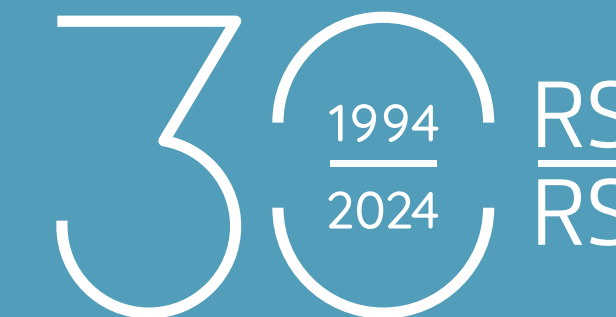




REPUBLIC OF SLOVENIA  
**COURT OF AUDIT**



# AUDIT REPORT

## **Regularity of a part of operations of the Municipality of Gorje**

**Regularity audit**

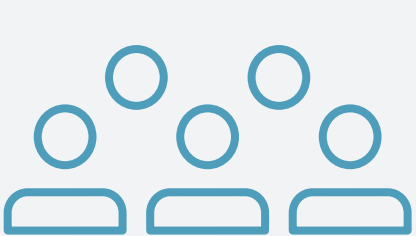
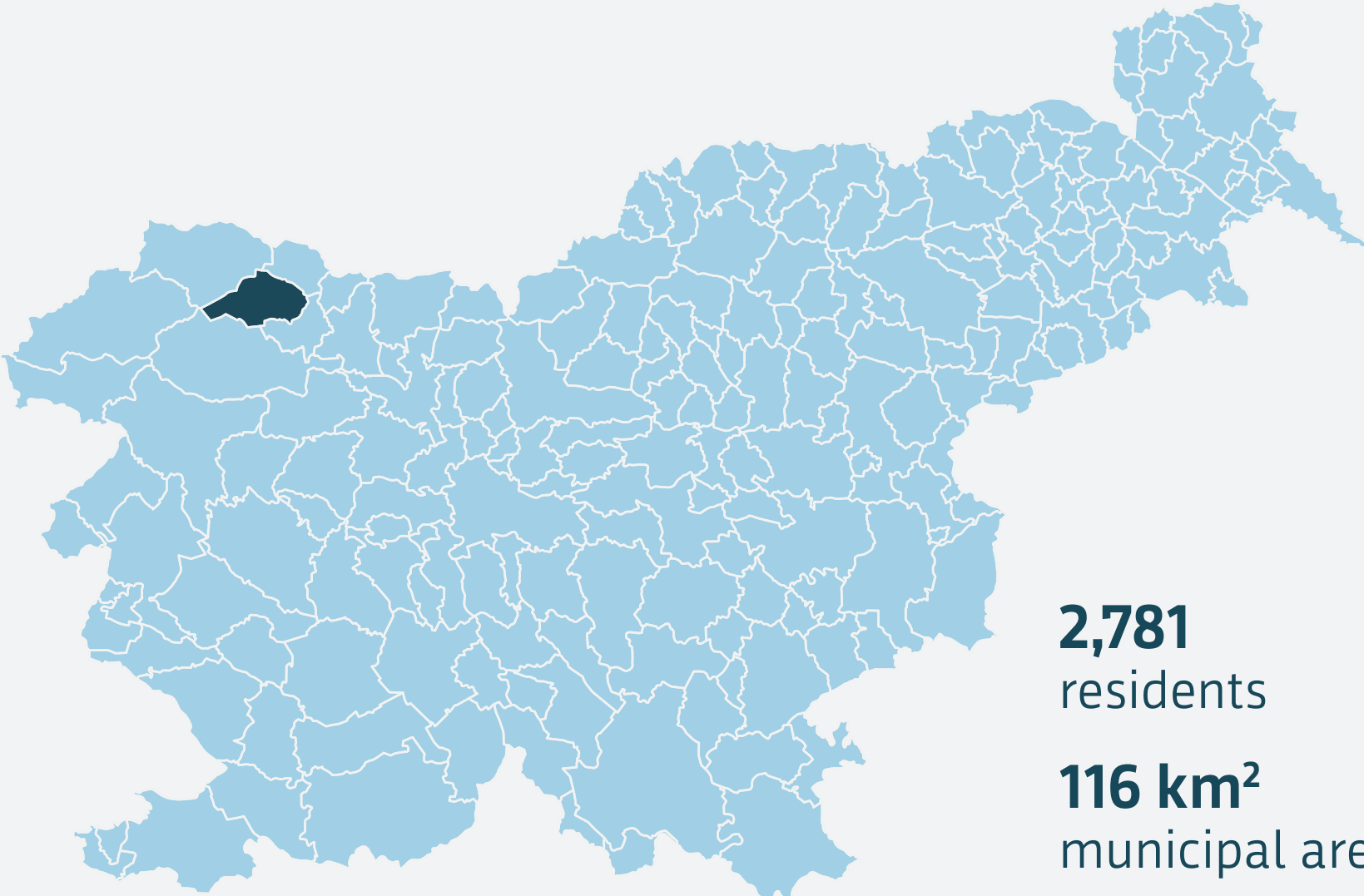
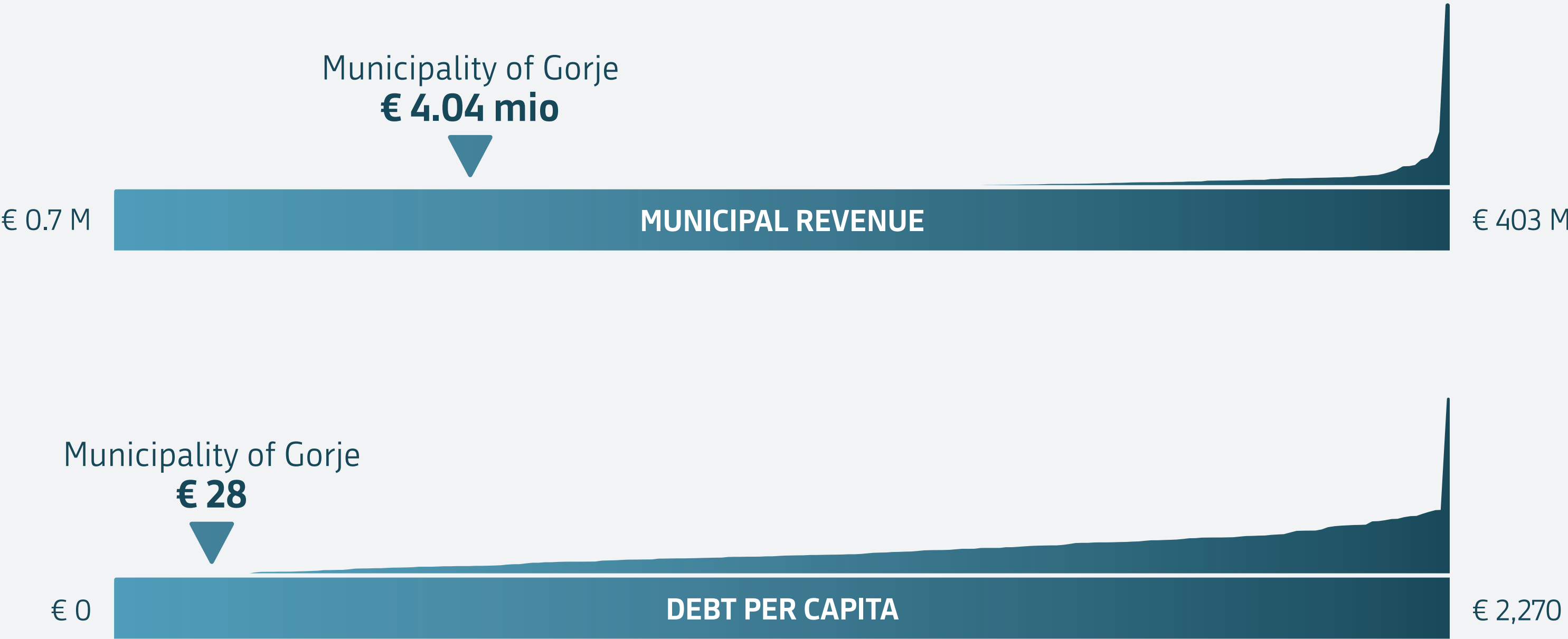
Audit period: 1 January to 31 December 2022

# Municipality of Gorje

## BASIC DATA

REVENUE	€ 4,048,049	EXPENDITURE	€ 5,099,232	DEBT	€ 78,724*
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## COMPARISON WITH OTHER MUNICIPALITIES



- Municipal bodies**
- mayor • council 11 members
  - supervisory committee 5 members

## OPINION OF THE COURT OF AUDIT

- Qualified opinion**
- Appropriate measures implemented already during the audit
- Proposed were 3 recommendations

# Municipality of Gorje: identified material irregularities

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



- municipal **budget** and biannual **report on budget implementation** are **incomplete**

Sale of immovable property and renting out premises



- **irregularities in the procedures of selling** immovable property, **renting out** premises and **letting of premises for use** (in 4 cases the notice of intent on concluding direct contract was not published, 4 users of premises were exempted from paying a user fee, contract with the users of premises was not concluded, etc.)
- **complete and timely collection of budget revenue receipts** within municipal competence and inclusion of those revenue receipts into the budget **not ensured**
- municipal immovable property disposal **plan not complete**

Public procurement spending – investment expenditure



- in 4 cases **investment documentation was not prepared**
- in 2 cases when paying budgetary commitments legally set **payment deadline was not respected**

# Municipality of Gorje: identified material irregularities

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## Current transfers



- **irregularities in the funds allocation procedure**  
(president of the commission for the selection of contractors was related with the recipient of funds in terms of interests, the commission failed to keep a record of opening or expert examination and assessment of applications, tender documentation did not include all necessary elements, decisions on allocation of funds were issued by the head of municipal administration without being authorised by the mayor)

## Indebtedness



- volunteer **fire brigade** was granted funds for the repayment of liabilities under financial **lease** contract, which in its substance has the same **effect as the indebtedness** of municipality
- **not fully controlled borrowing** by legal entities of a public sector at municipal level