



**ACCOUNTS
CHAMBER
OF THE RUSSIAN
FEDERATION**

THE RESULTS OF THE WORK
OF THE ACCOUNTS CHAMBER
OF THE RUSSIAN FEDERATION
IN 2013



2013

ACCOUNTS CHAMBER OF THE RUSSIAN FEDERATION

REPORT ON THE WORK OF THE ACCOUNTS CHAMBER OF THE RUSSIAN FEDERATION IN 2013

Moscow, 2014

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Legal framework for foundation and functioning of the Accounts Chamber of the Russian Federation (hereinafter referred to as the Accounts Chamber) are enshrined in Article 101 of the Constitution of the Russian Federation, which states that the Federation Council and the State Duma establish the Accounts Chamber to exercise control over the execution of the federal budget.

Consequently, the Accounts Chamber is a controlling body with a special constitutional status, which is accountable to the Russian Parliament and, through democratic mechanisms, to all taxpayers.

In 2013, a new version of the Federal Law “On the Accounts Chamber of the Russian Federation” came into force. The document assigns the Accounts Chamber the status of a permanent supreme body of state external audit (control) and significantly expands the list of tasks, functions and powers of the Accounts Chamber.

In November 2013, the Collegium of the Accounts Chamber approved the Strategy of Activities of the Accounts Chamber of the Russian Federation for the years 2013-2019 and the Principal (Priority) Directions of Activities of the Accounts Chamber of the Russian Federation for the years 2014-2016.

The report on the work of the Accounts Chamber in the year 2013 (hereinafter referred to as the Report) shall be submitted to the Federation Council and the State Duma of the Federal Assembly of the Russian Federation pursuant to Article 31 of the Federal Law “On the Accounts Chamber of the Russian Federation”.

The Report was considered and approved by the Collegium of the Accounts Chamber (minutes No. 11K (957) dated February 28, 2014).

The Report covers the activities of the Accounts Chamber on implementation of the objectives set forth by the legislation of the Russian Federation.

Objectives and functions of the Accounts Chamber

In its activities, the Accounts Chamber is governed by the Constitution of the Russian Federation, universally recognized principles and norms of international law, international treaties of the Russian Federation, the Federal Law “On the Accounts Chamber of the Russian Federation”, other federal laws, as well as international legal principles of independent audit (control).

In accordance with article 5 of the Law, the objectives of the Accounts Chamber are:

- to organize and exercise control over target and effective use of the federal budget

funds, budgets of extra-budgetary funds of the Russian Federation;

- to carry out the audit of feasibility and efficiency of achieving strategic goals of socio-economic development of the Russian Federation;

- to determine the efficiency of the procedure for formation, management and disposal of federal and other resources, within the competence of the Accounts Chamber, and their compliance with regulatory legal acts of the Russian Federation, including for the purposes of strategic planning of the socio-economic development of the Russian Federation;

- to analyze deficiencies and violations identified in the process of formation, management and disposal of federal and other resources, within the competence of the Accounts Chamber, to develop proposals on the elimination thereof, as well as on the improvement of the budgetary process in general, within the competence of the Accounts Chamber;

- to develop capacities and methods of performance audit (control) and compliance with regulatory legal acts of the Russian Federation of the procedure for formation, management and disposal of federal and other resources, within the competence of the Accounts Chamber, including the selection and assessment of key national indexes and indicators of the socio-economic development of the Russian Federation;



Representation of new management team of the Accounts Chamber

- to evaluate the efficiency of granting tax and other benefits and advantages, budgetary loans at the expense of the federal budget, as well as to assess the legality of

granting state guarantees and sureties or otherwise enforcing obligations on transactions made by legal entities and individual entrepreneurs at the expense of federal and other resources, within the competence of the Accounts Chamber;

- to determine the reliability of budgetary reporting of chief administrators of the funds of the federal budget and budgets of state extra-budgetary funds of the Russian Federation and the annual statement of the execution of the federal budget and budgets of state extra-budgetary funds of the Russian Federation;

- to exercise control over the legality and timeliness of the flow of federal budget funds and the budgets of federal extra-budgetary funds of the Russian Federation in the Central Bank of the Russian Federation, authorized banks and other credit institutions of the Russian Federation;

- to ensure anti-corruption measures within its competence.

In the frame of achieving its objectives in accordance with Article 13 of the Law, the Accounts Chamber exercises the following functions:

- exercise of external public audit in the sphere of budgetary legal relations;

- expert examination of draft federal laws on the federal budget and budgets of state extra-budgetary funds of the Russian Federation for the next financial year and the planning period, verification and analysis of justification of their figures and preparation and submission of opinions on draft federal laws on the federal budget and budgets of state extra-budgetary funds of the Russian Federation to the chambers of the Federal Assembly of the Russian Federation;

- expert examination of draft federal laws on amending federal laws on the federal budget and budgets of state extra-budgetary funds of the Russian Federation, preparation and submission of opinions on draft federal laws on amending federal laws on the federal budget and budgets of state extra-budgetary funds of the Russian Federation to the chambers of the Federal Assembly of the Russian Federation;

- external audit of the annual budgetary reporting of chief administrators of the funds of the federal budget, annual statements on the execution of the federal budget and the budget of a constituent entity of the Russian Federation within the competence established by the Budgetary Code of the Russian Federation, budgets of state extra-budgetary funds of the Russian Federation;

- verification of the budgets of constituent entities of the Russian Federation and local budgets - recipients of inter-budgetary transfers from the federal budget;

- operative analysis of execution and control over the organization of execution

of the federal budget in the current financial year;

- preparation of proposals to form the system of key national indexes (indicators) determining the level and quality of socio-economic development of the Russian Federation, as well as the selection of criteria and methods assessment thereof;

- assessment of the impact of internal and external conditions on the actual level of achieving the goals of socio-economic development of the Russian Federation;

- assessment of efficiency of formation, management and disposal of federal resources to ensure security and socio-economic development of the Russian Federation;



Meeting with V.V. Putin, the President of the Russian Federation

- inspections and thematic audits, which are carried out at the place of location of audited entities, regarding specific sections (sub-sections), target items and kinds of expenses of the federal budget and budgets of state extra-budgetary funds of the Russian Federation;

- expert examination of federal laws, other regulatory legal acts pertaining to expenditure commitments of the Russian Federation, as well as national programs of the Russian Federation;

- audit of financial settlement systems in order to assist the formation of effective national payment system;

- audit in the sphere of procurement of goods, works and services carried out by audited entities;

- preparation of quarterly operative reports on the progress of the federal budget execution in the current financial year, their presentation to the chambers of the Federal Assembly of the Russian Federation and sending of the executive summary regarding the progress of the federal budget execution for the reporting period to the Chairman of the Government of the Russian Federation;
- audit (control) of the status of the state internal and external debt of the Russian Federation, the debt of the foreign states and (or) foreign legal entities to the Russian Federation, as well as budgetary loans granted from the federal budget;
- expert examination of international treaties of the Russian Federation, strategic planning documents of the Russian Federation, including national programs of the Russian Federation, interstate target programs, which the Russian Federation is a party to, and other documents pertaining to the issues of formation, management and disposal of federal and other resources, as well as the issue of budgetary and financial policy and budgetary process improvement in the Russian Federation, within the competence of the Accounts Chamber;
- assistance in organization of the internal audit system, methodological and systematic support in development of internal audit standards, upon the request of a federal state body, management body of a state extra-budgetary fund of the Russian Federation;
- inspection and analysis of the efficiency of internal audit, carried out in the objects of the external state audit (control);
- systematic analysis of the findings of ongoing control and expert-analytical activities;
- interaction with supreme state audit (control) institutions of foreign states and international associations thereof on a bilateral and multi-lateral basis;
- interaction with state control, law enforcement and other bodies, entering into cooperation agreements therewith;
- interaction with control and accounting bodies of constituent entities of the Russian Federation and municipal entities, including in respect of the issues of external state audit (control), entering into cooperation agreements therewith;
- making proposals to the Federation Council and the State Duma regarding the improvement of legislation pertaining to the issues within the competence of the Accounts Chamber;
- regular submission of information on the findings of completed control and expert-

analytical activities to the chambers of the Federal Assembly of the Russian Federation;



Appointment of the auditors of the Accounts Chamber in the Federation Council

- ensuring the development and functioning of the information system to exchange information with other control and supervising bodies, other state bodies and audited entities;
- other functions in accordance with federal laws. An important role in the activities of the Accounts Chamber is given to such modern kinds of audit as financial audit, strategic audit, performance audit.

Basic areas of activities of the Accounts Chamber in 2013

According to Article 14 of the Federal Law “On the Accounts Chamber of the Russian Federation”, in the course of implementing its objectives the Accounts Chamber carries out control, expert-analytical, informational, and other types of activities.

The Accounts Chamber has continued complex monitoring of realization of nationwide, sectoral and regional concepts, strategies and programs of development taking into account the tasks set in the Message of the President of the Russian Federation to the Federal Assembly of the Russian Federation dated December 12, 2012. The most important area of activities in 2013 was carrying out a set of control and expert-analytical activities, the results of which allowed assessing the degree of achievement of strategic goals and implementation of priorities of the Russian Federation determined by the President of the Russian Federation and the Federal Assembly of the Russian Federation for federal executive authorities. The Accounts Chamber carried

out a set of activities to exercise control over implementing the decrees of the President of the Russian Federation of May 7, 2012 aimed at improving the quality of life and welfare of citizens, modernizing economy, supporting innovative and investment development, implementing the National Strategy for Combating Corruption.

One of the paramount objectives of the year 2013 was provision and further development of the unified system of preliminary, current and follow-up control over forming and executing the federal budget and the budgets of federal extra-budgetary funds of the Russian Federation.

Due to the transition to the program budget, the volume of state programs under control was significantly increased. The activity of the Accounts Chamber is focused on:

- control over the implementation and assessment of the efficiency of state programs aimed at providing sustainable growth, high-quality development and modernization of economy, as well as at the competitive recovery and enhancement of positions of the Russian Federation in the world economy;
- analysis of efficiency of tax, budget and customs legislations, identification of potential for increasing budget revenues, including through improving tax and customs administration, as well as budget management;
- analysis of investment projects implemented with the participation of the state, assessment of their efficiency, innovativeness and focus on modernization of economy;
- assessment of efficiency of reforms in the field of power industry, analysis of measures to save energy and increase the energy efficiency in various sectors of economy;
- identification and analysis of corruption risks, development of proposals on improving legislation to counteract corruption.

As for inter-budget relations, the Accounts Chamber concentrated its efforts on controlling the efficiency of organization of budgetary process in the constituent entities of the Russian Federation and quality of regional and municipal finance management, and making recommendations on consolidation of revenue basis of regional and municipal budgets.

The list of regional strategies of socio-economic development under control has been extended. In particular, activities to control and analyze the implementation of long-term strategies of socio-economic development of the Central Federal District, the Arkhangelsk Region and the Republic of Bashkortostan, as well as to analyze the dynamics of socio-economic development indicators of the regions of the North-Caucasian Federal District.

Among the most important activities, which the Accounts Chamber continued to carry

out in 2013, was monitoring of the preparation for and conduct of the XXVII Worldwide Summer Student Games 2013 in Kazan, the organization of, preparation for and conduct of the World Football Cup 2018 in the Russian Federation.

The Accounts Chamber analyzed the results of the implementation of the Concept of State Migration Policy up to 2025, the Concept of Demographic Policy of the Russian Federation up to 2025, the National Strategy of Actions in the Interests of Children for the years 2012-2017, the State Program of Agriculture Development and Regulation of Markets of Agricultural Products, Raw Materials and Food for the years 2013-2020, the State Programs of the Russian Federation: “Providing Quality Housing and Communal Services to the Population of Russia”, “Ensuring Public Order and Combating Crime”, “Protection of Population and Territories from Emergency Situations, Ensuring Fire Safety and the Safety of People on Water Bodies”, “Barrier-Free Environment” for the years 2011-2015, as well as performance of obligations and exercise of rights of the Russian Federation within the membership in the World Trade Organization.

The achievement of planned objectives is closely connected with the efficiency of the activity of the Accounts Chamber due to:

- the improvement of scientific-and-methodological, legal, information-and-technical support of control, auditing, and expert-analytical activities of the Accounts Chamber;
- the development of methodology aimed at the improvement of reliability and quality of internal financial control of executive authorities, the provision of close interaction of external control bodies with internal control and audit services;
- the support and further development of staffing, organizational, institutional, logistic and financial potential of the Accounts Chamber as a permanent state financial control body;
- the improvement of level and quality of interaction of the Accounts Chamber with supreme audit institutions of foreign countries, with control and accounting bodies of the constituent entities of the Russian Federation and municipal entities, other control bodies, as well as law enforcement agencies.

Main results of the work of the Accounts Chamber in 2013

In 2013, the Accounts Chamber conducted 470 control and expert-analytical activities, including 348 control and 122 expert-analytical activities, in particular: 253 control and 83 expert-analytical activities for 9 months of 2013, 95 control and 39 expert-analytical activities for Q4 of 2013.

1,056 audited entities in 78 constituent entities of the Russian Federation were involved in the activities conducted.

43 activities were conducted upon the instructions and appeals of the chambers of the Federal Assembly of the Russian Federation, including 21 activities upon requests of the members of the Federation Council, 22 activities upon requests of the deputies of the State Duma.

The information provided by citizens in their appeals was taken into account when carrying out control activities.

In accordance with the Federal Law "On the Accounts Chamber of the Russian Federation" and the Regulations on the Accounts Chamber of the Russian Federation, the results of all control and expert-analytical activities were considered at the meetings of the Collegium of the Accounts Chamber in the reporting period. Altogether, 55 meetings of the Collegium of the Accounts Chamber were held in 2013 (40 meetings during 9 months of 2013, 15 meetings in Q4 of 2013), which considered 898 questions (676 questions during 9 months of 2013, 222 questions in Q4 of 2013).

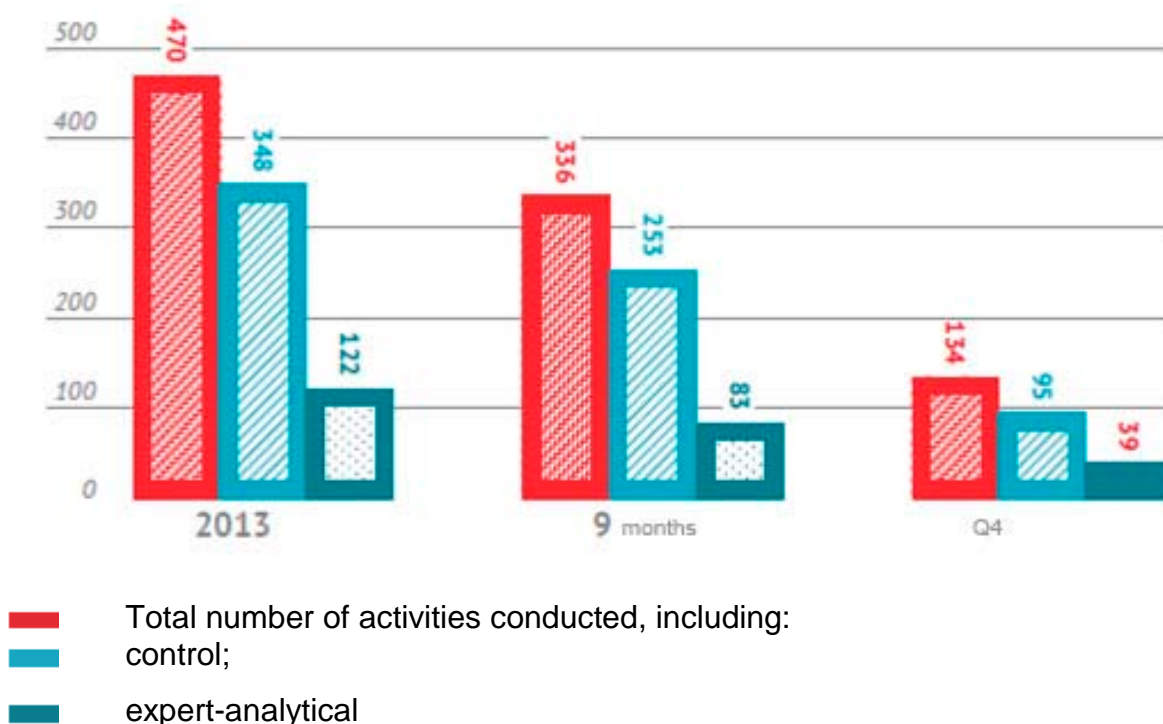
The Accounts Chamber informed the chambers of the Federal Assembly of the Russian Federation about the results of control and expert-analytical activities, communicated them to the heads of relevant governmental bodies, enterprises, institutions and organizations.

The opportunity to regularly inform the President of the Russian Federation about main results of its activities provides a positive effect on improving the efficiency of the work of the Accounts Chamber.

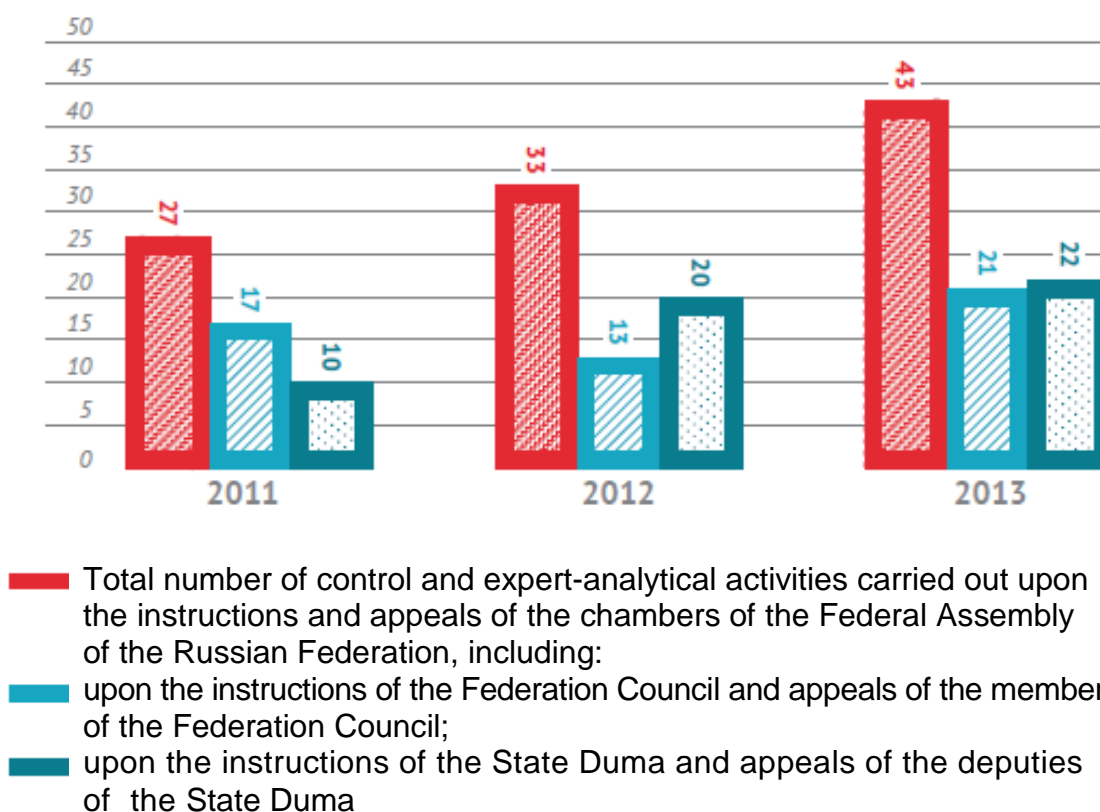
In the reporting period, the Accounts Chamber conducted 7 control and expert-analytical activities by order of the President of the Russian Federation (3 activities during 9 months of 2013, 4 activities in Q4 of 2013), including:

- monitoring of using measures of state support aimed at creation and functioning of special economic areas, including with the purpose of transfer of the Russian economy to the innovative way of development;
- audit of the use of funds allocated to implementing measures to eliminate the emergency situation resulted from the fire and subsequent explosions of ammunition in warehouses of the Ministry of Defense of the Russian Federation situated in the area of the village of Pugachevo of the Malaya Purga District of the Udmurt Republic;
- control of the legality, efficiency and target use of budgetary funds allocated in 2012 and 2013 to date for the creation of a unified system of managing troops (forces) and weapons at the tactical level;

THE NUMBER OF CONTROL AND EXPERT-ANALYTICAL ACTIVITIES CARRIED OUT IN 2013



DYNAMICS OF CONTROL AND EXPERT-ANALYTICAL ACTIVITIES CARRIED OUT UPON THE INSTRUCTIONS AND APPEALS OF THE CHAMBERS OF THE FEDERAL ASSEMBLY OF THE RUSSIAN FEDERATION IN 2011-2013



- control of the efficiency of the use of money allocated for the creation of a state automated system of assessing financial and technological risks resulting from the execution of the state defense order;
- control of the efficiency of the use of budgetary funds by the Federal State Unitary Enterprise “Administration of Civil Airports (Aerodromes)” when implementing measures of the federal target programs in the Far Eastern Federal District, including the assessment of quality and cost of design, construction and assembly works performed;
- control of the efficiency of the use of budgetary funds for design and construction of sports facilities built for the World Football Cup 2018;
- control of the legality of the Russian Federal Fishery Agency’s auctions in 2010-2012 to sell the right to conclude contracts on the allocation of shares of crab fishing (catch) quotas in order to conduct coastal fishing in the Primorye subzone.

Particularly important results of control and expert-analytical activities were reported to the head of the state at the working meetings of the President of the Russian Federation and the Chairman of the Accounts Chamber. Altogether, 31 issues were communicated to the President of the Russian Federation (26 issues during 9 months of 2013, 5 issues in Q4 of 2013), including:

- regarding the effective use of state-owned lands, including federally owned ones, in the territory of the Moscow Region;
- regarding the interim results of the control activity named “Audit of the Efficiency of Spending of Funds of the State Corporation – the Support Fund for the Reform of the Housing and Utilities Sector, as well as of Shared Financing Funds Allocated to the Capital Repair of Blocks of Flats and to the Relocation of Citizens from Unfit Housing Facilities in Constituent Entities of the Russian Federation”;
- regarding the monitoring of the activities of OJSC “Voentorg” on the execution of contracts entered into with the Ministry of Defense of Russia in 2011-2012, and other issues.

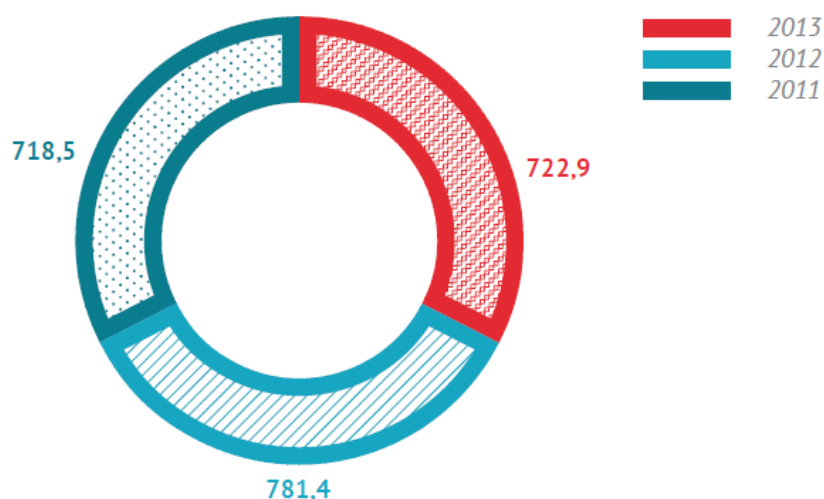
The total sum of violations and deficiencies identified in the receipt and expenditure of budgetary system funds, as well as in the disposal and management of the state property amounted to RUR 722.9 billion, including RUR 548.8 billion for 9 months of 2013 and RUR 174.1 billion in Q4 of 2013.

The violations of the budget legislation of the Russian Federation were identified to the amount of RUR 384.2 billion (RUR 316.7 billion for 9 months of 2013 and RUR 67.5 billion in Q4 of 2013), the identified violations of legislation on placing orders for supply of goods, works and services for state and municipal needs amounted to RUR 233.3 billion

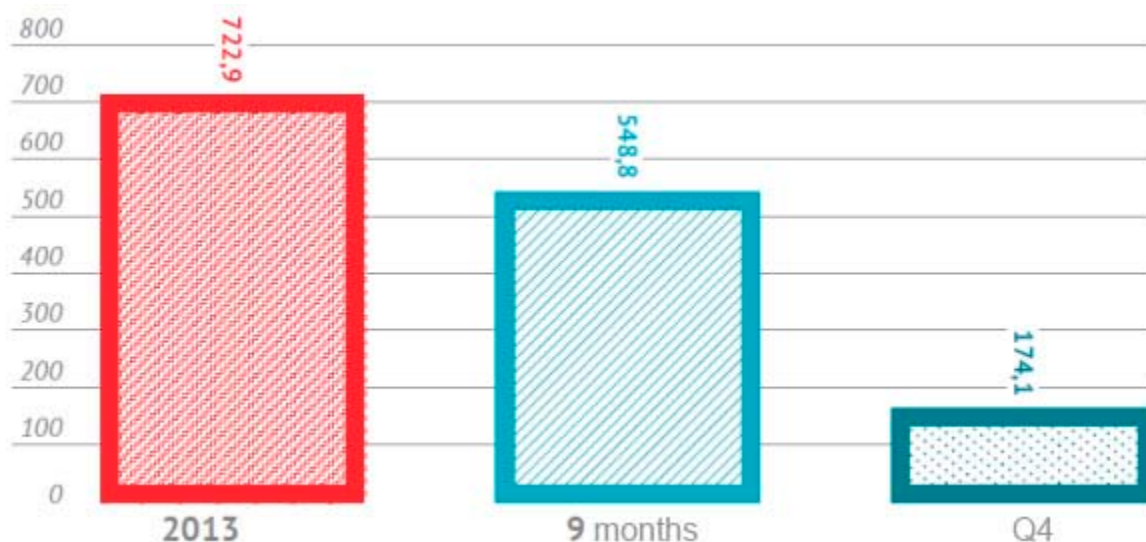
(RUR 132.9 billion for 9 months of 2013 and RUR 100.4 billion in Q4 of 2013).

The volume of non-target use of budgetary funds amounted to RUR 3,884.6 million (RUR 3,865.9 million for 9 months of 2013 and RUR 18.7 million in Q4 of 2013).

THE NUMBER OF VIOLATIONS IN THE FISCAL SPHERE IDENTIFIED IN 2011-2013, billion rubles



THE NUMBER OF VIOLATIONS OF LAW IN THE FISCAL SPHERE IDENTIFIED IN 2013, billion rubles



The main types of non-target use of budgetary funds in 2013 are divided into the following categories:

- improper use of funds allocated to ensure the activities of the staff of institutions – RUR 0.6 million;

- improper use of budgetary funds by recipients thereof in terms of lack of grounds set forth in regulatory legal acts – RUR 3.613 million;
- application of inappropriate budget classification – RUR18.3 million;
- payment for backlog – RUR 301 million.

It is necessary to note that the principal amount of the most significant category of non-target use of budgetary funds (improper use of funds by recipients of budgetary funds in terms of lack of grounds set forth in regulatory legal acts) is accounted for violations in the Federal Service for Public Registration, Cadastre and Mapping in the frame of spending public funds on the implementation of the sub-program “Creating the Cadastre System” of the Federal Target Program “Creating an Automated System for Maintenance of Land Cadastre and State Registration of Real Estate Units”. The total sum of identified violations amounted to RUR 2.465 million. Besides, it is necessary to note that the above-mentioned violations were identified as a result of both the audit of 2012 and the check of the use of budgetary funds in 2009-2011.

Being a publicly-acting state audit institution, the Accounts Chamber makes all its efforts to avoid violation of federal laws and other regulatory legal acts affecting the interests of government institutions and any other participants of the budgetary process, including civil institutions, broad layers of population.

Following the results of carried out control activities, 366 submissions and 1 instruction were sent to the Finance Ministry, key spending units of the federal budget funds and other participants of the budgetary process, including 275 submissions for 9 months of 2013, 91 submissions and 1 instruction in Q4 of 2013. 445 information letters were sent in the reporting period (375 letters for 9 months of 2013, 70 letters in Q4 of 2013). 31 information letters were sent to the President of the Russian Federation (26 letters for 9 months of 2013, 5 letters in Q4 of 2013), 79 information letters were sent to the Government of the Russian Federation (57 letters for 9 months of 2013, 22 letters in Q4 of 2013).

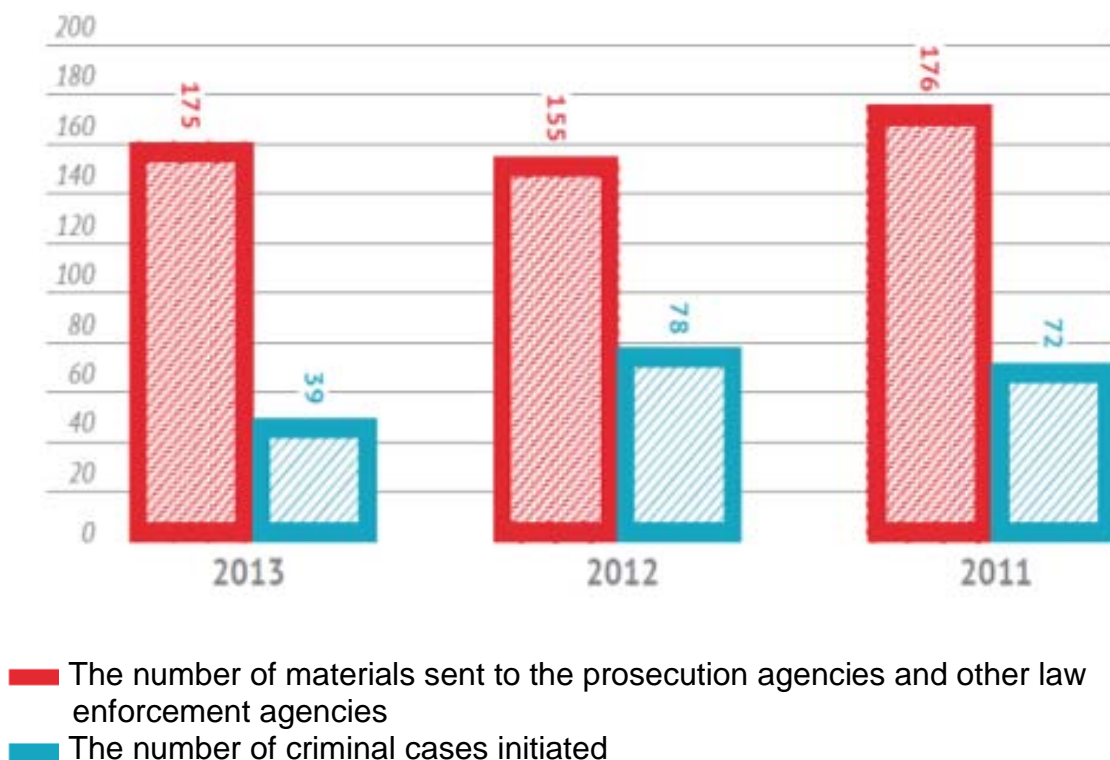
Informational and analytical materials about the implementation of submissions of the Accounts Chamber in 2013 were sent to the chambers of the Federal Assembly of the Russian Federation, the Commission of the Federation Council for Interaction with the Accounts Chamber of the Russian Federation, which regularly considers them, involving representatives of the Accounts Chamber and heads of executive authorities responsible for the implementation of the submissions. An important factor contributing to the positive dynamics of the implementation of the submissions of the Accounts

Chamber was the strengthening of interaction between the Accounts Chamber, the General Prosecutor's Office and other law enforcement agencies.

In 2013, 114 materials based on the findings of conducted control and expert-analytical activities were sent to prosecution agencies and other law enforcement agencies by the decisions of the Collegium of the Accounts Chamber. More than 60 materials were sent upon additional requests of law enforcement agencies.

39 criminal cases were initiated based on the materials of the Accounts Chamber (38 cases during 9 months of 2013, 1 case in Q4 of 2013).

RESPONSE OF LAW ENFORCEMENT AGENCIES



Administrative measures, such as warning, reprimand, loss of bonuses and dismissal were applied to the executive officials of audited organizations in the reporting period. The submissions made by the Accounts Chamber in the reporting period gave rise to 575 administrative enforcements; in particular, 75 people were dismissed.

The main indicators characterizing the work of the Accounts Chamber in 2013 are given in the table on page 17.

In accordance with the data given in the table, the violations of budget laws represent the largest amount of violations – RUR 384.2 billion (53 per cent of the total amount of violations). Besides, the main share of violations in the sphere of budget legislation is represented by non-compliance of the principle of effectiveness and efficiency of the use

of budget funds – RUR 173.3 billion (45 per cent), as well as the payment of money liabilities exceeding the limits of advances – RUR 30.9 billion (8 per cent).

The violations of legislation on placing orders for supply of goods, works and services for state and municipal needs, which amount to RUR 233.3 billion (32 per cent of the total amount of violations) are represented by the following main types of violations:

- non-compliance with requirements, in accordance with which the sums of government (municipal) contracts are to be within the limits of budgetary obligations – RUR 84.9 billion;
- non-compliance with the procedure of entering into a government or municipal contract for supplying goods, performing works or providing services for government or municipal needs – RUR 12.2 billion;
- non-compliance with requirements of the procedure for placing the order with a sole supplier – RUR 12.9 billion;
- non-compliance with the terms of a government contract (contract) for performing a government order – RUR 87.1 billion.

The implementation of proposals of the Accounts Chamber following the results of control and expert-analytical activities

In accordance with Article 26 of the Federal Law “On the Accounts Chamber of the Russian Federation”, the Accounts Chamber shall send submissions based on the findings of its control activities to bodies of the state power of the Russian Federation, heads of the audited entities, institutions and organizations for taking measures to correct the violations identified, reimburse the damage to the state and hold liable officials responsible for violations of the legislation of the Russian Federation and mismanagement.

In order to exercise its powers in identifying, preventing and eliminating the facts of illegal, inappropriate, inefficient use of state financial resources and state property, the Accounts Chamber sent 366 submissions and 1 instruction to key spending units of the federal budget funds and other participants of the budget process in 2013, including 275 submissions for 9 months of 2013, 91 submissions and 1 instruction in Q4 of 2013.

An instruction of the Accounts Chamber was sent to the Ministry of Defense of the Russian Federation due to fact that the latter had not performed, and had not complied with the time limit for consideration of the submission of the Accounts Chamber based on the findings of the control activity “Audit of Legality, Efficiency and Target Use of Government Funds Allocated to Maintenance, Social Security and Infrastructure of the Northern Fleet in 2011-2012 and 2013 to date”.

Indicator	2013	2012	2011
The number of control and expert-analytical activities carried out, of them:	470	502	501
for 9 months of 2013	336		
in Q4 of 2013	134		
The number of expert-analytical activities carried out, of them:	122	132	131
for 9 months of 2013	83		
in Q4 of 2013	39		
The number of control activities, of them:	348	370	370
for 9 months of 2013	253		
in Q4 of 2013	95		
Upon the instructions and appeals of the chambers of the Federal Assembly of the Russian Federation, of them:	43	33	27
for 9 months of 2013	30		
in Q4 of 2013	13		
Including:			
upon the instructions of the Federation Council and appeals of the members of the Federation Council, of them:	21	13	17
for 9 months of 2013	13		
in Q4 of 2013	8		
upon the instructions of the State Duma and appeals of the deputies of the State Duma, of them	22	20	10
for 9 months of 2013	17		
in Q4 of 2013	5		
The number of citizen's appeals received by the Accounts Chamber, including:	2279	1913	1991
for 9 months of 2013	1633		
in Q4 of 2013	646		
The number of joint control activities, including:	75	77	55
for 9 months of 2013	56		
in Q4 of 2013	19		
jointly with the General Prosecutor's Office of the Russian Federation, including:	6	7	13
for 9 months of 2013	4		
in Q4 of 2013	2		

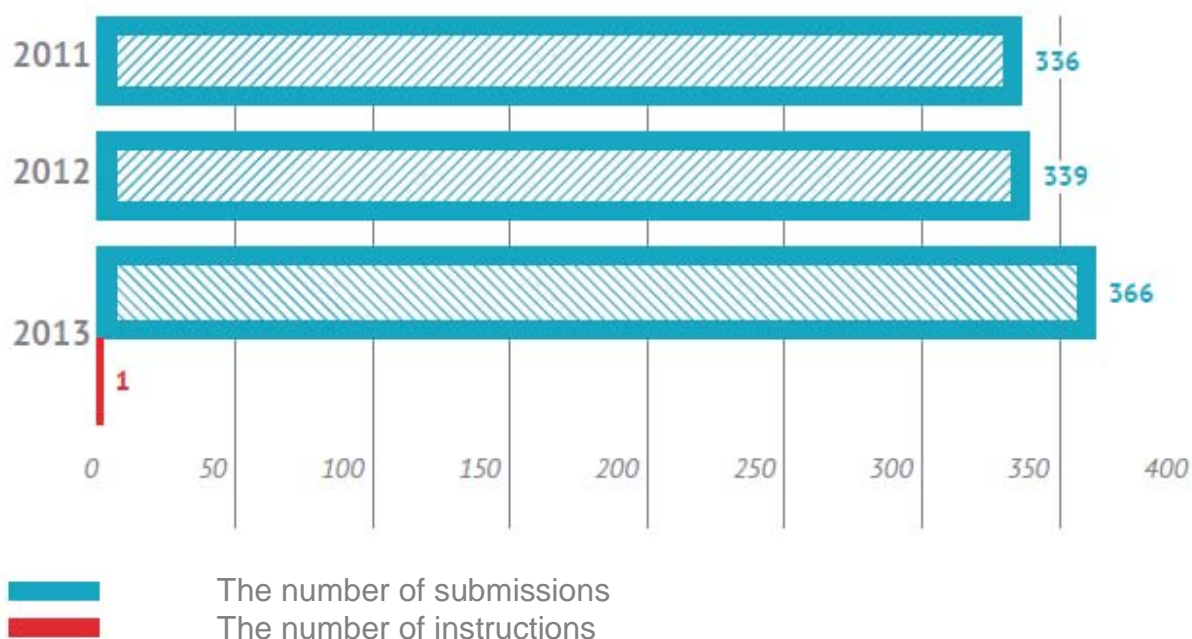
Indicator	2013	2012	2011
with the Ministry of Interior, including:	17	11	16
for 9 months of 2013	14		
in Q4 of 2013	3		
with the Federal Security Service of Russia, including:	16	29	26
for 9 months of 2013	11		
in Q4 of 2013	5		
jointly with the control and accounting bodies of the constituent entities of the Russian Federation, including:	23	16	15
for 9 months of 2013	16		
in Q4 of 2013	7		
jointly with Supreme Audit Institutions of foreign countries, including:	13	14	10
for 9 months of 2013	11		
in Q4 of 2013	2		
The number of contracts, agreements with control and accounting bodies of the constituent entities of the Russian Federation	83	83	83
The number of agreements and memorandums of cooperation with foreign Supreme Audit Institutions	67	64	63
The number of the meetings of the Collegium of the Accounts Chamber, including:	55	58	66
for 9 months of 2013	40		
in Q4 of 2013	15		
The number of issues considered at the meetings of the Collegium of the Accounts Chamber, including:	898	874	908
for 9 months of 2013	676		
in Q4 of 2013	222		
The number of materials sent to the chambers of the Federal Assembly of the Russian Federation, including:	1183	704	688
for 9 months of 2013	1001		
in Q4 of 2013	182		
The number of information letters sent to the Government of the Russian Federation based on the findings of control and expert-analytical activities, of them:	79	80	111

Indicator	2013	2012	2011
for 9 months of 2013	57		
in Q4 of 2013	22		
The number of information letters sent to the President of the Russian Federation based on the findings of control and expert-analytical activities, of them:	31	20	20
for 9 months of 2013	26		
in Q4 of 2013	5		
The total amount of violations and deficiencies identified in the course of the receipt and use of budget funds (billion rubles), of them:	722.9	781.4	718.5
for 9 months of 2013	548.8		
in Q4 of 2013	174.1		
Violations of the budget legislation (billion rubles), of them:	384.2	187.2	60.5
for 9 months of 2013	316.7		
in Q4 of 2013	67.5		
Violations of the legislation of the Russian Federation on taxes and duties (billion rubles), of them:	0.5	1.4	0.1
for 9 months of 2013	0.45		
in Q4 of 2013	0.05		
Violations of the legislation on accounting and financial reporting (billion rubles), of them:	41.7	16.6	65.3
for 9 months of 2013	41.45		
in Q4 of 2013	0.25		
Violations of the legislation on the placement of orders for state and municipal needs (billion rubles), of them:	233.3	130.7	238.5
for 9 months of 2013	132.9		
in Q4 of 2013	100.4		
Violations in disposition and management of state property (billion rubles), of them:	23.6	8.2	15.5
for 9 months of 2013	20.7		
in Q4 of 2013	2.9		
Untimely transfer of pension savings in trust management to managing companies and non-state pension funds (billion rubles), of them:	0	389.8	295.8

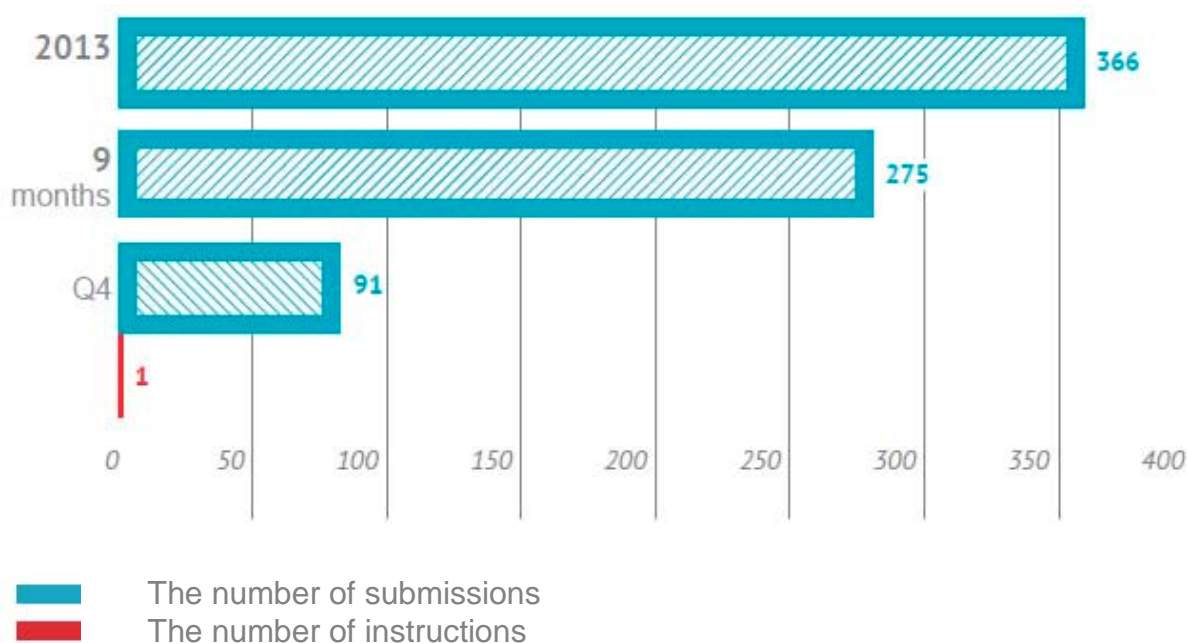
Indicator	2013	2012	2011
for 9 months of 2013	0		
in Q4 of 2013	0		
Other violations identified when using budget funds (billion rubles), of them:	35.7	46.3	41.6
for 9 months of 2013	32.8		
in Q4 of 2013	2.9		
Inappropriate use of budget funds (billion rubles), of them:	3.88	1.2	1.2
for 9 months of 2013	3.86		
in Q4 of 2013	0.02		
Actual costs of the maintenance of the Accounts Chamber (billion rubles), including:	2.5	2.3	2.1
for 9 months of 2013	1.7		
in Q4 of 2013	0.8		
The number of forwarded submissions and instructions, of them:	366 (1)	339	336
for 9 months of 2013	275		
in Q4 of 2013	91 (1)		
The number of materials sent to the prosecution agencies and other law enforcement agencies,	175	164	176
including by decisions of the Collegium of the Accounts Chamber	114		
The number of criminal cases initiated, including:	39	78	72
for 9 months of 2013	38		
in Q4 of 2013	1		
The number of submissions delivered by the General Prosecutor's Office of the Russian Federation according to the materials of the Accounts Chamber	113	369	129
The number of disciplinary and administrative measures applied according to the results of audits carried out by the Accounts Chamber (persons), of them:	575	716	765
admonition	47	53	197
warning	10	13	174
reprimand	49	48	94
dismissal	75	59	62
reduction in position	1	1	1

Indicator	2013	2012	2011
loss of bonuses	239	9	9
persons subjected to administrative proceedings	154	425	228
The number of employees of the Accounts Chamber, including:	1036	1161	1168
the number of employees of the administration of the Accounts Chamber (state civil servants)	1018	1104	1132
% of the total number, of them:	98,2	95,1	96.9
the number of specialists (inspectors) involved in activities	637	677	679
% of the total number	61.5	58.3	58.1
the number of supporting specialists	50	86	88
% of the total number	4.8	7.4	7.5
The educational structure of the staff of the Accounts Chamber (persons/%):			
higher professional education	1015/98	1138/98	1144/97.9
secondary professional education	1/0.1	13/1.1	14/1.2
Professional education of employees of the Accounts Chamber (persons/%):			
finance and economy	494/47.7	548/47.2	550/48.1
jurisprudence	234/22.6	264/22.7	249/21.8
management	116/11.2	120/10.3	117/10.2
Informational presence of the Accounts Chamber:			
the number of publications, subject matters and messages (thousand), of them:	91.6	62	40
for 9 months of 2013	60.0		
in Q4 of 2013	31.6		
the number of visits to the website (thousand), of them:	770	500	500
for 9 months of 2013	620		
in Q4 of 2013	150		
the number of TV and radio covers, of them:	3400	1368	1410
for 9 months of 2013	1430		
in Q4 of 2013	1970		

THE NUMBER OF FORWARDED SUBMISSIONS AND INSTRUCTIONS



THE NUMBER OF FORWARDED SUBMISSIONS AND INSTRUCTIONS IN 2013



Informational and analytical materials about the implementation of submissions of the Accounts Chamber are sent on a quarterly basis to the chambers of the Federal Assembly of the Russian Federation, which regularly consider them, involving representatives of the Accounts Chamber and heads of executive authorities responsible

for the implementation of the submissions, which is reflected positively on implementation of submissions, proposals and recommendations of the Accounts Chamber.

The proposals of the Accounts Chamber based on the findings of audits in the housing and utilities sector were used in governmental decisions and acts of law. The Government of the Russian Federation prepared the draft Federal Law “On Amending the Housing Code of the Russian Federation” aimed at limiting the growth of utility charges; it also took the decision to extend the activities of the Fund of Assistance to Reforming Housing and Utilities Sector until 2018, with the relevant increase in funding of regional programs.

In November 2013, amendments were introduced into the Federal Law “On Electric Power Industry” in terms of the definition and methodology of cross-subsidization, powers of the Government of the Russian Federation on approving the procedure of determining, distributing and accounting of the volumes of cross-subsidization between consumers (purchasers) on retail electric power markets.

Based on the results of consideration at the meeting of the Council of Federation of the opinion of the Accounts Chamber on the statement on the execution of budget of the Social Security Fund (hereinafter referred to as SSF) for 2011 in terms of payment of allowances for temporary disability made by the Saint Petersburg Regional Department of SSF to football players of the Closed Joint-Stock Company “Football Club Zenit” under compulsory social insurance against industrial accidents and occupational diseases, Federal Law No. 36-FZ dated April 5, 2013 amended Article 9 of the Federal Law “On Compulsory Social Insurance against Industrial Accidents and Occupational Diseases” and Article 1 of the Federal Law “On Compulsory Social Insurance in Case of Temporary Disability and in Connection with Maternity”.

Of the total number of submissions forwarded by the Accounts Chamber, 290 submissions were executed in full or in part, 1 instruction of the Accounts Chamber was executed in full; 3 submissions have not been executed for objective reasons, 2 of them are controlled by auditors, the control over 1 submission has been discontinued due to the fact that, according to the Financial Market Service of the Bank of Russia, licenses for insurance and re-insurance services have been withdrawn from CJSC “Regional Company for Modern Agricultural Insurance” (Order No. 13-1903/pz of the Federal Financial Market Service of Russia dated August 20, 2013).