National Audit Office's opinion on the accuracy of the annual report and the legality of the transactions of the Supreme Court in the financial year 2006

Audit report No. OSI-2-1.4/07/19 of 16 May 2007

Opinion of the National Audit Office regarding the accuracy of the annual report and the legality of the transactions in the financial year 2006

The annual report is accurate in material respects
1. The Annual Report of the Supreme Court, according to which the cash register costs of the Office of the Chancellor of Justice amount to EEK 39,378,228, the gains before the settlements with the state budget to EEK -41,280,807, and the balance sheet total to EEK 21,423,217 as of 31 December 2006 accurately accounts the financial status of the institution, the cash register costs and the economic performance in the reporting period in material respects.

The transactions have been made mostly in compliance with laws
2. The economic transactions of the Supreme Court included in the sample were in conformity with the State Budget Act and the State Budget and Supplementary Budget of 2006 Act in material respects.

Following the proposals of last year's audit
3. In last year's Audit Report "National Audit Office's opinion on the accuracy of the annual report and the legality of the transactions of the Supreme Court in the financial year 2005" the National Audit Office made a recommendation regarding the accounting of securities. It has become evident that the Supreme Court has not implemented the recommendation of the National Audit Office.

4. The accountant of the Supreme Court collects and returns the securities in cash and submits a monthly report on the revenue and expenditure. The economic transactions relating to the receipt and repayment of securities are not accounted on the cash register account of the Supreme Court, but as receivables from the reporting person. The cash received as securities is kept separately from the cash register of the Supreme Court.

5. The National Audit Office remains true to its position and finds that these transactions must be accounted on the cash register account and the money must be kept in the cash register of the Supreme Court.

Reply of the Chief Justice of the Supreme Court: We agree with the note of the Supreme Court regarding accounting the economic transactions and keeping the amounts relating to the receipt and refund of the securities and we will make the required arrangements.

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