

DECISION OF THE EUROPEAN PARLIAMENT**of 4 May 1999****giving discharge to the Commission in respect of the management of the ECSC for the financial year 1997**

(1999/431/ECSC)

THE EUROPEAN PARLIAMENT,

— Having regard to the amounts shown below, contained in the accounts of the ECSC as at 31 December 1997 ⁽¹⁾, the report of the Court of Auditors for 1997 concerning the ECSC, together with the Commission's replies (C4-0055/99) ⁽²⁾, confirming that the accounts present a true picture of the assets and financial situation of the European Coal and Steel Community at 31 December 1997, and the results of ECSC operations for the financial year ending on the same date,

1. Gives the Commission discharge in respect of the management of the ECSC for the figures relating to the implementation of the budget for the 1997 financial year, shown below;
2. Instructs its Parliament to forward this decision and the resolution containing its comments to the Commission, the Council, the Court of Auditors and the ECSC Consultative Committee and to have them published in the Official Journal (L series).

⁽¹⁾ OJ C 225, 13.8.1998, p. 3.

⁽²⁾ OJ C 352, 18.11.1998, p. 1.

ECSC BALANCE SHEET AT 31 DECEMBER 1997

ASSETS

(ECU)

	31 December 1997	31 December 1996
Balance with central banks	555 027	602 921
Loans/advances to credit institutions	2 120 510 437	2 917 639 952
Loans/advances to customers	1 925 994 228	2 422 520 347
Bonds/other fixed income securities	1 623 506 318	1 447 389 772
Tangible and intangible assets	2 623 844	3 412 827
Other assets	87 399 574	20 146 111
Prepayments and accrued income	<u>169 427 311</u>	<u>198 377 594</u>
TOTAL ASSETS	5 930 016 739	7 010 089 524
Off balance sheet commitments	590 786 635	1 684 494 717

LIABILITIES

(ECU)

	31 December 1997	31 Decembre 1996
Amounts owed to credit institutions	2 277 710 073	2 542 395 630
Debts evidenced by certificates	1 359 610 749	2 134 840 697
Other liabilities	12 788 060	78 273 662
Accruals and deferred income	121 190 289	159 831 193
Provisions for liabilities and charges	87 376 377	75 213 372
Commitments for ECSC operating budget	<u>853 779 193</u>	<u>1 059 928 511</u>
Total liabilities vis-à-vis third parties	4 712 454 741	6 050 483 065
Provisions for financing operating budget	441 712 926	207 586 988
Provisions for large exposures	27 000 000	36 000 000
Reserves	745 678 210	712 716 452
Value adjustment reserve	313 119	1 060 011
Surplus brought forward	537 606	132 487
Surplus for the financial year	<u>2 320 137</u>	<u>2 110 521</u>
Net total	1 217 561 998	959 606 459
TOTAL LIABILITIES	5 930 016 739	7 010 089 524
Off balance sheet commitments	712 444 915	3 578 156 001

PROFIT AND LOSS ACCOUNTS FOR YEAR ENDING 31 DECEMBER 1997

CHARGES

(ECU)

	31 December 1997	31 December 1996
Interest payable and similar charges	331 419 509	580 314 585
Commissions payable	844 743	1 264 272
Net losses on financial operations	15 931 380	7 939 476
Administrative expenditure	5 000 000	5 000 000
Value adjustments (tangible assets)	573 251	777 962
Other operating charges	382 650	382 568
Value adjustments (loans/advances/provisions)	<u>9 190 689</u>	<u>61 899 378</u>
Total operating charges	363 342 222	657 578 241
Allocation to the value adjustment reserve	0	1 060 011
Extraordinary charges	580 380	4 593 762
Conversion difference	746 892	0
Legal commitments for the financial year	180 869 553	201 176 900
Allocation to provision for operating budget	274 000 000	73 131 189
Allocation to the guarantee fund	<u>31 256 356</u>	<u>19 000 000</u>
Total charges	850 795 403	956 540 103
Surplus for the financial year	<u>2 320 137</u>	<u>2 110 521</u>
TOTAL	853 115 540	958 650 624

INCOME

(ECU)

	31 December 1997	31 December 1996
Interest received and similar income	420 240 962	699 872 042
Net profit on financial operations	13 235 896	29 031 637
Value adjustment (loans/advances/provisions)	46 198 844	22 092 016
Other operating income	<u>22 507 685</u>	<u>1 544 770</u>
Total operating income	502 183 387	752 540 465
Exchange differences	0	1 060 011
Withdrawal from the value adjustment reserve	746 892	0
Income relating to operating budget	301 054 072	190 427 105
Transfer from provision for operating budget	49 131 189	14 623 043
Transfer from Guarantee Funds/Special reserve	<u>0</u>	<u>0</u>
TOTAL INCOME	853 115 540	958 650 624

IMPLEMENTATION OF THE ECSC OPERATING BUDGET

OUTTURN		(ECU)	
	31 December 1997	31 December 1996	
<i>Expenditure</i>			
Administrative expenditure	5 000 000	5 000 000	
Legal commitments	180 869 553	201 176 900	
Financing of future operational budgets	<u>274 000 000</u>	<u>0</u>	
Total	459 869 553	206 176 900	
<i>Revenue</i>			
Levy	101 640 567	95 872 589	
Fines	0	0	
Interest subsidies	4 168 145	4 336 252	
Miscellaneous	0	9 397	
Cancellations of legal commitments	195 235 395	89 966 808	
Surplus from previous budget	49 131 189	14 623 043	
Net balance for the year	<u>109 694 257</u>	<u>50 500 000</u>	
Total	459 869 553	255 308 089	
BUDGET OUTTURN	0	49 131 189	

RESULTS FOR FINANCIAL YEAR		(ECU)	
	31 December 1997	31 December 1996	
Result from non-budgetary operations after deducting the net balance allocated to the operating budget	33 476 493	45 110 521	
Outturn of the budget	<u>0</u>	<u>49 131 189</u>	
Total	33 576 493	94 241 710	
Allocation to provision for operating budget	0	-73 131 189	
Allocation to the Guarantee Fund	<u>-31 256 356</u>	<u>-19 000 000</u>	
RESULT BEFORE ALLOCATION	2 320 137	2 110 521	

The Secretary-General
Julian PRIESTLEY

The President
José María GIL-ROBLES