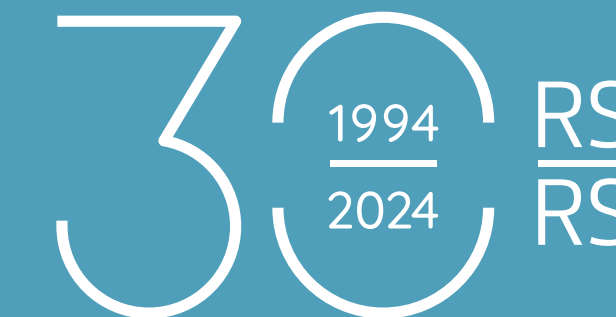




REPUBLIC OF SLOVENIA
COURT OF AUDIT



AUDIT REPORT

Regularity of a part of operations of the Municipality of Ajdovščina

Regularity audit

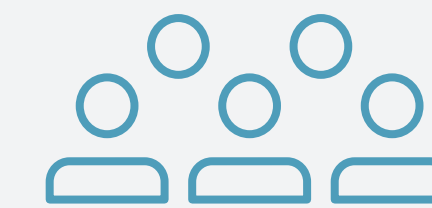
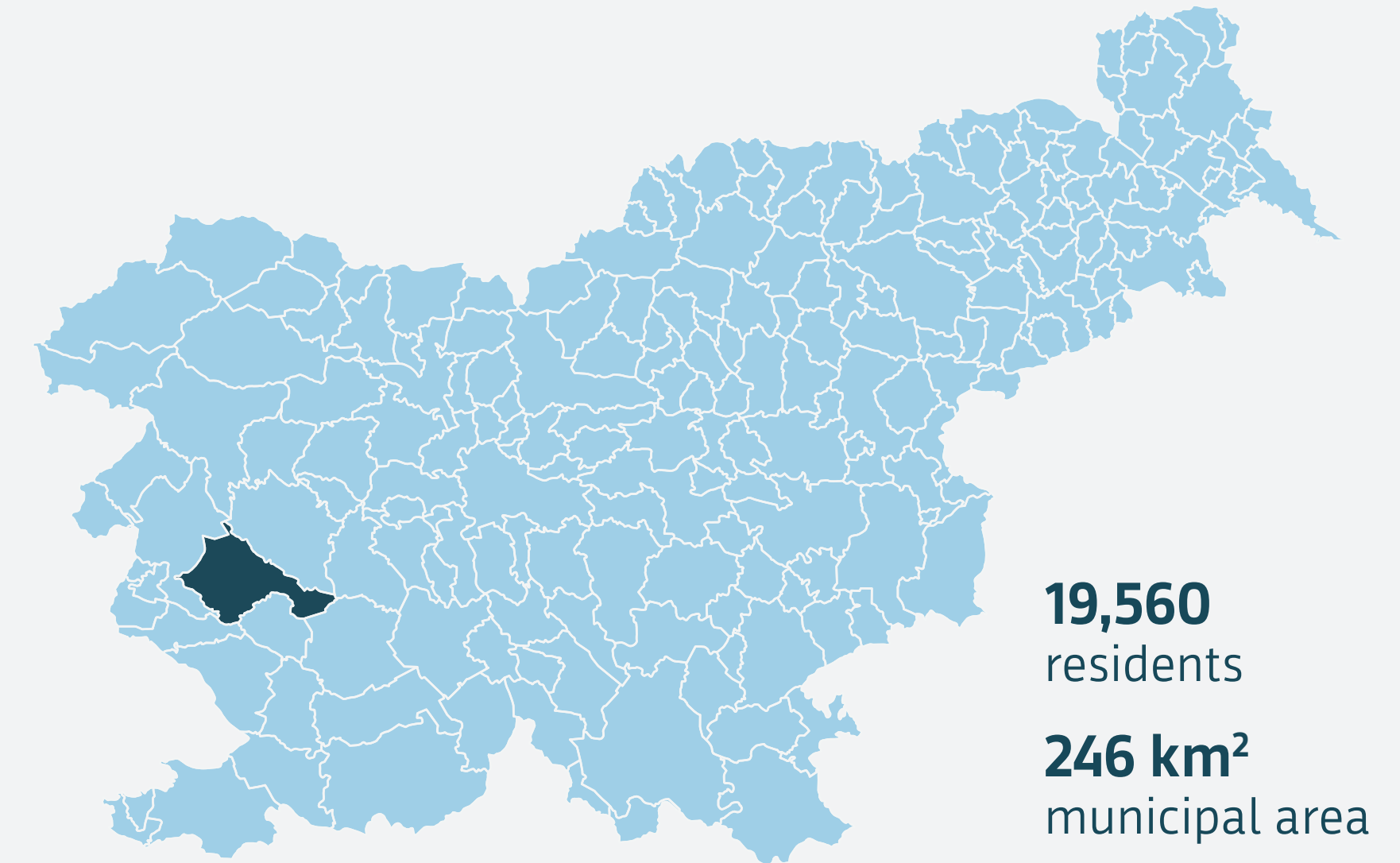
Audit period: 1 January to 31 December 2022

Municipality of Ajdovščina

BASIC DATA

REVENUE	€ 45,980,291	EXPENDITURE	€ 29,715,595	DEBT	€ 993,609
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COMPARISON WITH OTHER MUNICIPALITIES



Municipal bodies

- mayor • municipal council 26 members
- supervisory committee 5 members

OPINION OF THE COURT OF AUDIT



Qualified opinion



Appropriate measures implemented already during the audit



Proposed were 5 recommendations

Municipality of Ajdovščina: identified material irregularities

Municipal budget and annual financial statement preparation and implementation of municipal budget



- **failed to** monthly **plan budget liquidity**

Sale of immovable property and renting out premises



- irregularities **in the procedures of sale of immovable property, renting out premises and letting of premises for use** (sale of land failing to include the land into the disposal of immovable property plan, appraisal of the price for the lease of the assets was not made, direct contracts on lease and free-of-charge use were concluded although the conditions therefor were not met, an annex to a lease contract was concluded without carrying out a new procedure for renting out premises, user fee for occasional use of premises was not charged ...)

Public procurement spending – investment expenditure



- prior to amending the contract, **viability of increase in prices was not examined**
- in 3 cases **annexes were concluded after the completion of works**
- **inadequate financial collateral** obtained
- **deadline extension** for the implementation of works **not agreed in writing**
- in 2 cases **investment documentation was not prepared**

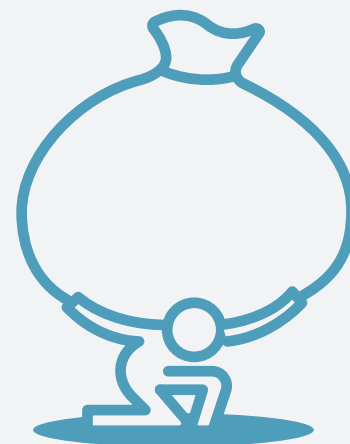
Municipality of Ajdovščina: identified material irregularities

Current transfers to non-profit bodies and organisations



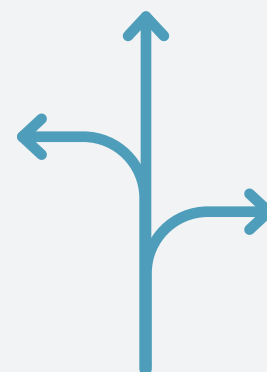
- **failed to define the manner of application** of certain measures and criteria in public calls
- allocating and paying funds **without public procurement invitation or public call**
- **failed to conclude contracts on funds allocation** with 46 recipients of funds

Indebtedness



- **not fully controlled borrowing by legal entities** of a public sector at municipal level
- **data** on debt level were **not received from all legal entities** of a public sector at municipal level

Other fields



- **failed to adopt a municipal ordinance laying down the manner of carrying out tasks** delegated to local communities, **and the measures and criteria** for financing the tasks and operations of local communities
- **public contract** for managing immovable property was **not awarded in line with the prescribed procedure**