

ANNUAL REPORT

2011





**National Audit Office's Annual Report
for 2011**

187th year of operation

Review by the Auditor General

The National Audit Office is an audit and control authority prescribed in section 90 of the Constitution of Finland that operates as a professional auditor of central government finances and supervisor of legality of election and party funding. The National Audit Office is also the highest national audit body referred to in Article 287 of the Treaty on the Functioning of the European Union, which cooperates with the Court of Auditors in the external audits of the European Union. The National Audit Office is an independent body affiliated with Parliament. The National Audit Office is also functionally independent of Parliament. As an independent constitutional control authority the National Audit Office is analogous to the Office of Parliamentary Ombudsman and the Office of the Chancellor of Justice.



It is the role of the National Audit Office to secure Parliament's fiscal power and the prerequisites for this. In its role as a supervisor of election and party funding the National Audit Office secures and promotes openness and citizens' right to assess the interests of parties and candidates. The National Audit Office performs its duties by carrying out audits of the state's finances and compliance audits, performance audits and fiscal policy audits of the state's financial management as well as supervision of legality of election and party funding. In the reports submitted to Parliament the National Audit Office monitors the implementation of Parliament's positions concerning the state's financial management and draws attention in parliamentary debate to those observations that are the most important from the parliamentary perspective.

Focus in 2011 on quality promotion

In 2011 there was a focus on promoting the quality of audits and communications. The quality management and quality assurance of the National Audit Office and other corresponding supreme audit bodies are reviewed at regular intervals concerning their functioning and compliance with international audit standards. These peer reviews also include quality audits. An international peer review of the National Audit Office is conducted in 2011 and 2012, with the international review report due for completion in 2012. The review is performed by a team of experts from the national audit offices of Sweden, Norway and the United Kingdom. The National Audit Office's quality group has produced a quality report for 2011. The first one based on renewed international standards and best practices, the quality report is available in Finnish on the National Audit Office website. The focus of quality assurance is on guidance and quality assurance during the audit process. Ex-post quality assurance and assessments of audits are also carried out systematically by the National Audit Office.

The National Audit Office's expertise has gained increased recognition in the international external audit expert community. The National Audit Office was invited to serve as one of the reviewers that performed an international peer review of the Office of the Auditor General of Norway in 2011. In 2011 the National Audit Office also accepted an invitation to serve as a peer reviewer of the public finance audit function of the French Court of Auditors.

According to the relevant standards, it is the task of the supreme external auditors of the public sector to contribute their findings to public debate. The idea is to enable citizens to assess the

state's financial management and financial interests and this way create justifiable confidence. This is ultimately about maintaining willingness to pay taxes.

Objective and constructive communications play an important role in the provision of support to discursive and knowledge-based democracy. At the same time the audited entities must be provided with the opportunity for confidential discussions with the National Audit Office. A new media policy was adopted by the National Audit Office in 2011, focusing on the objectivity, responsibility and reliability of public communications. The National Audit Office guidelines concerning the application of the Act on the Openness of Government Activities were also updated. The principle of public access is implemented by making the final audit reports public. Before their completion, the opportunity to examine the issues being audited in confidence with those responsible for the audited activity is, however, ensured.

Number of employees reduced and economic efficiency objectives exceeded

In 2011 a total of 144 person-years were recorded for the National Audit Office, down four person-years or 2.7% on the year before. The National Audit Office of Finland is smaller than the supreme audit institutions of Sweden, Norway and Denmark, despite its audit and supervision mandate being larger than these Nordic peers'. It has been pointed out on the basis of Finland's National Integrity System (NIS) assessment as well as other studies that the resources available to the National Audit Office are insufficient in relation to its workload. A total of 74.8% of effective working time was allocated to external performances during the year under review.

To adapt its activities and expenses to the current state of central government finances, the National Audit Office has launched a stability and efficiency programme. The programme was launched so that our agency could in a sustainable manner meet Parliament's expectations concerning human resources savings and these savings being used to fund statutory pay rises. Therefore the National Audit Office has terminated its fixed-term employment contracts and will reduce the budgeted human resources figure from 150 person-years to 138 person-years. In 2011 a nominal reduction in operating costs of around 2% was achieved on the year before. Taking price development indicated by the Consumer Price Index into consideration, in real terms the reduction achieved is around 4.7%. This means the economic efficiency targets set were exceeded.

Despite the personnel reductions, the number of performance days increased. This is largely due to the new working hours monitoring system that now records the actual working hours, including where these exceed the regular working hours specified in the collective agreement for public servants. This enhanced monitoring allows the inclusion of any hidden overtime in the planning process. Working hours in excess of the regular hours will result in the accrual of time off in the coming years. The stability and efficiency programme also helped further increase the efficiency of support services as the working hours spent on indirect functions were reduced by 30%. The support services organisation is already too thin in parts.

Excellent effectiveness achieved

A total of 7,566 audit days or 34.9% of the actual working hours were used for financial audits. A new phenomenon in Finnish administration, the unconstitutional overspending of appropriations is causing concern from the financial audit perspective. Attention to this was also drawn by the Chancellor of Justice during the year. Financial Audit has helped maintain the perspectives of economic efficiency and productivity as well as internal control in accordance with the principles of good governance in central government finances and management. Preparedness for the management of economic efficiency and good financial management has slowly improved.

The first compliance audits based on the new international audit standard were completed in 2011. A total of 963 audit days or 4.4% of actual working hours performed were spent on compliance audits performed separately from financial audits. The National Audit Office is among the first ones in the world to have prepared national applications of the new ISSAI standards for compliance audits.

A total of 5,140 audit days were spent on performance audits. This accounts for 23.7% of the National Au-

dit Office's actual working hours. There was a particular focus in performance audits on the prerequisites for the achievement of social policy objectives and the information base required for decision-making. The quality of legislation was set as a permanent audit area. This was also one of the main themes of the annual report of the National Audit Office to the 2011 parliamentary session. Systematic follow-up on audit reports shows that 46% of the recommendations made by the National Audit Office were implemented in full or almost in full and 31% to some extent. During the year under review a further specification was made to the interpretation of the Constitution concerning the application of the budget covering requirement and central government liquidity by the Constitutional Law Committee on the basis of the National Audit Office's performance audit report. The development of central government cash management enabled by this will generate annual savings amounting to around €0 million.

A new fiscal policy audit manual was produced in 2011 on the basis of international external audit standards. The year under review also saw the completion of the first electoral term report conducted in accordance with international recommendations on the functioning of fiscal policy rules and the effectiveness of fiscal policy, which was submitted as a separate report to Parliament. The continuous auditing of fiscal policy helps verify the application of the central government spending limits and the quality of fiscal policy reporting to Parliament. The international debt and financial crisis played a key role in fiscal policy audits and related European and international cooperation. The new EU legislation on public economic governance will result in increasing European and international expectations being placed on fiscal policy audits. A total of 377 audit days or 1.7% of actual working hours performed were spent on fiscal policy audits.

In 2011 parliamentary elections were held in Finland, with the reformed election funding legislation applied to the process. The National Audit Office was also tasked with the supervision of the legality of party funding. All those under the obligation to disclose their election funding did so in conjunction with the parliamentary elections. The National Audit Office placed a focus on preventive guidance and advice. A total of 647 audit days were used for the supervision of election and party funding. The party and election funding disclosure system was also introduced during the year. This entirely new information system was designed and implemented within a rapid timetable. The system supplier's system delivery quality management and system stability were not in all respects up to the expected level. This resulted in a major workload for the National Audit Office. Improving the usability and quality of the information system is an important development area for the future.

Auditing work is supplemented by expert activity that provides the Government and administration with support in their efforts to maximise quality and performance in central government financial management. The demand for expert activity clearly exceeds the resources available within the National Audit Office. Expert activity accounted for a total of 2,911 audit days or 13.4% of actual working hours performed, up 75% on the year before. This is due to an exceptional situation at the turn of the electoral term. Every request for expert contribution made by Parliament was responded to, and the National Audit Office also participated in major development projects implemented by the Government. In the current Finnish system the switch from one electoral term to another is a point when there are important financial management reform and development projects pending. Experts from the National Audit Office participated in major projects of the Prime Minister's Office, Ministry of Finance and Ministry of Justice relating to the Government's strategic management and assessment, the central government spending limits procedure and fiscal policy steering as well as those relating to improved regulation and the development of bill drafting in the context of changing over to a new electoral period. The development of practices has been influenced by many recommendations based on audits conducted by the National Audit Office.

The expert activity is international in scope. In fiscal policy audit expert activity and in its role as co-chair of the Fiscal Policy Audit Network of the Contact Committee of the Heads of the Supreme Audit Institutions of the European Union, the National Audit Office contributed together with other euro-area audit offices and courts of auditors towards the inclusion in the European Stability Mechanism Treaty (ESM) of an internal and external audit function according to international standards as well as access by national parliaments to information and regular reporting concerning the activities carried out by the ESM. Under the leadership of the National Audit Office, recommendations were formulated in international cooperation involving audit institu-

tions from countries including the United States and China. The National Audit Office was invited as a member of the Steering Committee of the INTOSAI Working Group on Environmental Audit (WGEA).

On the whole the level of effectiveness of the National Audit Office is very good. Finland's ranking in Transparency International's Corruption Perceptions Index improved, with Finland and Denmark tying for second place in the results for 2011. This was partly due to the reform of Finland's election and party funding legislation and the sharpening of the supervision of election and party funding following the transfer of the task to the National Audit Office. There is confidence in Finnish resource management. Open discussion is carried out about problems relating to legislation and its implementation. The National Audit Office has contributed towards good and effective financial management and the prerequisites for discursive (deliberative) democracy and the reliable information required by it. An analysis conducted for the National Audit Office's report to Parliament showed that the preconditions for the efficient use of budgetary power by Parliament and the implementation of Parliament's positions concerning its budgetary power have improved.

According to international World Values Surveys, confidence in the Government and public administration is high in Finland. External auditing plays a specific role in the maintenance of justified confidence. Partly funded by the Prevention of and Fight Against Crime Programme (ISEC) of the European Union, National Integrity System (NIS) assessments were carried out on 25 countries by independent groups of researchers in accordance with Transparency International's international methodology. The report on Finland (National Integrity System Assessment Finland. Transparency International 2012), a basic assessment of corruption and anti-corruption integrity mechanisms, was carried out by a research group from the University of Vaasa, with Professor Ari Salminen as lead researcher. Finland's integrity system is in overall terms at a very good or excellent level. The NIS assessment also examined the role of the National Audit Office in the national integrity system. Its status and activities were regarded as excellent or very good. The National Audit Office also has an important role and position in the national integrity system maintaining good governance. A problem pointed out in the assessment is, however, that the resources of the National Audit Office are insufficient in relation to its workload and role in the maintenance and securing of good governance.

It is in general important to ensure in the context of justified measures taken to achieve savings and adjustment in central government finances that the structural guarantees and prerequisites for good governance are secured. Good governance is one of the success and competitiveness factors of Finnish society.

Well-motivated and committed personnel

The average age of National Audit Office employees increased by four years to 49.1 years, while the average retirement age is 63.8 years. It is a great strength for the National Audit Office to have a staff who are extremely committed to their work and have a high level of education and competencies.

In expert work such as that carried out by our agency, workplace atmosphere and wellbeing at work are of major importance to effectiveness. Employee coping is overall a critical issue for our national success. The National Audit Office has systematically sought to develop management, work planning and internal communications. The sick leave rate has decreased and is at a level that is as much as one-third lower than is seen overall in central government agencies. The experience of mental wellbeing has not, however, developed as positively. According to the wellbeing at work barometer survey conducted within our organisation, satisfaction with our management had clearly improved. Work climate had also clearly developed in a positive and encouraging direction. Some of our employees reported a feeling of stress as well as pressure from undone work. The risks of stress grow as the workload is increasing and resources are decreasing while at the same time the expectations placed on work and its quality are high in our society. We have largely exhausted our internal flexibility. Therefore we must continue to pay attention to stress management.

Excellent performance in 2011

The National Audit Office's performance on the whole in 2011 was excellent. This was achieved by our competent and committed people. I would like to thank our entire personnel for a splendid job.

Tuomas Pöysti

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1 Review of operations

The National Audit Office is an independent external audit and control authority prescribed in the Constitution that operates outside actual state administration or administration under Parliament.

The National Audit Office's task prescribed in the Constitution is to audit the effectiveness and legality of central government finances and compliance with the state budget. The National Audit Office performs this task by carrying out performance audits, financial audits, compliance audits and fiscal policy audits. The National Audit Office operates in Finland as the national audit body under the Lisbon Treaty working in cooperation with the European Court of Auditors in the external control of Union funds.

In addition to its constitutional task, the National Audit Office is also tasked under the Act on a Candidate's Election Funding (273/2009) with the oversight of compliance with the obligation to disclose information about election funding, making the funding disclosures available to the public and examining the funding disclosures. Under the Act on Political Parties (10/1969, amended by 683/2010), the National Audit Office is prescribed with the task of supervising compliance with provisions concerning party subsidies, disclosures of election campaign expenses and funding and the formulation and submission of related documents and information by political parties, affiliated entities and associations referred to in party subsidy decisions.

1.1 Effectiveness

The National Audit Office supports Parliament in the exercise of its legislative, financial and oversight power and is thus part of the constitutional system implementing and ensuring Parliament's fiscal power.

The National Audit Office's goal is to promote the effectiveness and quality of the fi-

ancial management of the state. A key perspective is to ensure that the social policy objectives set in connection with legislation concerning the state budget and the collection and use of state funds are achieved and that the Government and administration have taken the necessary measures to achieve them. The objective of supervision of legality of election and party funding is to promote the openness of election and party funding and citizens' right to assess the interests of political parties and those holding public elected offices. Another objective is to prevent corruption and any influence on the activities of the President of the Republic, Members of Parliament, municipal councillors and parties that is based on inappropriate interests.

The results of the external auditing of central government finances for society and citizens, and thus the social effectiveness of these activities, fall into three areas.

The most significant area with regard to the effectiveness of the National Audit Office's activities is the preventive and oversight impact of audits. Two other areas are ensuring access to appropriate economic efficiency and performance information and the functioning of internal control and steering as well as the concrete corrective and development measures that are taken as a result of audits. The task of ensuring these supports future economic decision-making by securing the information base required for decisions.

1.1.1 Impact on supporting Parliament's budgetary and legislative power

The National Audit Office's audit activities are targeted on the basis of risks posed to central government finances and financial management. In 2011 the National Audit Office prepared a risk analysis of central gov-

ernment finances and the national economy to steer audit planning and analyses of risks and the operating environment. The risk analysis also supports the National Audit Office 2020 strategy formulated in 2012. The planning of the National Audit Office's activities is based on an assessment of strategic risks concerning the economy and central government finances and their operating environment, the state budget economy, ministries' administrative sectors and significant cross-sectoral issues as well as the National Audit Office's audit topics, according to risk analyses.

On the basis of reports issued by the Parliamentary Audit Committee, the National Audit Office monitors the implementation of Parliament's positions if these have required that the Government report on a matter or if the National Audit Office's audit activities have dealt with related matters. The National Audit Office reports on this under its annual report to Parliament on its activities.

In 2011 the National Audit Office examined the implementation of Parliament's positions throughout the 2007–2011 Government term and found that there was an emphasis on three sets of matters in the positions. Firstly, the realisation of Parliament's budgetary power, the positions relating to which have covered tax subsidies and their budget consideration, off-budget entities, and central government cash management. The second set of issues pertains to the utilisation of information systems and technologies in central government and service production cofunded by central government. Partially related to the second one, the third set of issues is the central government productivity programme. All three have continuously been subjected to audits by the National Audit Office. The best progress has been made in the first area, Parliament's budgetary power. Clear improvements have been seen in issues such as the presentation of tax subsidies in the draft budget and reports on the final central government accounts. In addition, a constitutional law position (Constitutional Law Committee 4/2011 vp) was issued by the Constitutional Law Committee on the basis of a performance audit conducted by the Na-

tional Audit Office and the separate report to Parliament issued on the basis of it, enabling the development of central government cash management in a manner that will generate annual savings amounting to around €20 million at the current level of central government borrowing and cash reserves.

The matters that receive attention in the Audit Committee's reports are based mainly on key findings and conclusions presented to Parliament in the National Audit Office's reports. Parliament's positions concern the most significant matters in which achieving change has been slow. Consequently matters are also followed over a longer period. Parliament has issued two to four positions a year that have required the Government to report on a matter.

1.1.2 The National Audit Office's impact on promoting good practices and preventing errors and abuses in administration

The National Audit Office monitors the effects of its own reporting and measures taken on the basis of audit findings. This helps increase the preventive and accountability impact of audit activities.

Performance Audit monitors the implementation of positions included in its reports, while the effects of individual performance audits on audited entities are evaluated in follow-ups. These investigate the implementation of positions and recommendations to administration provided in the audit context.

In 2011 the National Audit Office completed 14 follow-up reports, which evaluated the implementation of a total of 82 recommendations made by the National Audit Office. Five recommendations were not evaluated as these were no longer topical due to changes that had taken place in the operating environment or because it was decided to carry out their follow-up in conjunction with other audits.

Of the recommendations evaluated, 46% had been implemented in full or almost in



Figure 1 Reporting requirements and qualified opinions on legality based on financial audits

full, 31% to some extent and 23% poorly or not at all. The share of recommendations that had been implemented in full or almost in full remained at the previous year's level, while the number of recommendations implemented between 2009 and 2011 was clearly higher than earlier.

The impact of the reporting requirements included in the previous year's financial audit reports was examined in conjunction with the 2010 financial audits. A total of 13 government agencies had been assigned with reporting requirements in financial audit reports for the year 2009. The requirement was repeated in full or in part for three of these in 2010 (7 in 2009, 10 in 2008).

1.1.3 The National Audit Office's impact on citizens' confidence in the proper management and monitoring of central government finances and in public administration

The external auditing of central government finances contributes to the maintenance of justifiable confidence in the good management of central government finances and the activities of the Government and state administration in general. Auditing contrib-

utes towards accountability for good financial management and administration. External auditing helps create prerequisites for justified, fact-based and sustainable confidence by employing the means of auditing to ensure compliance with legislation and the budget as well as good and efficient financial management and by also openly communicating any development needs and problems. Confidence in public administration is social capital for the nation, the development of which is difficult to measure or assess in annual performance reporting. Confidence does, however, also play a clear financial role as regards the central government's capability of making the necessary yet at times difficult decisions required in financial management. It has also been empirically found in studies conducted by the International Monetary Fund (IMF) Research Department that the openness and transparency of financial management and fiscal policy help reduce public debt costs. The Finnish central government borrowing interest rate spread indicates that there is still high confidence in the Finnish economy and financial management capacity. According to the international World Values Survey, there is overall a high confidence in Finland on the activities of the Government and central government. The impacts on confidence of external audits conducted by the National Audit Office were not assessed in greater detail during the year under review.

The supervision of the legality of election and party funding implements citizens' right to access information about and assess the financial interests of political parties and those holding public elected offices. This has a clear impact of preventing corruption and promoting good governance. The Council of Europe Group of States against Corruption (GRECO) and the Organization for Security and Cooperation in Europe (OSCE) have conducted evaluations in which the Finnish election and party funding legislation reform and the selection of the National Audit Office as the supervisory authority have been regarded as successful solutions that have strengthened openness and good governance. The activities of the National Audit

Office have been viewed positively in these evaluations.

Finland's ranking in Transparency International's Corruption Perceptions Index improved, with Finland and Denmark tying for second place in the results. Increased openness in election and party funding and the increasingly efficient and independent supervision ensuring this can be regarded as factors contributing towards the improved result.

External auditing of central government finances and the supervision of the legality of election and party funding are elements of the institutional arrangements in place to prevent corruption and promote good governance. Partly funded by the Prevention of and Fight Against Crime Programme (ISEC) of the European Union, National Integrity System (NIS) assessments were carried out on 25 countries by independent groups of researchers in accordance with Transparency International's international methodology. The assessment on Finland was carried out by a research group from the Department of Public Management, University of Vaasa, with Professor Ari Salminen as lead researcher. The assessment on Finland (National Integrity System Assessment Finland. Transparency 2012) is a basic assessment of anti-corruption mechanisms. According to the report, Finland's integrity system is in overall terms at a very good or excellent level. The assessment also examined the role of the National Audit Office in the national integrity system. According to the report, the National Audit Office plays a very important role in the integrity system as the external auditor of central government finances and, in this role, as an ensurer of Government and central government accountability and of an important part of transparency as well as the supervisor of the legality of election and party funding. The supervision of election and party funding has also expanded the scope of the National Audit Office's duties considerably into the field of general legality supervision.

The National Audit Office's status and activities were regarded as excellent or very good in the NIS assessment. It also has an important role and position in the nation-

al integrity system maintaining good governance. A problem pointed out in the assessment is, however, that the resources of the National Audit Office are clearly insufficient in relation to its workload and role in the maintenance and securing of good governance. Confidence in central government activities and financial management is in part maintained by confidence in the proper monitoring of central government finances.

Citizens' confidence in the proper monitoring of central government finances is based on high-quality, objective and consistent auditing and expert work as well as communications concerning the performance of official tasks.

The National Audit Office's communications and public activities take place in compliance with the INTOSAI principles concerning reporting and publicity and the Act on the Openness of Government Activities (621/1999). There is a focus in the National Audit Office's communications on the objective, clear and fact-based communication of essential audit findings. General or citizens' confidence in central government financial management or the openness of election and party funding were not assessed by the National Audit Office in 2011.

The policy concerning public access to the audits conducted by the National Audit Office was made more specific in 2011 on the basis of a report commissioned from Professor Olli Mäenpää. From now on the National Audit Office's audit reports and related government documents are public following the conclusion of each audit report.

1.1.4 The National Audit Office's impact in the international community

In 2011 the National Audit Office targeted its international cooperation focuses on audits required by fiscal policy, the financial and economic crisis and its management as well as audits of environmental issues. The National Audit Office engaged in cooperation with other national audit offices required by the financial and economic crisis

as the chair of one of the subgroups of the INTOSAI Task Force on the Global Financial Crisis and a participant in the INTOSAI Working Group on Key National Indicators and the INTOSAI Working Group on Public Debt. The recommendations of the Global Financial Crisis Task Force and its subgroup are gradually becoming visible in that crisis management and the management of system and other risks involved in financial systems are being secured by audit offices in the USA and the EU. The National Audit Office organised a meeting of the Key National Indicators Working Group in Helsinki in 2011.

The National Audit Office also co-chaired the Fiscal Policy Audit Network of the Contact Committee of the Heads of the Supreme Audit Institutions of the European Union. In the context of the euro crisis, the National Audit Office paid attention to the deficiencies in the text of the European Stability Mechanism Treaty (ESM) concerning arrangements for public external audits. Cooperating with other euro-area audit offices and the European Court of Auditors, the National Audit Office's active measures contributed towards an article amendment achieved in conjunction with the treaty renewal, resulting in the inclusion in the ESM of provisions concerning internal and external control that correspond to international standards as well as access to information by and regular reporting to national parliaments regarding the activities of the stability mechanism. Cooperation in the field of international audits of environmental issues takes place through participation in the INTOSAI Working Group on Environmental Auditing. The National Audit Office has actively brought up the central government finances perspective of auditing in environmental issues.

1.2 Outputs and quality management

1.2.1 Number of performances and achieved public goods

On the basis of section 6 of the Act on the

National Audit Office (676/2000), the National Audit Office submits two reports to Parliament each year. These are based on the National Audit Office's financial auditing, compliance auditing, performance auditing and fiscal policy auditing.

A separate report to Parliament on the audit of the final central government accounts for 2010 and the Report on the Final Central Government Accounts (K 12/2011 vp) was submitted to Parliament on 25 May 2011. This separate report provided Parliament with a report on the audit of the final central government accounts for the 2010 fiscal year and with the National Audit Office's conclusions regarding the social impact information of the Report on the Final Central Government Accounts. The separate report also covered the assessment of compliance with the central government spending limits, the central government spending limits procedure and fiscal policy reporting.

The National Audit Office's annual report on its own activities (K 17/2011 vp) was submitted to Parliament on 16 September 2011. The report presented the conclusions drawn on the basis of the results of the National Audit Office's audit and expert activities regarding the status of the state's financial management and administration and summaries of audit findings that are the most important from the parliamentary perspective. The annual report also presents observations regarding the implementation of positions put forward by Parliament on the basis of the Audit Committee's reports.

Section 10 of the Act on a Candidate's Election Funding (273/2009) lays down provisions on the National Audit Office's duty to supervise compliance with the election funding disclosure obligation and to give Parliament a report on its performance of this duty for every election.

In 2011 the National Audit Office submitted a report to Parliament on election funding supervision regarding the 2011 parliamentary elections (18/2011 vp).

The National Audit Office also performed its duties prescribed in the Act on Political Parties (10/1969, amended under 683/2010) in 2011. Up-to-date disclosures as required

under the Act regarding support received by parties, party associations and affiliated entities were received pursuant to the Act. The National Audit Office also made sure the organisations and foundations supervised by it submitted their final accounts and auditors' reports to the disclosures register. In addition, the National Audit Office carried out a total of 32 local audits of party organisations and affiliated entities under the Act on Political Parties. A report on these as referred to in section 9 e of the Act will be submitted to Parliament in spring 2012.

In accordance with the National Audit Office's audit plan, in 2011 Financial Audit reported on the audit of the final central government accounts for 2009 and the Report on the Final Central Government Accounts as well as issued financial audit reports concerning 90 accounting agencies, off-budget funds or agencies under the performance management of a ministry.

Performance Audit completed 21 audits in 2011. These resulted in 18 audit reports, while one was reported upon as part of the National Audit Office's separate report. Another two audits ended in a letter. The number of follow-up reports prepared by Performance Audit during the year under review totalled 14. The targeted 20 completed audit reports was almost reached, but the target set for follow-up reports, 25, was not achieved. This was mainly due to the human resources available for the work falling under the planned level and to a decision to combine follow-up reporting on individual audits under thematic reports or postpone some reports to the coming years due to development projects underway in the areas in question.

Another aim was to commence the performance audits included in the plan during 2011. This was not achieved in full as some of the audits included in the plan did not commence. On the other hand amendments were made to the plan during the year under review, resulting in the commencement of audits on such new areas that emerged in audit planning and risk analyses during the year. Fiscal Policy Audit launched two audits in 2011, due for reporting in 2012.

Findings from continuous auditing of fiscal policy were reported in a separate report on the audit of the final central government accounts and the report on the Final Central Government Accounts for 2010. Statements provided for Parliament helped secure the information base needed for the management of the financial crisis and for fiscal policy decisions.

In 2011 the National Audit Office received 22 reports from state authorities concerning abuses of state funds or assets (20 in 2010, 20 in 2009).

A total of 13 cases involving suspected abuses by recipients of government aid (6 in 2010, 5 in 2009) were also reported by central government agencies to the National Audit Office. The National Audit Office also received copies of reports on the monitoring of aid from agencies administering EU aid.

The National Audit Office received 67 complaints from private persons and organisations regarding the financial management of the state (48 in 2010 and 65 in 2009). The number of complaints addressed during the year totalled 58 (57 in 2010 and 63 in 2009).

1.2.2 Delivery and the quality of performances and public goods

A fiscal policy audit manual was drawn up in 2011. The manual applies to all fiscal policy audits conducted by the National Audit Office. In this context the schedule for fiscal policy audit reporting was also determined, with two reports on fiscal policy audit results to be submitted to Parliament for each electoral term; an interim report and a full-term report. The audit observations and conclusions from continuous fiscal policy auditing are reported annually in the separate report of the National Audit Office published in the spring.

The quality management objective for Financial Audit and Compliance Audit is to conduct all audits according to the requirements specified in the audit manuals. The financial audit director evaluates compliance with the audit manual as part of their supervision task. In addition to control during

audits, the unit carried out internal quality checks where heads of audit group were given the task of conducting quality checks of audits conducted in other audit groups.

The timetable objective set for financial audit reports was to complete the 2010 financial audits for ministries by 13 May 2011, those for accounting agencies besides ministries and for other agencies by 6 May 2011 and the audit of the final central government accounts by 16 May 2011.

Financial audit reports were completed on schedule. The level of achievement of timetable objectives can be considered very good.

Financial audit reports were published on the National Audit Office's website, and printed compilations were distributed to key stakeholders.

The first compliance audit reports were completed in spring 2011. A total of three reports were given, subjected to quality management based mainly on the same principles as the quality management of financial audit reports.

The quality objective of Performance Audit was to conduct all performance audits in accordance with the manuals and guidelines issued regarding performance audits or lower-level instructions supplementing these and to have the evaluations of completed reports carried out by a head of audit unit who did not participate in the audit process. These objectives were reached. The level of quality can on the basis of monitoring and ex-post assessments taking place in conjunction with supervision and guidance provided during auditing be regarded on the whole as having met the requirements set in the guidelines. Greatest room for improvement has been detected in the presentation of audit findings and the placement of correct emphasis on essential issues.

The timetable objective set for performance audits was to complete audits within 18 months from the commencement date. This is to ensure audit findings are current and therefore also effective.

In 2011 a total of seven audit reports were completed within the 18-month deadline. Four audits only slightly missed the deadline, while seven missed it by several months. An-

other two audits ended in a letter. Although the timetable objective set for the completion of audit reports was not fully met, the objective regarding the currency and effectiveness of the most important audit findings was reached.

The service capacity objective was to send out an expert in response to all audit-related consultation requests made by parliamentary committees. The aim is also to respond to corresponding audit-related requests and requests for statements made by public administration. These objectives were reached.

Another objective connected with Performance Audit's quality and service capacities was to prepare all audits exceeding 180 person-days in scope as teamwork. The objective was taken into consideration in the planning of audits commenced. Furthermore, particular care was taken to ensure for those audits that were not planned to be conducted as teamwork that competencies sufficient for the audit scheme were allocated for the audit.

1.2.3 Functioning of the National Audit Office's quality system

Quality assurance

Quality assurance in the National Audit Office is founded on audit units ensuring that audit manuals and guidelines are up-to-date and these documents and practices are continuously developed. The manuals and guidelines are based on the external auditor's ethical principles and the Finnish principles of good governance created on the basis of the international ISSAI standards adopted by INTOSAI. Quality assurance of audit units is built into their audit processes.

The quality group's tasks and reporting

The National Audit Office has a quality group for the continuous assessment and development of the quality management system and for the monitoring of quality. The group reports to the auditor general and the heads of unit responsible for arranging for quality assurance for the audits. The Nation-

al Audit Office's quality group compiled and submitted a quality report for the year under review to the National Audit Office's management. This year quality reporting was expanded to cover all of the agency's sectors. The quality group's tasks also include the promotion of good quality practices within the agency. The quality report was also published on the National Audit Office website under planning and monitoring documents.

Functioning of the quality system

The National Audit Office's units are responsible for the quality of their activities and maintain quality systems as appropriate for their activities. Their quality systems are based on up-to-date audit manuals and operational guidelines, a standardised audit process, guidance and control to ensure quality during the audit process as well as ex-post quality checks. The quality systems help the units ensure a consistently high quality, prevent and restrict the impacts of any quality deviations and produce basic information for the further development of quality in the units' operations.

In the National Audit Office's activities on the whole the personnel risk indirectly also poses a quality risk. From this perspective quality risk management is about the competence, motivation, project management and balanced use of resources required. Audit units have made efforts to prevent and restrict the impacts of personnel risks on audit work quality through active measures including the use of project management tools, promotion of teamwork and documentation practices.

The National Audit Office supports and coordinates its units' quality work through its office-wide quality and operational guidelines, support for monitoring and implementation of international audit-sector standards and a permanent working group coordinating the units' quality work. The year under review saw the launch of a peer review on the functioning of the quality system of the National Audit Office's auditing activity, the results of which will be employed to further improve quality and the quality system.

The quality group's report can be summarised as the National Audit Office on the whole having sufficient tools for quality risk management. Further attention should, however, be paid to personnel risk management.

1.3 Operational efficiency

The National Audit Office is implementing a stability and efficiency programme aimed to achieve within the agency the savings required by the general situation of central government finances and the resulting requirement to cut down the number of the National Audit Office's person-years while the workload is increasing in as sustainable a manner as possible. At the same time, however, personnel cuts increase the audit risk referred to in international external audit standards.

The National Audit Office's stability and efficiency programme aims to enable the reasonable performance of its constitutional duty of professional external auditing of the state's financial management and supervision of the legality of election and party funding at a cost level equivalent to that seen in the final accounts for 2011 plus the costs arising from statutory pay reviews based on Parliament's collective bargaining agreement. A more specific economic efficiency target is for the cost per performance day not to rise from the 2010 price level at a rate exceeding the Consumer Price Index development. Achieving this in practice calls for the sustained development of the personnel structure towards increased cost efficiency. At the same time the stability and efficiency programme aims to secure and improve employees' wellbeing at work.

The programme has resulted in the reorganisation of many of the agency's functions since the beginning of 2011. These arrangements have resulted in real-term reductions the agency's costs. Regardless of reductions in the number of person-years, the arrangements have also enabled an increase in the number of working days allocated for external performances. Personnel results are covered in Section 1.4.

1.3.1 Operational productivity

Despite the cuts in personnel, the stability and efficiency programme resulted in an increase in working time allocated for external performances from 18,829 working days to 21,684 working days. Financial Audit's performance figures remained at the level seen previously, and three compliance audit reports were also completed. The number of performance audits and performance audit follow-up reports fell below target as the number of audit days allocated for performance audits was smaller than planned due to scarcity of resources. Performance Audit and Fiscal Policy Audit used clearly more audit days on expert activity than planned. Expert activity performances exceeded the targets set. The number of audit days used for fiscal policy audits was also clearly smaller than planned, but the most important performances included in the plan were mostly carried out. The National Audit Office's overall productivity can be regarded as having improved during 2011.

1.3.2 Operational economy

The National Audit Office's costs in 2011 totalled €14.97 million (€14.98 million in 2010

and €13.75 million in 2009). Personnel costs excluding side costs in 2011 amounted to €9.83 million (€9.97 million in 2010 and €8.81 million in 2009). The development seen in the National Audit Office's costs is illustrated in Figure 2.

The National Audit Office's costs decreased by 2.0% in 2011 compared with the year before. A significant part of this increase is due to measures taken in accordance with the National Audit Office's stability and efficiency programme that reduced the number of fixed-term employees and the recruitment of new employees to replace those retiring or otherwise leaving the agency.

The National Audit Office has set the general economic efficiency objective of being able to perform its constitutional duty of external auditing of central government finances at the previous or higher quality level as well as its entirely new duties of supervision of the legality of election funding under the Act on a Candidate's Election Funding and the information service duties implementing openness at the level of appropriation use seen in 2010. The economic efficiency objective set for the audit units is for the cost per performance working day not to increase from the 2010 level at a rate exceeding the Consumer Price Index. A special economic efficiency objective in force since 2011 is for development projects that possibly in-

Productivity indicators

Table 1

Effective working time by type of performance (working days)			
	2009	2010	2011 ¹
Financial audit	8 748	8 451	7 566
Compliance audit	0	511	963
Performance audit	6 618	6 802	5 140
Fiscal policy audit	0	501	377
Other audit	55	82	0
Reports to Parliament	235	263	312
Management, external	0	0	3 768
External expert activities	1 021	1 667	2 911
Supervision of election and party funding	0	554	647
Total external performances	16 676	18 831	21 684
Indirect activities (support services, administration)	11 497	10 744	7 315
Total holidays and other paid leaves of absence	8 781	7 783	7 641
Total working time	36 955	37 357	36 640

The 2011 figures are not comparable with previous years because of a change in calculation method.

¹ The use of working time by department, type of audit and function is described in more detail in Appendix 1.

crease the cost per performance day to be genuinely investment-like in nature, i.e. for them to be visible as improved economy and productivity of the National Audit Office's activities in the coming years.

Costs per Financial Audit performance day decreased on the year before by 20.9% and those per Performance Audit performance day by 18.7%. There is no comparison figure available for fiscal policy audits for the preceding year. There was a 13.2% decrease in the cost per performance day for the National Audit Office as a whole. A major reason behind this decrease was the changes made to working hours monitoring, which resulted in a 15.2% increase in the number of performance days. At the same time the number of person-years was down 2.7% on the year before.

Financial Audit allocates its audit resources to audit projects as person-years. This allocation of human resources is reported in euros on the basis of average costs per audit day. This is justified because it is the best way to take into consideration the expertise required in the various audit projects and the

cost of orienting audit staff to the task.

The economic efficiency objective for performance audits was to complete 80% of audits within planned costs. Costs are evaluated in the planning stage in working days and other direct auditing costs.

Of the 18 audit projects completed during the year under review, nine were completed within planned costs, while in two audit projects the costs overruns were significant. The working hours monitoring system was changed during the year under review. Because of this the working hours spent by heads on audits could no longer be taken into consideration in the calculations although these working days had been included in plans.

1.4 Management and development of human resources

A description of the objective level of the National Audit Office's expertise required to

Operational economy indicators

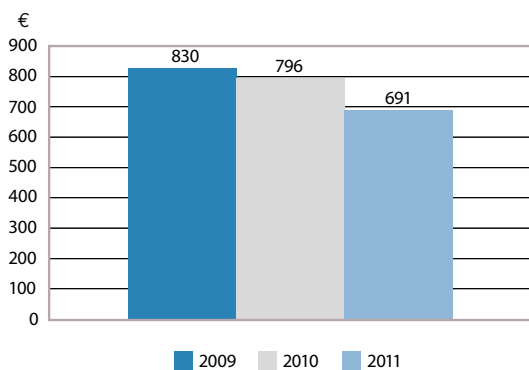


Figure 2 Costs per performance day

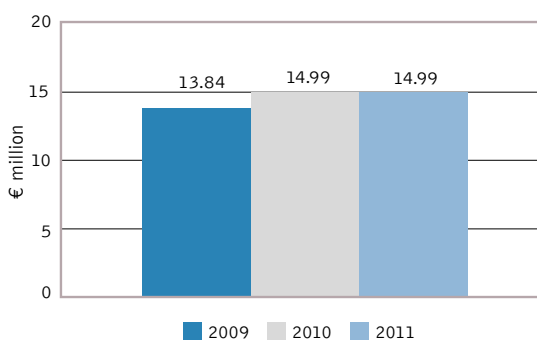


Figure 3 Total cost development

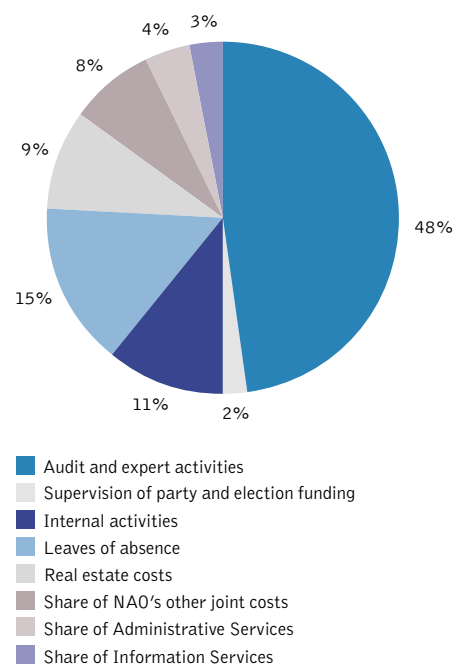


Figure 4 Breakdown of total costs by type of performance

perform its constitutional task can be found in the staff vision and staff policy section of the National Audit Office's strategy.

The National Audit Office's staff policy is based on the following areas:

- the ethics of the National Audit Office and its staff;
- a motivating and fair pay system;
- a motivating management, expert and professional career path;
- an expertise management and development system whose areas of expertise support the achievement of the National Audit Office's basic task and strategy;
- a clear and efficient management system;
- good workflow management;
- a good work community;
- occupational health and
- professional identity and professional pride.

The aim is for the National Audit Office to be a good workplace community with a high performance level.

The year under review saw the launch of work to reform the National Audit Office's values and compile the ethical principles concerning audits and operations into a clear code of ethical conduct. All units and their personnel have participated in the implementation of the project. The value process is strongly connected with the preparation of the National Audit Office's strategy for 2012–2013 that began towards the end of the year under review.

The development of wellbeing at work has been monitored within the National Audit Office on the basis of a survey conducted once in two years. According to the results of the work climate and wellbeing barometer conducted in late 2011, positive developments have taken place in the National Audit Offices' wellbeing at work in the areas studied. The positive development is partly due to the measures launched and implemented in 2010 and 2011 to improve wellbeing at work and employee coping. The National Audit Office submitted a report on these to the authority supervising occupational health and safety.

As well as the barometer, the Bergen Burnout Indicator (BBI-15) was used in cooperation with occupational health services to study the entire personnel's situation. The results have been employed to launch individual measures to support coping and to extend the development of the agency's resource planning, with one objective being to improve coping. The National Audit Office has strived for good workflow management by clearly indicating in resource planning the resources available at all levels of planning and timetables for carrying out tasks and projects. Through improved anticipation of tasks and division of labour and with the help of new tools, the National Audit Office has supported performance and occupational health.

The National Audit Office launched the application process for vocationally oriented medical rehabilitation (ASLAK) during the year under review. The plan is to provide access to the rehabilitation course for a group of ten employees. Applications are submitted via the occupational health care services. The rehabilitation takes place in a group and is scheduled for 2012 and 2013. The previous ASLAK rehabilitation course took place in 2006.

An early intervention model was adopted during the year under review. This aims to detect any problems related to capacity for work in time and find positive solutions to them. The objective is to activate managers to take care of employee wellbeing and coping and every member of the workplace community to look after themselves, their co-workers and the functionality of their workplace community. Also adopted was the National Audit Office's substance misuse prevention programme that is part of the workplace health and safety, wellbeing and management work. The aim is that our workplaces have the knowledge and courage to address any substance misuse problems as early as possible. The substance misuse prevention programme and early intervention model were prepared in cooperation with the agency's occupational health and safety body, with the employees heard during the

process in accordance with the collaboration guidelines.

A total of 35 management staff, supervisors and others selected for managerial training on the basis of applications were provided with training in wellbeing at work management. This was a continuation to the management training launched in 2009.

The office-wide expertise management and development project is still underway. An HR information system has been procured for expertise management. During the year under review the system was used to conduct personal development discussions and performance appraisals. In the future the system will also be used to conduct competency mapping and personal development plans.

In 2011 the National Audit Office introduced the Esmikko4 working hours monitoring system that supports the agency's resource planning. The system is used to monitor and report on employee working hours data and the allocation of working hours to various tasks. The content of working hours

monitoring was also renewed in this context.

The National Audit Office's work community is supported as a continuous function with open and clear information that is provided to the entire staff and by arranging joint occasions and other activities for staff. Regular Auditor General's staff info events and other joint events were organised for the staff during the year under review. The efficiency of communications was increased through the electronic desktop on the agency's intranet. Collaboration with employees was developed by an agreement made with the personnel organisations that resulted in the inclusion of three personnel representatives in the agency's management group since 23 September 2011.

Performance Audit produced a competence map that specifies the agency's competence requirements. The map was used to detect training needs at development discussions and to plan the following year's training for the Performance Audit unit. The training provision will be quite extensive and implemented over several years.

Human resource management and development indicators

Number of personnel, personnel structure and personnel costs

The number of persons employed by the National Audit Office decreased by 2.7 percentage points in 2011. The rate for women was down 7.6% on the year before, while that of men remained almost unchanged.

Table 2

Number of employees and person-years				
	2009	2010	2011	Annual change %
Number of employees 31 December	150	148	144	-2.7
Women	66	66	61	-7.6
Men	84	82	83	1.2
Person-years	147	148	144	-2.7

The average age of employees was up 4.0% on the year before. At the end of the year employees at least 45 years of age accounted for 63.2% of personnel, which is 4.4 percentage points higher than at the end of 2010. The largest age group of the National Audit Office is those aged 55 to 64, accounting for 33.3% of the entire personnel. The average retirement age was 63.8 years during the year under review.

Table 3

Average age of women and men, personnel age structure at 31 December				
	2009	2010	2011	Annual change %
Total personnel	47.4	47.2	49.1	4.0
Women	46.3	45.0	46.6	3.6
Men	48.3	49.1	50.9	3.7



Figure 5 Personnel age structure at 31 December

The education level of the agency's personnel is high. The personnel education level index is 6.7. At year-end 79.9% of personnel had a master's degree, up 0.9 percentage points on the year before, while those with a licentiate or doctoral degree accounted for 11.1% of personnel.

Table 4

Education level index at 31 December				
	2009	2010	2011	Annual change %
Total personnel	6.6	6.7	6.7	0.0
Women	6.4	6.6	6.5	-1.5
Men	6.8	6.8	6.9	1.5

Most employees have permanent posts. The share of temporary posts decreased slightly on the year before.

Table 5

Permanent and fixed-term employees at 31 December				
	2009	2010	2011	Annual change %
Permanent	143	139	137	-1.4
Women	62	58	56	-3.4
Men	81	81	81	0.0
Fixed-term	7	9	7	-22.2
Women	4	8	5	-37.5
Men	3	1	2	100.0

The share of part-time posts remained at the 2010 level. The part-time nature of these was mainly due to part-time childcare leaves.

Table 6

Full-time and part-time employees at 31 December				
	2009	2010	2011	Annual change %
Full-time	147	141	137	-2.8
Part-time	3	7	7	0.0

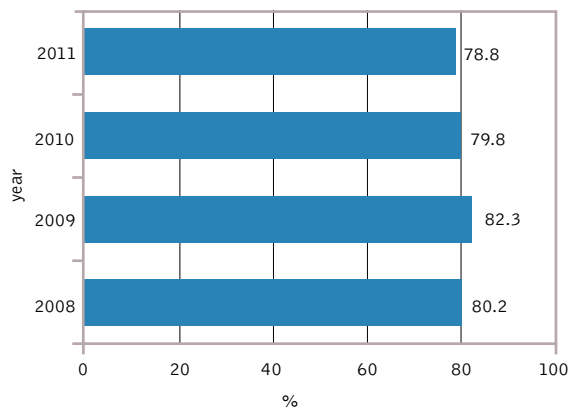


Figure 6 Work done during regular working hours as a share of regular annual working hours (%)

Table 7

Labour costs				
	2009	2010	2011	Annual change %
Total labour costs €/year	11 098 011	12 088 520	12 224 634	1.1
Pay for actual working hours as % of total pay	77.9 %	76.3 %	75.7 %	-0.9
Indirect labour costs	4 131 101	4 617 224	4 738 818	2.6
Share of indirect labour costs of pay for actual working hours	59.3 %	61.8 %	63.3 %	2.4

Source: Tahti system.

Occupational health

Working together with occupational health care services, a work climate and wellbeing barometer developed by the Finnish Institute of Occupational Health was used to survey how well the National Audit Office operates as a workplace community and what the level of wellbeing at work is and how it is developing. The survey is conducted once in two years, with the 2011 survey being the fourth one carried out in the agency. The results of the 2011 survey show improvements in most areas. Supervision is at least at the level of the reference data, and employee satisfaction with their pay has clearly increased. The areas in need of development identified on the basis of the results are the level of stress, mental wellbeing and work climate.

Table 8

Results of the occupational health survey					
Average value of indices ¹	NAO 2011 (n=98) ³	NAO 2009 (n=115)	NAO 2007 (n=128)	NAO 2005 (n=129)	Reference data (n=5935) ³
Hurry and mental stress ¹	3.6	3.5	3.4	3.2	3.4
Possibilities to influence matters ²	3.5	3.4	3.3	3.5	3.4
Supervision ²	3.5	3.1	2.9	2.9	3.2
Information flow ²	3.4	3.2	3.1	3.2	3.5
Work climate ²	3.1	2.8	2.7	2.9	3.4
Commitment to work ²	4.1	3.8	3.9	3.9	4.1
Mental wellbeing ²	3.1	3.2	3.3	3.4	3.3

¹ A higher value signifies a positive result except in the Hurry and mental stress index, which is reversed: a lower value signifies a positive result.

² If an index value is below 3.2, special attention is focused on development in this area.

³ The occupational health survey was conducted in December 2011. The response rate was around 68% (98/144). Reference data covering workplaces in the public and private sectors that were collected in 2006–2009 by Terveystalo, a health service company, were used for comparison.

The personnel turnover rate was low. Departure turnover increased as a result of the reductions in fixed-term employment contracts that took place in accordance with the agency's stability and efficiency programme. Sick leave rate decreased by 16.4% from 2010 and was 37.1% below the overall rate for central government personnel. Occupational health services were used on 713 occasions or 5 times per person-year. The number of appointments with occupational health care staff increased by 31.6%, while net costs of occupational health care services increased by 19.2%.

Table 9

Personnel turnover and other occupational health				
	2009	2010	2011	Annual change %
Departure turnover (% of personnel) ¹	7.3 %	0.7 %	4.1 %	485.8
Incoming turnover (% of personnel) ²	4.0 %	7.4 %	0.7 %	-90.5
Sick leaves (days/person-year)	9.9	7.3	6.1	-16.4
Net occupational health care costs (€/person-year)	€ 432	€ 496	€ 592	19.2

¹ Those who transferred to another employer.

² Those who came from another employer.

Competence development

Participation in training was up 37.3% per person-year. Training costs excluding pay costs and independent development of professional skills increased by 24.0% per person-year on the year before.

Table 10

Training and development				
	2009	2010	2011	Annual change %
Participation in training (€/person-year) ¹	€ 870	€ 1 131	€ 1 402	24.0
Participation in training (working days/person-year) ¹	6.1	6.7	9.2	37.3

¹ Does not include pay costs for lost working hours or independent development of professional skills.

1.5 Analysis of the financial statements

The appropriation was sufficient and there was no need to apply for a permission to exceed it as had been the case a year earlier.

1.5.1 Structure of financing

According to the final accounts for 2011, no changes took place in financing. The National Audit Office's operating costs were covered in item 21.40.01 and VAT expenses in item 21.40.29.

1.5.3 Statement of income and expenses

The National Audit Office's operational expenses decreased by 2.0% compared with 2010. Personnel expenses accounted for 78.6% of the National Audit Office's expenses in 2011. Personnel expenses decreased by 1.8% as a result of the agency's stability and efficiency programme. Salaries and fees were up 1.6%. The next largest expense items after personnel costs were purchases of services at 9.1% and rents at 8.2%. There was a 10.9% decrease in service purchases and a 1.0% increase in rents.

1.5.2 Compliance with the budget

The budget appropriated €14.963.000 for the National Audit Office's operating costs in 2011. This was up 11.9% on the year 2010. A total of €14.970.000 was used on operating costs, which is €7.000 above the appropriation granted for 2011. A total of €1.439.000 was carried forward from the operating costs item to the following year, down €6.000 on the previous year's amount carried forward. The amount corresponds to the National Audit Office's operating costs for around one month. The National Audit Office was allocated €620.000 for VAT expenses in 2011.

1.5.4 Balance sheet

During the year under review the value of the National Audit Office's fixed assets and other long-term investments decreased to €184.206.55 from the €202.791.17 seen the year before.

1.6 Statement of internal control and approval

The National Audit Office's management is responsible for making sure that the National Audit Office applies appropriate procedures in view of the scope and content of finances and activities and the risks involved (internal control) to verify the legality and effectiveness of the National Audit Office's finances and activities, to protect the funds and assets that are under the National Audit Office's control and to provide true and fair information on the National Audit Office's finances and activities.

The state of internal control and risk management was evaluated by a comparison with the Government Controller-General's recommendation on good practices and the evaluation of internal control and risk management in state agencies and by making use of the evaluation framework in the recommendation. The evaluation prepared by the National Audit Office's management was supported by units' self-assessments, the quality report on the agency's audit and supervision activity, the information security report produced for the management as well as observations made in the course of internal control. On the basis of the evaluation, internal control and risk management in the National Audit Office meet the requirements that have been set.

The year 2011 saw the development of audit guidelines and quality work, training for the entire staff in the information security management model introduced and the continuation of measures that support wellbeing at work. The results of the occupational health survey show that these measures have had considerable positive impacts. As regards quality work, the National Audit Office on the whole has sufficient tools for audit quality risk management, but attention needs to be paid to personnel risk management. The agency's information security level already meets the basic level requirements set for central government apart from a few exceptions, but measures will still be needed to make individual measures established as part of every employee's work. In accordance with the stability and efficiency programme launched by the National Audit Office in 2010, operational planning has continued on the basis of a reduced number of employees. The impacts of the personnel reductions are regarded as the greatest risk for the National Audit Office, with preparations made for it by assessing the importance of tasks and adapting objectives more carefully with resources. Personnel reductions, however, increase the audit risk referred to in international external audit standards, and it will not be possible to carry out audits of all the essential central government financial management risks in the manner required by international audit standards. Prioritisation will be particularly visible in the allocation of human resources to election funding supervision duties for the duration of the municipal elections to meet the National Audit Office's statutory obligation. Particular attention should be paid by the National Audit Office in 2012 to practical-level measures of processes taking place across unit boundaries. Key development measures for 2012 comprise the utilisation of the results of the external review of the agency's operations, development of audit manuals and guidelines, continuation of measures that support wellbeing at work, and measures to reach the basic level of information security.

Helsinki, 15 March 2012

Auditor General Tuomas Pöysti

Chief Information Officer Jaakko Hamunen

1.7 Summary of observed abuses

There is nothing to report for the year.

2 Compliance with the budget

Main division, item, account number, name and type of appropriation	Accounts 2010	Budget 2011 (TA + LTA:t)	Budget 2011 appropriations		Accounts 2011	Comparison Budget - Accounts	Supplementary information concerning appropriations								
			used in 2011	carried forward to next year			Accounts 2011	Carried forward from previous years	Available for use in 2011	Use in 2011 (excl. cancellations)	Carried forward to next year				
21. Parliament															
21.40. National Audit Office of Finland	13 972 720.10	15 583 000.00	14 105 615.07	1 439 468.55	15 545 084.52		1 446 955.29	16 409 955.29	14 970 486.74	1 439 468.55					
21.40.01 National Audit Office's operating costs (2-year trans.)	13 377 000.00	14 963 000.00	13 523 531.45	1 439 468.55	14 963 000.00	0.00	1 446 955.29	16 409 955.29	14 970 486.74	1 439 468.55					
21.40.29 National Audit Office's VAT expenses (est.)	595 720.00	620 000.00	582 084.52	0.00	582 084.52	37 915.48	0.00	0.00	0.00	0.00					
Total expenditure accounts	13 972 720.10	15 583 000.00	14 105 615.07	1 439 468.55	15 545 084.52		1 446 955.29	16 409 955.29	14 970 486.74	1 439 468.55					

3 Statement of income and expenses

	1.1.2011–31.12.2011		1.1.2010–31.12.2010	
Operational income				
Other operational income	<u>1 280.00</u>	1 280.00	<u>3 356.00</u>	<u>3 356.00</u>
Operational expenses				
Materials, supplies and goods:				
Purchases during the year	309 499.29		178 578.04	
Personnel expenses	11 891 859.56		12 112 533.83	
Rents	1 243 804.47		1 231 624.72	
Purchased services	1 381 369.94		1 550 580.66	
Other expenses	233 699.22		268 063.10	
Depreciation	<u>68 449.47</u>	<u>15 128 681.95</u>	<u>93 739.08</u>	<u>15 435 119.43</u>
Deficit III		-15 127 401.95		-15 431 763.43
Income from taxes and compulsory charges				
VAT paid	<u>-582 084.52</u>	<u>-582 084.52</u>	<u>-595 720.10</u>	<u>-595 720.10</u>
Deficit for the year		<u>-15 709 486.47</u>		<u>-16 027 483.53</u>

4 Balance sheet

	31.12.2011		31.12.2010	
Assets				
Fixed assets and other long-term investments				
Intangible assets				
Intangible rights	1 968.48		5 926.72	
Other long-term expenditure	96 909.31		0.00	
Acquisitions in progress	0.00	98 877.79	66 102.30	72 029.02
Tangible assets				
Machinery and equipment	83 000.93		126 707.98	
Furnishings	2 327.83	85 328.76	4 054.17	130 762.15
Total fixed assets and other long-term investments		184 206.55		202 791.17
Inventories and financial assets				
Current receivables				
Other current receivables	620.82	620.82	7 849.78	7 849.78
Total inventories and financial assets		620.82		7 849.78
Total assets		184 827.37		210 640.95
Equity and liabilities				
Equity				
State's equity				
State's equity 1.1.1998	-819 653.02		-819 653.02	
Change in previous years	-1 840 972.31		-1 124 124.46	
Equity transfers	15 599 048.07		15 310 635.68	
Deficit for the year	-15 709 486.47	-2 771 063.73	-16 027 483.53	-2 660 625.33
Liabilities				
Current liabilities				
Accounts payable	274 503.86		312 984.07	
Inter-agency transfers	267 711.08		296 601.61	
Payable items	211 371.64		213 684.11	
Accrued expenses	2 202 304.52	2 955 891.10	2 047 996.49	2 871 266.28
Total liabilities		2 955 891.10		2 871 266.28
Total equity and liabilities		184 827.37		210 640.95

5 Notes

Note 1 Accounting principles and comparability

The final accounts of the National Audit Office have been prepared in accordance with the State Budget Act and the State Budget Decree as well as orders and guidelines issued by the Ministry of Finance and the State Treasury. Sections 61–66 h of the State Budget Decree contain provisions on the preparation of final accounts.

Depreciation according to plan has been calculated on a straight-line basis according to the economic life of assets.

The depreciation period is three years for software and hardware, seven years for vehicles and five years for all other machinery, equipment and office furnishings. The National Audit Office does not own national property.

Under operational income, other operational income includes income from the sale of property no longer in use.

Under operational expenses, personnel expenses include salaries, holiday pay, overtime, expert fees, training fees, other fees, the change of holiday pay liabilities and side costs. Other expenses include travel costs, domestic and international membership fees, user fees, vehicle insurance premiums and other compulsory charges which are not taxes.

Under current liabilities in the balance sheet accrued expenses include holiday pay liabilities.

The cash-basis principle is applied in the National Audit Office's commercial accounting.

The final accounts have been corrected on an accrual basis.

Note 2 Net budgeted income and expenses

The National Audit Office does not have any net budgeted items for which net income or net expenses was marked in the budget in its accounts for the past fiscal year.

Note 3 Overspending of estimated appropriations

There was no overspending of estimated appropriations.

Note 4 Cancelled transferred funds

The National Audit Office does not have cancelled transferred funds.

Note 5 Itemisation of personnel expenses

	2011	2010
Personnel expenses	9 825 087.27	9 978 286.85
Salaries and fees	9 701 799.78	9 548 014.40
Change in holiday pay liabilities	123 287.49	430 272.45
Side costs	2 066 772.29	2 134 246.98
Pension expenses	1 826 872.48	1 806 607.51
Other personnel expenses	239 899.81	327 639.47
Total	11 891 859.56	12 112 533.83
Management salaries and fees ¹⁾ incl.	820 109.29	578 220.32
- performance-based items	0.00	0.00
Fringe benefits	161 688.00	160 528.23
Management	10 020.00	7 231.07
Other personnel	151 668.00	153 297.16

1) Does not include side costs.

Note 6 Principles used in calculating depreciation according to plan and changes

Depreciation according to plan has been calculated on a straight-line basis according to the economic life of assets. The National Audit Office does not own national property.

Depreciation principles did not change during the year.

Depreciation periods are as follows:

Fixed assets	Depreciation method	Depreciation period years	Annual depreciation %	Residual value %
Intangible assets				
112 Intangible rights				
1120 Purchased computer software	straight-line	3	33	0
114 Other long-term expenditure				
1140 Customised computer software	straight-line	3	33	0
Aineelliset hyödykkeet				
125 - 126 Machinery and equipment				
1250 Cars and other road vehicles	straight-line	7	14	0
1255 Computer hardware and accessories	straight-line	3	33	0
1256 Office machinery and equipment	straight-line	5	20	0
1257 Telephone switchboards and other communications equipment	straight-line	5	20	0
1258 Audiovisual machinery and equipment	straight-line	5	20	0
1269 Other machinery and equipment	straight-line	5	20	0
127 Furnishings				
1270 Apartment and office furnishings	straight-line	5	20	0

Note 7 Changes in the acquisition cost of national property and fixed assets and other long-term expenditure

The acquisition cost includes all fixed assets whose economic lives had not ended at the beginning of the year, even if their acquisition cost had been completely written off.

The National Audit Office does not own national property.

Fixed assets	Intangible assets		
	Intangible rights	Other long-term expenditure	Total
Acquisition cost 1.1.2011	276 411.28	22 224.33	298 635.61
Increases		99 678.15	99 678.15
Decreases	3 505.54		
Acquisition cost 31.12.2011	272 905.74	121 902.48	394 808.22
Accumulated depreciation 1.1.2011	270 484.56	22 224.33	292 708.89
Accumulated depreciation difference	3 505.54		3 505.54
Depreciation according to plan during the year	3 958.24	2 768.84	6 727.08
Depreciation not according to plan during the year			
Impairment during the year			
Accumulated depreciation 31.12.2011	270 937.26	24 993.17	295 930.43
Appreciation			
Book value 31.12.2011	1 968.48	96 909.31	98 877.79

Fixed assets	Tangible assets		
	Machinery and equipment	Furnishings	Total
Acquisition cost 1.1.2011	936 558.68	77 854.62	1 014 413.30
Increases	16 289.00		16 289.00
Decreases	40 228.51		40 228.51
Acquisition cost 31.12.2011	912 619.17	77 854.62	990 473.79
Accumulated depreciation 1.1.2011	809 850.70	73 800.45	883 651.15
Accumulated depreciation difference	40 228.51		40 228.51
Depreciation according to plan during the year	59 996.055	1 726.34	61 722.39
Depreciation not according to plan during the year			
Impairment during the year			
Accumulated depreciation 31.12.2011	829 618.24	75 526.79	905 145.03
Appreciation			
Book value 31.12.2011	83 000.93	2 327.83	85 328.76

Note 8 Financial income and expenses

The National Audit Office does not have any financial income or expenses.

Note 9 Loans granted from the budget

The National Audit Office does not have any loans granted from the budget that were outstanding at the end of the year.

Note 10 Shares and participations in companies and other securities comparable to shares

The National Audit Office does not have any shares or participations in companies or other securities comparable to shares.

Note 11 Financial assets and liabilities in the balance sheet

The National Audit Office does not have any financial assets or liabilities in the state budget economy that were outstanding at the end of the year.

Note 12 Granted state securities, state guarantees and other commitments

The National Audit Office does not have any granted state securities, state guarantees or other commitments that were outstanding at the end of the year.

Note 13 Reserve funds in the balance sheet

The National Audit Office does not have any reserve funds in the balance sheet.

Note 14 Reserve funds outside the balance sheet

The National Audit Office does not have any reserve funds outside the balance sheet.

Note 15 Changes in liabilities

The National Audit Office did not have any liabilities in the state budget economy that were outstanding during the year.

Note 16 Maturity breakdown and duration of liabilities

The National Audit Office does not have any maturity breakdown or duration of liabilities in the balance sheet.

Note 17 Other supplementary information needed to give true and fair information

True and fair information has been provided in the National Audit Office's financial statements and notes as well as the review of operations.

No abuses or crimes were detected in the National Audit Office.

6 Signatures

The final accounts were approved in Helsinki on 15 March 2012.

Auditor General Tuomas Pöysti

Chief Administrative Officer Mikko Koiranen

National Audit Office's Management in 2011¹



¹ Not pictured in the photograph are the personnel representatives, Principal Performance Auditors Eeva Miettinen and Timo Oksanen and Principal Financial Auditor Klaus Krokfors. Personnel representatives have been included in the management group since 23 September 2011.

Vesa Jatkola,
Deputy Auditor General,
Performance Audit

Esa Tammelin,
Assistant Auditor
General, Chief Quality
and Complaints Officer

Tuomas Pöysti,
Auditor General

Jaakko Hamunen,
Vice President
of NAOF, Chief
Information Officer

Mikko Koiranen,
Chief Administrative
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Marjatta Kimmonen,
Deputy Auditor General,
Financial Audit and
Compliance Audit

Tytti Yli-Viikari,
Deputy Auditor General,
Fiscal Policy Audit &
NAOF Chief of Staff

Appendix 1 • Use of working hours by unit 1 January to 31 December 2011

By audit type and function	AG and CoS	%	PA	%	FA	%	EMS	%	AU	%	IU	%	TOTAL	%
Financial audit	0	0.0 %	7 566	60.9 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	7 566	26.1 %
Compliance audit	0	0.0 %	963	7.7 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	963	3.3 %
Performance audit	0	0.0 %	0	0.0 %	5 140	53.1 %	0	0.0 %	0	0.0 %	0	0.0 %	5 140	17.7 %
Fiscal policy audit	0	0.0 %	0	0.0 %	0	0.0 %	377	11.2 %	0	0.0 %	0	0.0 %	377	1.3 %
Reports to Parliament	0	0.0 %	0	0.0 %	0	0.0 %	312	9.3 %	0	0.0 %	0	0.0 %	312	1.1 %
Management, external	401.9	100.0 %	1 493	12.0 %	1 611	16.6 %	254	7.6 %	3	0.2 %	5	0.3 %	3 768	13.0 %
External expert activities	0	0.0 %	377	3.0 %	1 684	17.4 %	576	17.2 %	0	0.0 %	12	0.9 %	2 649	9.1 %
- Complaints and abuses	0	0.0 %	0	0.0 %	257	2.7 %	6	0.2 %	0	0.0 %	0	0.0 %	263	0.9 %
Total audits and expert activity	402	100.0 %	10 399	83.6 %	8 691	89.8 %	1 524	45.4 %	3	0.2 %	17	1.2 %	21 037	72.5 %
Supervision of election and party funding	0	0.0 %	635	5.1 %	0	0.0 %	12	0.4 %	0	0.0 %	0	0.0 %	647	2.2 %
Total external performances	402	100.0 %	11 034	88.8 %	8 691	89.8 %	1 536	45.8 %	3	0.2 %	17	1.2 %	21 684	74.8 %
P-Ys														
External performances as rate of effective working hours	402	1.4 %	11 034	38.1 %	8 691	30.0 %	1 536	5.3 %	3	0.0 %	17	0.1 %	21 684	74.8 %
Divisor 180														

Internal activity	AG and CoS	%	PA	%	FA	%	EMS	%	AU	%	IU	%	TOTAL	%
Management, internal	0	0.0 %	238	1.9 %	356	3.7 %	330	9.8 %	241	14.2 %	238	16.5 %	1 402	4.8 %
Competence development	0	0.0 %	715	5.7 %	457	4.7 %	151	4.5 %	13	0.8 %	54	3.7 %	1 390	4.8 %
Development projectist	0	0.0 %	446	3.6 %	173	1.8 %	165	4.9 %	0	0.0 %	178	12.3 %	962	3.2 %
NAO's joint activity	0	0.0 %	0	0.0 %	0	0.0 %	652	19.4 %	0	0.0 %	0	0.0 %	652	2.2 %
- international cooperation	0	0.0 %	0	0.0 %	0	0.0 %	410	12.2 %	0	0.0 %	0	0.0 %	410	1.4 %
- recreation and other corresponding events	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	44	2.6 %	0	0.0 %	44	0.2 %
- shop steward activity	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	37	2.2 %	0	0.0 %	37	0.1 %
- labour protection	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	54	3.2 %	0	0.0 %	54	0.2 %
- internal audit	0	0.0 %	0	0.0 %	0	0.0 %	16	0.5 %	0	0.0 %	0	0.0 %	16	0.1 %
Accounting unit tasks and financial management	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	467	27.6 %	0	0.0 %	467	1.6 %
Administration Unit	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	201	11.9 %	0	0.0 %	201	0.7 %
Cost accounting and working hours monitoring	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	148	8.7 %	0	0.0 %	148	0.5 %
Administration Unit	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	484	28.6 %	0	0.0 %	484	1.7 %
HRM and HR tasks Administration Unit	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Office services Administration Unit	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	120	8.3 %	120	0.4 %
Library and information services Information Unit	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	155	10.7 %	155	0.5 %
Registry and archive services Information Unit	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	110	7.6 %	110	0.4 %
IT development and maintenance for auditing Information Unit	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	163	11.3 %	163	0.6 %
IT development and maintenance for administrative information systems Information Unit	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	174	12.1 %	174	0.6 %
Basic IT development and maintenance Information Unit	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	234	16.2 %	234	0.8 %
Local support Information Unit	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %	95	6.8 %	95	0.3 %
International benchmarking services CQCO	0	0.0 %	1 399	11.2 %	987	10.2 %	1 818	54.2 %	1 688	99.8 %	1 424	98.8 %	7 315	25.2 %
Total internal performances	0	0.0 %	1 399	11.2 %	987	10.2 %	1 818	54.2 %	1 688	99.8 %	1 424	98.8 %	7 315	25.2 %
P-Ys														
Share of internal performances of effective working hours	0	0.0 %	1 399	4.8 %	987	3.4 %	1 818	6.3 %	1 688	5.8 %	1 424	4.9 %	7 315	25.2 %
Divisor 180														
Total effective working hours	402	1.4 %	12 433	42.9 %	9 678	33.4 %	3 354	11.6 %	1 691	5.8 %	1 441	5.0 %	28 999	100 %
Divisor 180														

Leaves of absence	AG and CoS	%	PA	%	FA	%	EMS	%	AU	%	IU	%	TOTAL	%
Other paid leaves of absence	0	0.0 %	271	8.6 %	334	10.9 %	1	0.2 %	1	0.3 %	6	1.5 %	613	8.0 %
Annual holidays	106	70.5 %	2 096	66.6 %	1 926	63.0 %	337	66.9 %	277	70.4 %	304	78.0 %	5 046	66.0 %
Holiday pay leaves	0	0.0 %	318	10.1 %	248	8.1 %	65	12.9 %	10	2.5 %	40	10.3 %	681	8.9 %
Sick leaves	44	29.5 %	416	13.2 %	531	17.4 %	60	11.9 %	104	26.5 %	33	8.4 %	1 188	15.5 %
Leaves due to child's illness	0	0.0 %	48	1.5 %	17	0.5 %	41	8.1 %	1	0.3 %	7	1.8 %	114	1.5 %
Total leaves of absence	150	100 %	3 149	100 %	3 055	100 %	504	100 %	393	100 %	390	100 %	7 641	100 %
P-Ys														
Total working hours	552	1.5 %	15 582	42.5 %	12 732	34.8 %	3 858	10.5 %	2 084	5.7 %	1 831	5.0 %	36 640	100 %
Divisor 180														

Total working hours	P-Ys	TAHTI	P-Ys
37	120	203.6	120

Appendix 2 • Completed performances in 2011

National Audit Office's reports to Parliament

National Audit Office's report to Parliament on its activities for fiscal year 2010, K 17/2011 vp

National Audit Office's separate report to Parliament on the audit of the final central government accounts for 2010 and the Report on the Final Central Government Accounts, K 12/2011 vp

National Audit Office's report to Parliament on the supervision of election financing in the 2010 parliamentary elections, K 18/2011 vp

National Audit Office's separate report to Parliament: Effectiveness of the central government spending limits procedure as a fiscal policy instrument, K 21/2010 vp

Audit reports

Financial Audit

Office of the President of the Republic

Office of the President of the Republic 72/53/10

Prime Minister's Office

Prime Minister's Office 73/53/10

Ministry for Foreign Affairs' administrative sector

Ministry for Foreign Affairs 74/53/10

Ministry of Justice's administrative sector

Ministry of Justice 75/53/10

Criminal Sanctions Agency 76/53/10

Ministry of the Interior's administrative sector

Ministry of the Interior 77/53/10

ICT Agency (HALTIK) 78/53/10

Emergency Response Centre Administration 79/53/10

Finnish Immigration Service 80/53/10

Emergency Services College 81/53/10

National Police Board 82/53/10

Border Guard 83/53/10

Ministry of Defence's administrative sector

Ministry of Defence 84/53/10

Construction Establishment of Defence Administration 85/53/10

Defence Forces 86/53/10

Ministry of Finance's administrative sector

Ministry of Finance 87/53/10

State Department of Åland 88/53/10

Regional State Administrative Agency for Southern Finland 89/53/10

Regional State Administrative Agency for Eastern Finland 90/53/10

Regional State Administrative Agency for Lapland 91/53/10

Regional State Administrative Agency for Southwestern Finland 92/53/10

Regional State Administrative Agency for Western and Inland Finland 93/53/10

Regional State Administrative Agency for Northern Finland 94/53/10

Statistics Finland 95/53/10

National Board of Customs 96/53/10

State Treasury 97/53/10

Government Institute for Economic Research 98/53/10

Finnish Government Shared Services Centre for Finance and HR 99/53/10

Tax Administration 100/53/10

Population Register Centre 101/53/10

Ministry of Education and Culture's administrative sector

Ministry of Education and Culture 102/53/10

National Archives 103/53/10

National Board of Antiquities 104/53/10

National Board of Education 105/53/10

Academy of Finland 106/53/10

Governing Body of Suomenlinna 107/53/10

Finnish National Gallery	108/53/10	VTT Technical Research Centre of Finland	135/53/10
Certia the Service Centre of Universities	109/53/10	Centre for Economic Development, Transport and the Environment for South Ostrobothnia	136/53/10
Ministry of Agriculture and Forestry's administrative branch		Centre for Economic Development, Transport and the Environment for South Savo	137/53/10
Ministry of Agriculture and Forestry	110/53/10	Centre for Economic Development, Transport and the Environment for Häme	138/53/10
Finnish Food Safety Authority	111/53/10	Centre for Economic Development, Transport and the Environment for Southeast Finland	139/53/10
Finnish Geodetic Institute	112/53/10	Centre for Economic Development, Transport and the Environment for Kainuu	140/53/10
MTT		Centre for Economic Development, Transport and the Environment for Central Finland	141/53/10
AgriFood Research Finland	113/53/10	Centre for Economic Development, Transport and the Environment for Lapland	142/53/10
Tike, Information Centre for the Ministry of Agriculture and Forestry	114/53/10	Centre for Economic Development, Transport and the Environment for Pirkanmaa	143/53/10
National Land Survey of Finland	115/53/10	Centre for Economic Development, Transport and the Environment for Ostrobothnia	144/53/10
Agency for Rural Affairs	116/53/10	Centre for Economic Development, Transport and the Environment for North Karelia	145/53/10
Finnish Forest Research Institute	117/53/10	Centre for Economic Development, Transport and the Environment for North Ostrobothnia	146/53/10
Finnish Game and Fisheries Research Institute	118/53/10	Centre for Economic Development, Transport and the Environment for North Savo	147/53/10
Ministry of Transport and Communications' administrative sector		Centre for Economic Development, Transport and the Environment for Satakunta	148/53/10
Ministry of Transport and Communications	119/53/10	Centre for Economic Development, Transport and the Environment for Uusimaa	149/53/10
Finnish Meteorological Institute	120/53/10	Centre for Economic Development, Transport and the Environment for Southwest Finland	150/53/10
Finnish Transport Agency	121/53/10		
Finnish Transport Safety Agency	122/53/10		
Finnish Communications Regulatory Authority	123/53/10		
Ministry of Employment and the Economy's administrative sector			
Ministry of Employment and the Economy	124/53/10		
Energy Market Authority	125/53/10		
Geological Survey of Finland	126/53/10		
Finnish Competition Authority	127/53/10		
National Consumer Research Centre	128/53/10		
Consumer Agency	129/53/10		
Finnish Tourist Board	130/53/10		
Centre for Metrology and Accreditation	131/53/10		
National Board of Patents and Registration of Finland	132/53/10		
Tekes – the Finnish Funding Agency for Technology and Innovation	133/53/10		
Safety Technology Authority (Tukes)	134/53/10		

Ministry of Social Affairs and Health's administrative sector

Ministry of Social Affairs and Health	151/53/10
Finnish Medicines Agency	152/53/10
National Supervisory Authority for Welfare and Health	153/53/10
Radiation and Nuclear Safety Authority	154/53/10
National Institute for Health and Welfare	155/53/10

216/2011 Evaluation of the economic impacts of legislative projects

217/2011 The implementation of national IT projects in social and health care

218/2011 Structural changes in the Defence Forces' catering service and medical service

219/2011 Central government liabilities – presentation and consideration in planning and monitoring documents

Ministry of the Environment's administrative sector

Ministry of the Environment	156/53/10
Housing Finance and Development Centre of Finland	157/53/10
Finnish Environment Institute	158/53/10

220/2011 The steering system in the administrative sector of the Ministry of the Environment

221/2011 Services for persons with disabilities in a changing municipal and service structure – state steering in arranging housing services for persons with intellectual disabilities

Final central government accounts 159/53/10

Funds outside the state budget

Fire Protection Fund	160/53/10
Oil Protection Fund	161/53/10

222/2011 Foresight analysis and the dimensioning and targeting of education and labour needs

Fiscal policy audit

Central government spending limits and fiscal policy reporting.
Continuous fiscal policy auditing 89/23/10

223/2011 The steering system in the administrative sector of the Ministry of Defence

Compliance audit

1/2011 Finnish Regional Councils as managers of EU funds

224/2011 Urban and metropolitan policy

2/2011 Funding for organisations and foundations to promote health and social welfare

225/2011 Government premises and group steering

226/2011 Cooperation between the police and the prosecution service

3/2011 Compliance with the joint procurement obligation (section 22 a of the State Budget Act)

227/2011 Support for energy and climate technology

Performance audit

215/2011 Government report on Finnish security and defence policy 2004: Garrison structure and the command and administration system

228/2011 Health insurance – particularly compensation for private medical and dental care

229/2011 Helping the long-term unemployed find jobs and preventing marginalisation

230/2011 Occupational safety and health enforcement

231/2011 The implementation of the government productivity programme and its impacts

232/2011 The implementation of the government productivity programme in the administrative sector of the Ministry of Justice and its impacts

233/2011 VR Group: State ownership steering and purchases of passenger services

234/2011 The steering system in the administrative sector of the Ministry of Employment and the Economy

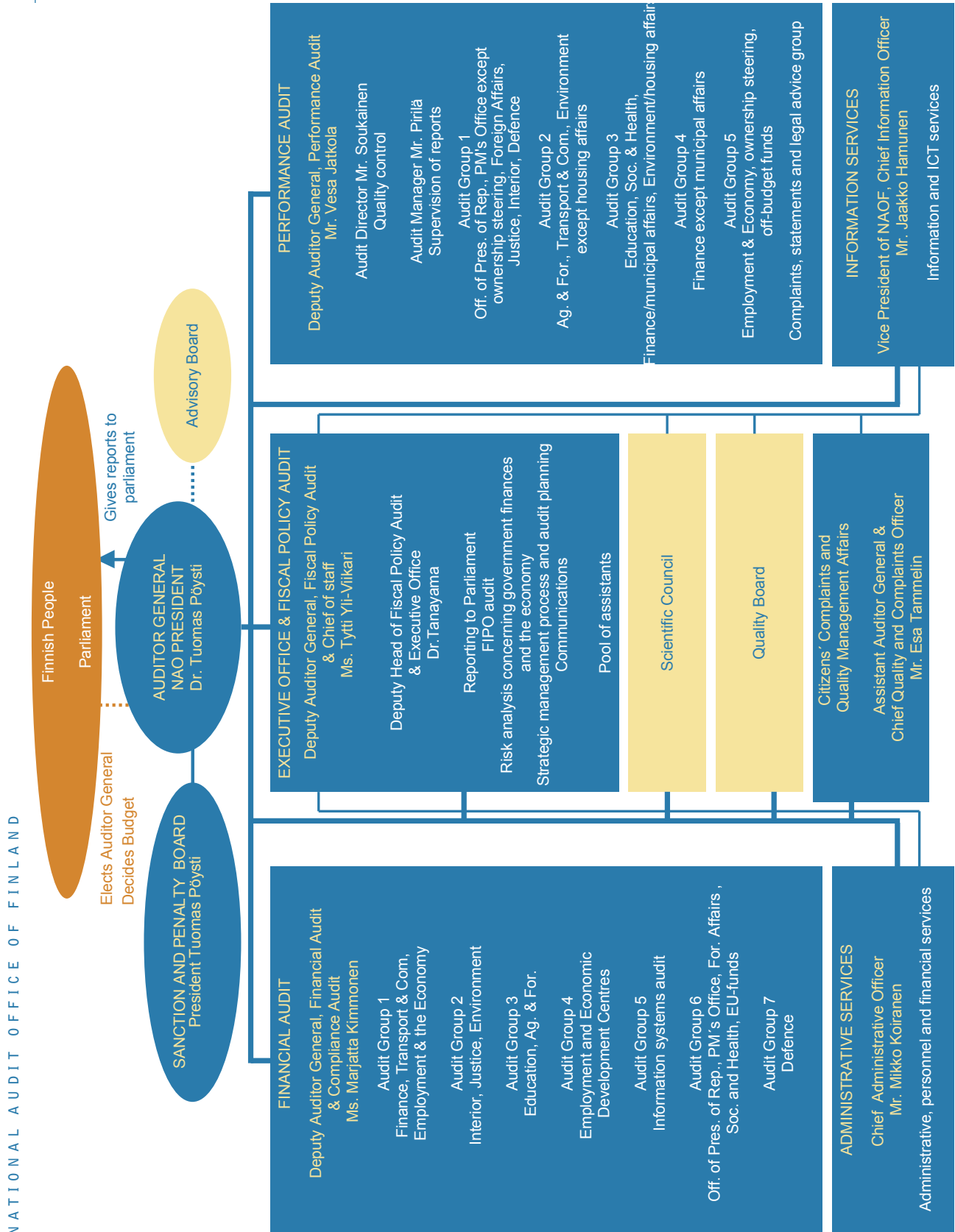
235/2011 Mitigating climate change – The preparation and implementation of the national climate and energy strategy

[Audits ending in letters](#)

Rehabilitation of front-line veterans

Support for special group housing

Appendix 3 • Organisation and division of tasks



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