 in regard to work performed in 2014. The said sum plus the respective employer's contributions was

174,224 €. No sums are owed to or from any employees.

As at 31 December 2014, no payment obligation was overdue. As a result of a Ministerial Order (Despacho n.º 10959/2013

of 26 August), the CFP recognises the following future commitments:

- 2015 – 249,688€;
- 2016 – 66,070€;
- 2017 – 15,209€.

## Part three : Single Auditor's Documents

This part of the Report reproduces in full the following documents issued by the Portuguese Public Finance Council's Single Auditor, Carlos Trigacheiro, both dated 20 April 2015:

- Legal certification of the accounts;
- Single Auditor's Report and Opinion.

These documents were submitted in good time to the Court of Auditors and the Directorate-General for Budget.

## 6 :: Legal certification of accounts

*Carlos Fernando Calhau Trigacheiro*  
*Revisor Oficial de Contas n.º 898*

### CERTIFICAÇÃO LEGAL DAS CONTAS

#### INTRODUÇÃO

1. Examinei as demonstrações financeiras anexas do **Conselho das Finanças Públicas (CFP)**, pessoa coletiva de direito público n.º 510 156 215, com a natureza de entidade administrativa independente, dotada de autonomia administrativa e financeira e de património próprio, sujeita ao regime dos serviços e fundos autónomos, as quais compreendem o balanço em 31 de dezembro de 2014 (que evidencia um total de balanço de 721 885 euros e valores nulos de património próprio e de resultado líquido), a demonstração dos resultados por natureza e os mapas de execução orçamental, incluindo os fluxos de caixa, do exercício findo naquela data, bem como os correspondentes anexos às demonstrações financeiras.

#### RESPONSABILIDADES

2. Não tendo ainda sido formalmente constituída a Comissão Executiva, prevista nos artigos 21.º e 22.º dos Estatutos do CFP, aprovados pela Lei n.º 54/2011, de 19 de outubro, é da responsabilidade do Conselho Superior a preparação de demonstrações financeiras que apresentem de forma verdadeira e apropriada a posição financeira da entidade, o resultado das suas operações e os fluxos de caixa, bem como a adoção de políticas e critérios contabilísticos adequados e a manutenção de um sistema de controlo interno apropriado.
3. A minha responsabilidade consiste em expressar uma opinião profissional e independente, baseada no meu exame daquelas demonstrações financeiras.

#### ÂMBITO

4. O exame a que procedi foi efetuado de acordo com as Normas Técnicas e as Diretrizes de Revisão/Auditoria da Ordem dos Revisores Oficiais de Contas, as quais exigem que o mesmo seja planeado e executado com o objetivo de obter um grau de segurança aceitável sobre se as demonstrações financeiras estão isentas de distorções materialmente relevantes. Para tanto o referido exame incluiu:
  - a verificação, numa base de amostragem, do suporte das quantias e divulgações constantes das demonstrações financeiras e a avaliação das estimativas, baseadas em juízos e critérios definidos pelo Conselho Superior do CFP, utilizadas na sua preparação;
  - a apreciação sobre se são adequadas as políticas contabilísticas adotadas e a sua divulgação, tendo em conta as circunstâncias;
  - a verificação da aplicabilidade do princípio da continuidade; e
  - a apreciação sobre se é adequada, em termos globais, a apresentação das demonstrações financeiras.

1/2



*Carlos Fernando Calhau Trigacheiro*  
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5. O meu exame abrangeu também a verificação da concordância da informação financeira constante do relatório de atividades com as demonstrações financeiras.
6. Entendo que o exame efetuado proporciona uma base aceitável para a expressão da minha opinião.

#### OPINIÃO

7. Em minha opinião, as referidas demonstrações financeiras apresentam de forma verdadeira e apropriada, em todos os aspetos materialmente relevantes, a posição financeira do Conselho das Finanças Públicas em 31 de dezembro de 2014, o resultado das suas operações e os fluxos de caixa no exercício findo naquela data, em conformidade com os princípios contabilísticos geralmente adotados, de acordo com o Plano Oficial de Contabilidade Pública.

#### RELATO SOBRE OUTROS REQUISITOS LEGAIS

8. É também minha opinião que a informação constante do relatório de atividades do Conselho Superior é concordante com as demonstrações financeiras do exercício.

*O Revisor Oficial de Contas*

Assinado por: **CARLOS FERNANDO CALHAU  
TRIGACHEIRO**

Num. de Identificação Civil: B1047224223

Data: 2015.04.20 19:11:25 GMT Daylight Time

Localização: Conselho das Finanças Públicas



## 7 : Singles Auditor's Report and Opinion

### 1. RELATÓRIO

- 1.1. Para cumprimento do estabelecido na alínea d) do artigo 25º dos Estatutos do **Conselho das Finanças Públicas (CFP)**, aprovados pela Lei nº 54/2011, de 19 de outubro, emito o presente relatório e parecer sobre o relatório de atividades e as contas do CFP, relativamente ao exercício de 2014.
- 1.2. O Conselho Superior elaborou o relatório de atividades, onde faz uma análise da atividade desenvolvida. Foram, de igual modo, preparadas as demonstrações financeiras, que compreendem o balanço em 31 de dezembro de 2014, a demonstração dos resultados por natureza e os mapas de execução orçamental, incluindo os fluxos de caixa, do exercício findo naquela data, bem como os correspondentes anexos às demonstrações financeiras.
- 1.3. O CFP possui a natureza de entidade administrativa independente, dotada de autonomia administrativa e financeira e de património próprio, sujeita ao regime dos serviços e fundos autónomos.
- 1.4. Nestes termos, as demonstrações financeiras foram preparadas e apresentadas em conformidade com os princípios contabilísticos geralmente aceites em Portugal, de acordo com o Plano Oficial de Contabilidade Pública. As contas patrimoniais apresentam um total de balanço de 721 885 euros e valores nulos de património próprio e de resultado líquido. A execução orçamental apresenta despesas pagas de 1 745 639 euros, sendo 1 725 663 euros de despesas correntes e 19 976 euros de despesas de capital. Estas despesas foram totalmente financiadas por receitas provenientes do Orçamento do Estado.
- 1.5. Cumprindo os preceitos legais e as disposições estatutárias, acompanhei, relativamente ao exercício de 2014, a atividade do CFP, tendo, para o efeito:
  - Acompanhado e controlado a gestão financeira e patrimonial do CFP;
  - Examinado periodicamente a situação financeira e económica do CFP e verificado o cumprimento das normas reguladoras da sua atividade;
  - Emitido parecer sobre a proposta de orçamento para 2015 apresentada pelo CFP; e
  - Emitido pareceres trimestrais sobre a execução orçamental.
- 1.6. Para a realização do meu trabalho recebi do Conselho Superior e demais responsáveis pelos departamentos relevantes do CFP a colaboração

necessária e foram-me oportunamente prestadas todas as informações solicitadas.

- 1.7. Na qualidade de Revisor Oficial de Contas, emiti o Relatório anual de fiscalização e a Certificação legal das contas, sem reservas e sem ênfases, documentos que, para todos os efeitos, constituem parte integrante do presente relatório.

## 2. PARECER

Face ao que antecede, sou de parecer que:

- 2.1. O balanço em 31 de dezembro de 2014, a demonstração dos resultados por natureza e os mapas de execução orçamental, incluindo os fluxos de caixa, do exercício findo naquela data, bem como os correspondentes anexos às demonstrações financeiras, e o Relatório de atividades, lidos em conjunto com a Certificação legal das contas, permitem uma adequada compreensão da situação orçamental e patrimonial do Conselho das Finanças Públicas e satisfazem as disposições legais e estatutárias em vigor.
- 2.2. O Relatório e as Contas apresentados pelo Conselho das Finanças Públicas, referentes ao exercício de 2014 devem ser aprovados pelas entidades competentes.

*O Fiscal Único*

Assinado por: **CARLOS FERNANDO CALHAU**

**TRIGACHEIRO**

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