



THE AUDIT OF AIR RESCUE

Summary for the Press

on the audit of the asset preservation and financial management activities of state-owned (partly state-owned) economic organisations – on the audit of the financial management of Magyar Légimentő Nonprofit Kft. (16168)

The State Audit Office of Hungary has completed its audit of the asset preservation and financial management activity of the Magyar Légimentő Nonprofit Kft. (Hungarian Air Rescue Nonprofit Ltd.) for the period of 2011–2014. The SAO found that the Országos Mentőszolgálat (National Ambulance Service) exercised its ownership rights all in all regularly, furthermore, it established the conditions of asset management regularly. The asset management activity of Magyar Légimentő NKft. was incompletely regulated, its inventory of assets complied with the statutory requirements. The practice in calculating the prime costs served to provide transparency regarding the fees of the services; however, the company did not have a policy for the calculation of prime costs.

The State Audit Office of Hungary audits state-owned economic organisations via so-called thematic audits, the audit of Magyar Légimentő Nonprofit Kft. (Légimentő NKft.) was conducted in the framework of this. The company has been operating in its current form since 1 July 2009, its legal predecessor was founded by the Országos Mentőszolgálat (OMSz) in 2005, in representation of the Hungarian state. Its duties are to carry out air rescue and patient transport as a public benefit task in the area of Hungary from seven bases (Budaörs, Balatonfüred, Debrecen, Miskolc, Pécs, Sármellék, Szentes). The number of employees in 2014 was 79.

In 2014, the support that the Légimentő NKft. received from the central budget for public duties was about HUF 2.5 billion, its assets were worth HUF 712.8 million. During the audited period, the pool of its assets increased, especially due to bank deposits, its pool of commitments decreased due to the trade payables, the amount of its equity decreased due to the lossmaking operation, which needed to be counterbalanced with a capital increase by the owners. In 2011–2013, the company was in the red, in 2014, its balance sheet profit was HUF 4.8 million, it did not execute transactions leading to debt.

The SAO found that OMSz determined the criteria necessary to preserve and increase the value of the state property, as well as for a responsible financial management. It adequately regulated the framework for exercising proprietary rights, which were exercised by the owner according to regulations. The preparation, substantiation and implementation of the decisions of OMSz and Légimentő NKft. that lead to a change in property was in compliance with the legislation and the internal requirements. The company performed its reporting and data provision obligations regularly, in the framework of which the Supervisory Board and the auditor both performed their tasks according to the regulations. With regard to its property management, Légimentő NKft. established and operated the information system according to the regulation.

The SAO audit revealed that Légimentő NKft. established insufficient conditions for regular asset management, as it did not prepare a policy for the calculation of prime costs, and it has had an investment policy and a system of accounts required by the law only as of 1 March 2012. The registration of property, with the exception of assets owned by third-parties, was regular. The company accounted for its revenues regularly; however, the accounting of costs, expenses—due to the shortcomings revealed in the accounting of material expenses—did not entirely comply with the provisions of the legislation and the internal policies. The company fulfilled its preservation and maintenance obligation.

The audit concluded that Légimentő NKft., ignoring the applicable statutory provisions, did not prepare a policy to comply with requests for information regarding data of public interest. The company did not fulfil its electronic disclosure obligation, as it disclosed the documents set forth in the legislation incompletely.

The State Audit Office of Hungary made five recommendations to the managing director of Magyar Légimentő Nonprofit Kft., for which an action plan must be prepared within 30 days.

Further information, Public Relations:

Bálint Horváth, Head of
Department, Senior Counsellor
State Audit Office of Hungary, Department of Communication and Institutional
Relations Phone: +36 1 484 9145 Mobile: +36 20 238 6939 E-mail: sajto@asz.hu

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