

Cour des comptes



FRENCH STATE'S ACCRUAL ACCOUNTING

EUROPEAN COURT OF AUDITORS

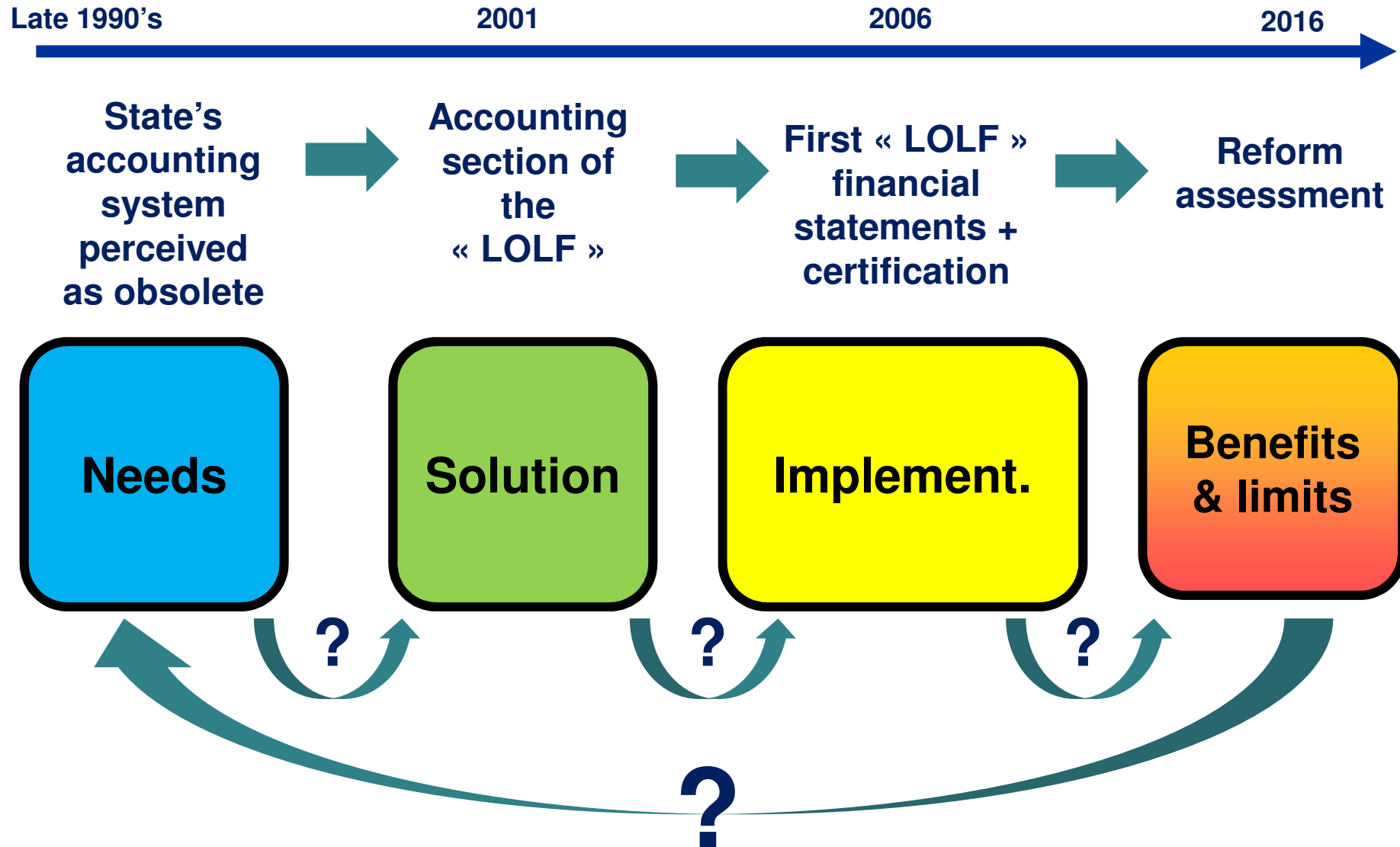
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25 January 2016

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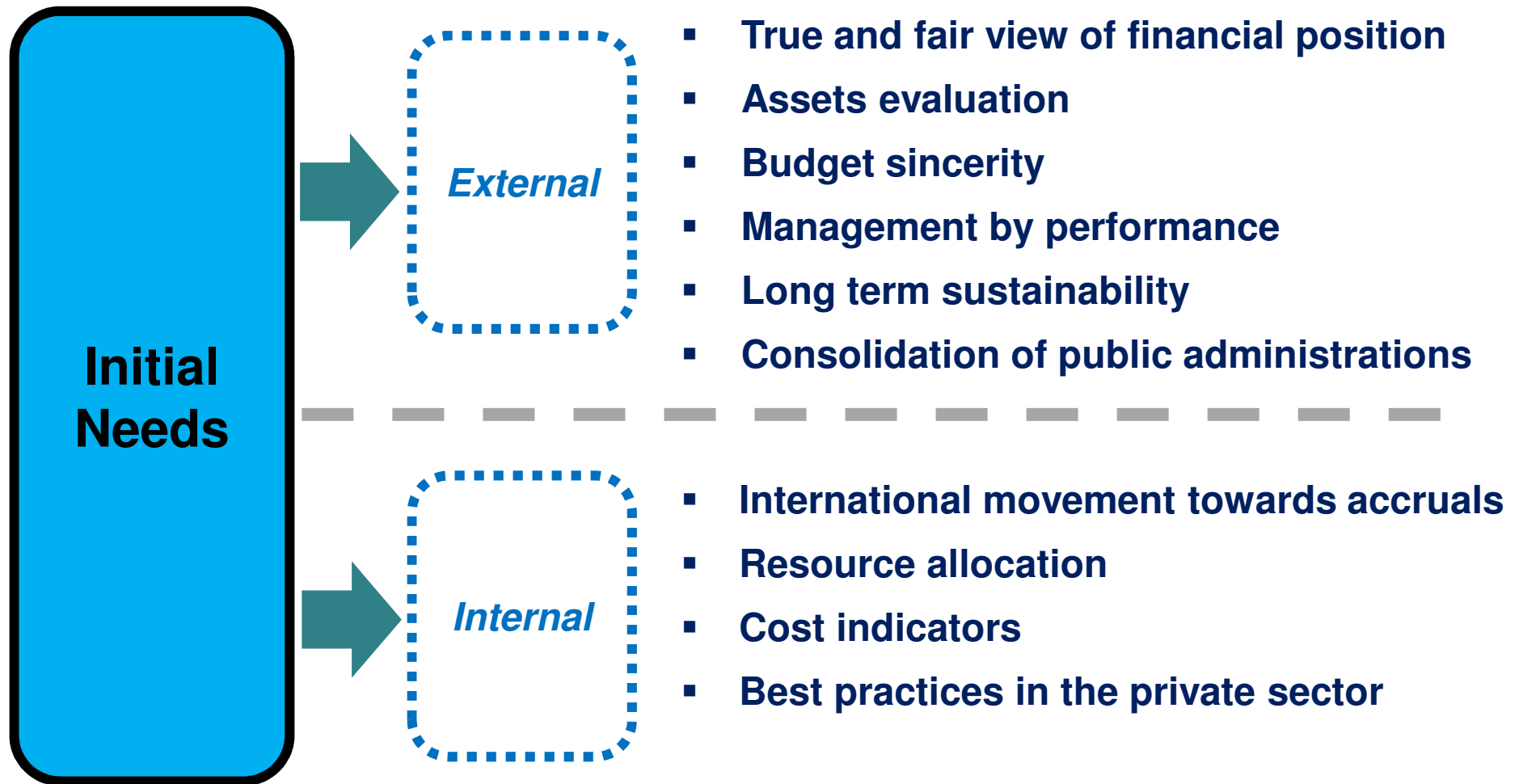


THE ACCOUNTING REFORM PROCESS





INITIAL NEEDS (LATE 1990'S)



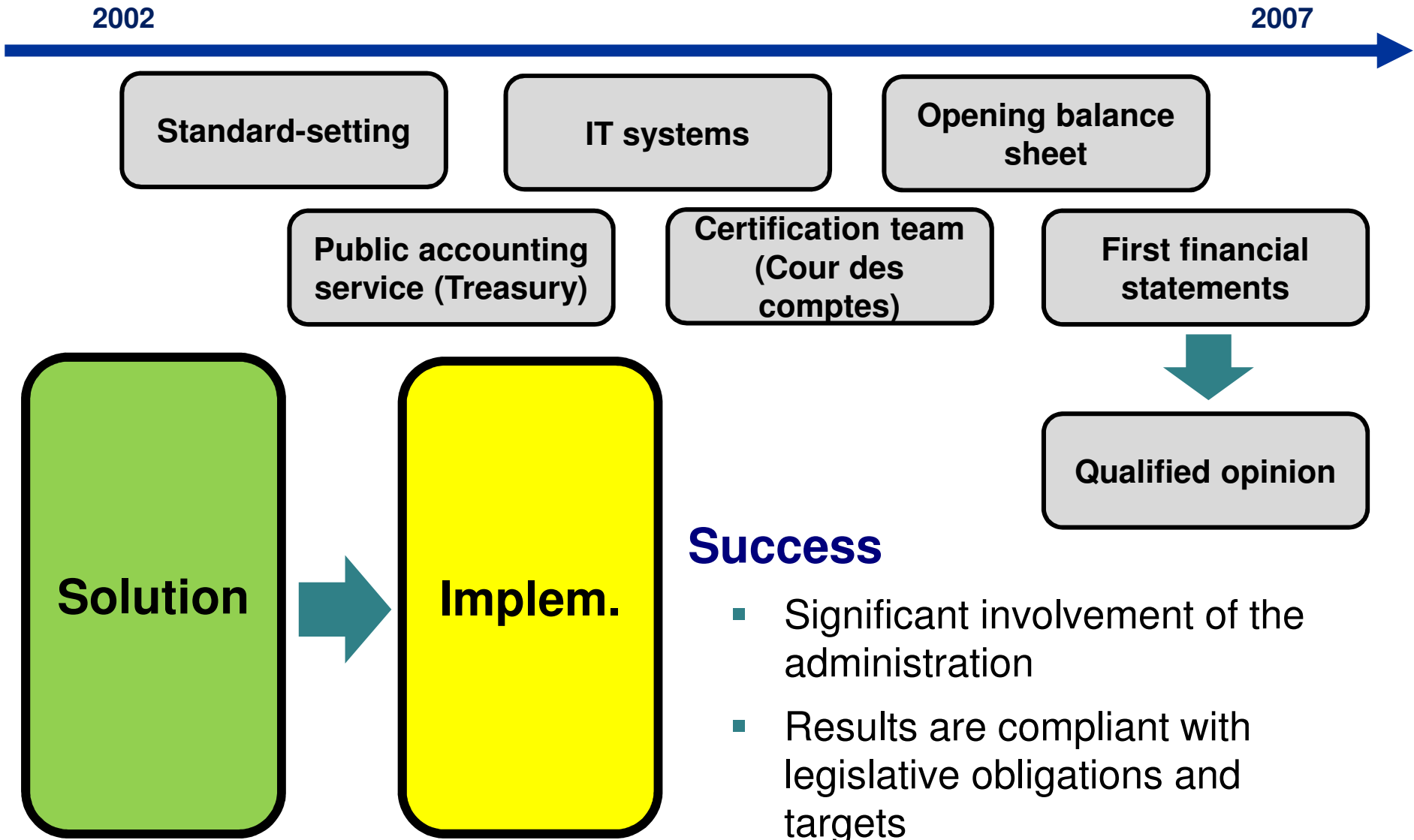


THE « LOLF » ACCOUNTING SECTION (2001)





IMPLEMENTATION – 1ST PHASE (2002-2007)





BENEFITS

Better information on the financial position of the State



- **Assets:** property, financial participations, concessions, roads, etc.
- **Liabilities:** non financial debts, provisions, etc.
- **Commitments:** pensions, etc.
- **Financial position**

Financial function modernization



- **Better cooperation betw. managers & accountants**
- **Process assessment**
- **IT modernization**
- **Internal control and risk management**
- **Certification**

Other benefits



- **Better budgetary accounting**
- **Positive effects on national accounts**
- **Confidence in the financial statements**
- **Other administrations involved (public establishments, local governments)**

**Difficulties and constraints
on public managers**

**Need of financial expertise,
complexity, administrative
organization**

Qualified opinion

5 Qualifications (2014)

Use for internal purposes

**Too limited use in financial
management**

Use for external purposes

**Limited exploitation by public
finance observers ; budgetary
accounting and national
accounts more used**



WHAT SHOULD BE DONE NOW ?

Improve the production process of financial statements

- reduce the cost
- enhance effectiveness
- in order to reallocate resources to ...

Improve the use of accrual accounting

- internally and externally
- in order to improve the quality of financial statements



THANK YOU