

NIK audits

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Every year NIK inspectors find irregularities of which financial consequences may reach even a dozen or so billions zloty. Fortunately, defective mechanisms identified by the auditors are repaired and the law is improved to make sure the same mistakes – resulting from the irregularities- are not made again.

Each citizen who pays taxes wants to be sure that his or her money is spent appropriately. The key task of NIK is to safeguard public funds, making sure they are spent in a legal, economic and efficient way as well as properly settled. Not only does NIK identify irregularities, but it also recommends possible solutions to repair any defective mechanisms. NIK audits show in which areas the state operates well and which ones need to be improved. Some improvements are made yet in the course of audits, while others shortly after their completion. If the irregularities result from legal gaps or unclear law, NIK postulates changes in the law (the so called *de lege ferenda* proposals). When NIK auditors identify a criminal offence or negligence, they notify the Prosecutor's Office or other relevant law enforcement bodies.

Public money spending calls for NIK auditing



The Supreme Audit Office investigates all the areas of the state activity where public money or state assets are involved. NIK also checks whether public institutions do their job effectively, efficiently and economically. Every year, NIK audits a few thousand entities, and on this basis it develops a report presenting the overall picture of the state functioning. Pronouncements on audit results are submitted to the Sejm (lower chamber of the Polish Parliament) and to the institutions responsible for proper functioning of the audited entities.

State budget under the microscope

The most important audit conducted by NIK is the state budget execution audit. That obligation was imposed on NIK by the Polish Constitution and the Act on NIK. Every year NIK carries out audits in 400 entities within that kind of audit. This is a priority in NIK's annual work plan. Every year, at a plenary session of the Sejm, the NIK President presents results of the budget audit. They are set out in the document called Analysis of the execution of the state budget and monetary policy guidelines.

Annual planning



Kontrole wykonania budżetu państwa		
1	P/09/007	Wykonanie budżetu państwa w 2008 R. - Rada Ministrów
2	P/09/006	Wykonanie budżetu państwa w 2008 R. - Sprawiedliwość i cz. 15/02-15/12
3	P/09/011	Wykonanie budżetu państwa w 2008 R. - Wykonanie planu

Other audits being part of NIK's work plan are the outcome of its own proposals but also of suggestions made by the Speakers of the Sejm, the Senate, the President of the Republic of Poland and the President of the Council of Ministers as well as other public bodies. The subject matter of audits for the given year is established based on the priority audit directions set by the NIK Council (Polish: Kolegium NIK). The directions define key areas of the state functioning, to be reviewed in the given year. A priority in NIK's work in the given period may be, for instance, to improve the citizens' living conditions in the circumstances of current and long-term financial stability of the state, to improve effectiveness of the education system, to ensure reliable and commonly available medical care, to preserve national heritage, natural resources, spatial order. There are as many possibilities as there are improvement areas in our country. The audit subjects are selected in line with the adopted priority.

Ensuring top-quality audits

Every audit proceedings are conducted in line with NIK's auditing standards. That makes it possible to keep NIK's audit activity at the recognised international level. The application of standards has provided a homogeneous platform for planning and conducting audits as well as evaluating their results. NIK's auditing standards take into account auditing standards of audit institutions and long experience of the Supreme Audit Institution. The high quality of NIK's audits is confirmed by the results of international peer reviews conducted in NIK by SIGMA and the National Audit Office of Denmark.

The NIK audit results foster improvement of the state functioning. Defective mechanisms identified by NIK are improved systematically and the legal systems are regulated to make sure the same mistakes - resulting from the irregularities identified by NIK - are not made again.