



# Audit report for Sveriges Riksbank 2019

## Report on the annual report

### Opinion

Pursuant to section 5 of the Act on the Audit of Central Government Activities etc. (2002:1022), the Swedish National Audit Office has audited the annual report for Sveriges Riksbank for 2019, dated 13 February 2020.

In the opinion of the Swedish National Audit Office, the authority has, in all material respects:

- prepared the annual report in accordance with the Sveriges Riksbank Act (1988:1385) and in accordance with the rules for bookkeeping and annual accounts adopted by the Executive Board of the Riksbank.
- given a true and fair view of Sveriges Riksbank's economic result, funding and financial position as at 31 December 2019.
- provided an administration report and information in general that is consistent with and supports a true and fair view of the annual report as a whole.

The Swedish National Audit Office therefore recommends the Riksdag to adopt the balance sheet and the profit and loss account.

### Basis for opinion

The Swedish National Audit Office conducted its audit in accordance with the International Standards of Supreme Audit Institutions and the Swedish National Audit Office's instructions for the audit of the profit and loss account and other information in the annual report (RRI). Our responsibility under these standards is described in more detail in the section *Responsibility of the auditor*. We are independent from the authority in accordance with ISSAI 30 Code of Ethics and have fulfilled our commitments in accordance with these ethical regulations. We believe that the audit evidence we have received is sufficient and appropriate to provide a basis for the Swedish National Audit Office's opinion.

## Responsibility of the Executive Board for the annual report

The Executive Board is responsible for preparing an annual report that gives a true and fair view in accordance with the Sveriges Riksbank Act (1998:1385) and in accordance with the rules for bookkeeping and annual accounts adopted by the Executive Board. The Executive Board is also responsible for the internal controls they deem necessary to prepare an annual report that is free from material misstatement, whether due to fraud or error.

In preparing the annual report, the authority's management is responsible for its assessment of the authority's ability to continue operations. They shall disclose, when appropriate, circumstances that may affect the authority's ability to continue operations and to utilise the going concern assumption, unless there exists particular reason not to do so.

## Responsibility of the auditor

Our objective is to obtain reasonable assurance that the annual report as a whole does not contain material misstatement, whether due to fraud or error, and to present an auditor's report containing the statement of the Swedish National Audit Office. Reasonable assurance is a high degree of assurance but is no guarantee that an audit conducted in accordance with ISSAI and RRI will always discover material misstatement if such is present. Misstatement may arise due to fraud or error and is considered to be material if, together or separately, it can reasonably be expected to affect the economic decisions made by the user on the basis of the annual report.

As part of an audit in accordance with ISSAI, we use professional judgement and apply an approach of professional scepticism throughout the entire audit. Furthermore:

- we identify and assess risks of material misstatement in the annual report, whether these are due to fraud or error, design and perform our audit procedures on the basis of these risks, among others, and obtain audit evidence that is sufficient and appropriate to form a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than it is for a material misstatement due to error, as fraud may involve collusion, falsification, wilful omissions, false information or neglect of internal control.
- we obtain an understanding of that part of the authority's internal controls that is significant to our audit so as to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the authority's internal control.
- we evaluate the appropriateness of the accounting principles used and the reasonableness of estimates used by management in the annual report and related disclosures.
- we draw a conclusion on the appropriateness of management using the going concern assumption in the preparation of the annual report. We also draw a conclusion, with basis in the acquired audit evidence, as to whether there is any

material uncertainty related to such events or conditions that may lead to significant doubts about the authority's ability to continue operations. If we conclude that there is a substantial element of uncertainty, our auditor's report shall draw attention to the disclosures in the annual report concerning this material uncertainty and the assessment made or, if such information is insufficient, we shall modify our opinion on the annual report.

- We evaluate the overall presentation, structure and content of the annual report, including the disclosures, and whether the annual report reasonably represents the underlying transactions and events in a manner that provides fair presentation.

As part of an audit in accordance with RRI, we plan and perform the audit so as:

- for essential information of financial or non-financial nature given in the administration report, to obtain sufficient and appropriate audit evidence that such information has been prepared, together with the other parts of the annual report, with a view to providing an accurate picture of operations based on the rules.
- to implement necessary measures regarding other information to assure ourselves that this is consistent with the other parts of the annual report and free from material misstatement, based on our knowledge of the authority.

Our communication with management includes the planned scope and focus of the audit, and significant results of the audit, including any significant deficiencies in internal governance and control that we have identified.

## **Report on other requirements in accordance with laws and other statutes**

Administration of the General Council and the Executive Board

### *Opinion*

In addition to the annual report, the Swedish National Audit Office shall also express an opinion on the administration of the General Council and the Executive Board of Sveriges Riksbank for 2019.

On the basis of the audit procedures undertaken, the Swedish National Audit Office recommends to the Riksdag that the General Council of the Riksbank be discharged from liability for its activities and that the Executive Board be discharged from liability for its administration of the Riksbank in 2019.

### *Basis for opinion*

We have carried out our audit in accordance with ISSAI and RRI. Our responsibility under these is described in more detail in the section *Responsibility of the auditor*.

We believe that the audit evidence we have received is sufficient and appropriate to provide a basis for the Swedish National Audit Office's opinion.

### *Responsibility of the General Council and the Executive Board*

The General Council and the Executive Board are responsible for the administration under the Sveriges Riksbank Act (1988:1385).

### *Responsibility of the auditor*

The responsibility of the Swedish National Audit Office is to express an opinion with reasonable assurance based on its audit. The Swedish National Audit Office carried out this audit in accordance with ISSAI, with the application of relevant parts of RevR 209: audit of the administration of the board of directors and managing director.

As a basis for the Swedish National Audit Office's opinion concerning discharge from liability, the Swedish National Audit Office has examined significant decisions, actions taken and circumstances of the Riksbank to be able to determine the liability, if any, to the Riksbank of any member of the General Council or Executive Board. Our audit covered:

- the Rules of Procedure, instructions and any division of duties of the General Council and the Executive Board.
- the essential administrative measures undertaken by the Chair of the General Council and the Governor of the Riksbank.
- supervision of the organisation to ensure that bookkeeping, management of funds and economic conditions in general are subject to satisfactory internal control. Supervision also covers risk-taking, other risk exposures and protection against risk.
- measures to ensure the legal accounting and prudent management of funds, including the appropriate organisation, including responsibilities, systems and procedures for handling receipts and accounts, monitoring, supervision and control of accounting records and financial statements including adaptation to new conditions.
- management's ongoing assessment of the bank's financial situation.
- the work of the General Council and the Executive Board on minutes, decisions and decision-making material.
- individual management measures which, with regard to the scope and nature of the bank's activities are of an unusual nature and of major importance.
- other areas resulting from the bank's operations and the provisions of the Sveriges Riksbank Act (1988:1385).

## The Executive Board's assessment of internal control

### *Opinion*

In our audit of the annual report, we have found nothing to indicate that management's assessment of internal control has not complied with the Sveriges Riksbank Act (1988:1385).

### *Basis for opinion*

We have carried out our audit in accordance with ISSAI and RRI. Our responsibility under these is described in more detail in the section *Responsibility of the auditor*.

We believe that the evidence we have received is sufficient and appropriate to provide a basis for the Swedish National Audit Office's opinion.

### *Responsibility of the Executive Board for internal control*

In accordance with the requirements of the Sveriges Riksbank Act (1988:1385), the Executive Board has issued an opinion on the internal control of the authority.

### *Responsibility of the auditor*

Our responsibility is to express an opinion on the annual report based on our audit. We have carried out our audit in accordance with ISSAI and RRI. The planning and performance of the audit have considered the parts of the internal controls relevant to the authority's preparation and fair presentation of the annual report. Our responsibility does not include conducting an audit of the efficiency of the authority's internal control. Our statement regarding management's assessment of internal control is therefore based on the actions we have taken to examine the annual report and consequently does not have the same assurance as a statement based on an audit.

The auditor in charge, Charlotte Ehrengren, made the decision on this matter. The engagement leader, Marika Johansson, presented the audit report.

Charlotte Ehrengren

Marika Johansson

### *Copy for information:*

Executive Board of Sveriges Riksbank  
General Council of the Riksbank