

REPORT TO THE WALLOON PARLIAMENT

Financial analysis of intermunicipal associations coming under the supervision of the Walloon Region – First three-year report regarding the 2017-2019 accounts



The Belgian Court of Audit has sent to the Walloon Parliament its first three-year report relating to the financial analysis of intermunicipal associations coming under the supervision of the Walloon Region. The report summarises the certifications of the intermunicipal associations' statutory and consolidated annual accounts for 2017-2019, issued by the company auditors. Their financial situation over the same period has also been examined.

To carry out its mission, the Court analysed the annual accounts, the management reports of the board of directors, the certification reports issued by the company auditors and specific reports on the acquisition of shareholdings.

The Court noted that the company auditors expressed an unqualified opinion on the consolidated annual accounts of the seven intermunicipal holdings, two disclaimers of opinion in 2019 and a qualified opinion on 12% of the statutory accounts of the 82 intermunicipal associations for each year.

The financial analysis of the 82 intermunicipal associations focused on 11 of them – mainly from the medical-social, waste and finance sectors – more exposed to financial risks. Without the intervention of third parties, their financial situation would require drastic savings, reorganisation or restructuring.

The Court observed that the Walloon government has still not adopted a decree setting the conditions for the specific report on the acquisition of shareholdings to be drawn up by these intermunicipal associations. For each year, more than 60% of the intermunicipal associations concerned have failed to send such report to the Court. The Belgian Court of Audit therefore invites the Walloon government to issue the ad hoc decree provided for in the Walloon Local Democracy and Decentralisation Code.