

Dubravka Mahaček¹

Svjetlana Letinić²

Berislav Bolfek³

BASIC AS A SOURCE OF FINANCING PUBLIC NEEDS

Abstract:

Needs of the population in a particular area are financed from the budget. The volume of budgetary funds determines the ability of satisfying those needs. Budget fund sources of local units are prescribed by legal provisions. The attention is on their purposeful disbursement. Audit process confirms the credibility of financial statements. This paper presents county budget realization from 2008 to 2012 and the use of funds. Local units apply accounting system of budget accounting. Expenditures are recorded pursuant to prescribed method and according to expenditure type, which is shown in tables. The aim is to investigate the movement to achieve total revenue Požega-Slavonia County in relation to the achievement of all counties and show its capabilities in meeting the needs of the population. The assumption confirmed in this paper is that Požega-Slavonia County budget revenues in the observed period are decreasing, which affects

the possibilities of meeting county population's needs. Methods used in this paper are analysis method which monitors the trend of revenues and receipts of Požega-Slavonia County from 2008 to 2012, within the frame of achievement at the level of all counties. Observed county was compared according to achievements with all other counties and using synthesis method all data has been unified which led to the comparison of income trends between observed county and other counties. The volume of total revenues and the possibility of their realization affect the ability to meet public needs under county jurisdiction. It was found that Požega-Slavonia County budget does not significantly participate in realization of total revenues at the level of all counties, and when there is no possibility of significantly impacting the increase of budget revenues, more attention should be given to rational spending of available funds.

Keywords:

budget, audit, public needs, local units

Author's data:

¹ Dubravka, Mahaček, Ph.D., State Audit Office, Regional office Požega, Kamenita vrata 8, Požega, University of Josip Juraj Strossmayer in Osijek, Faculty of Medicine in Osijek, E-mail: dmahacek@vup.hr;

² Svjetlana, Letinić, MSc, Polytechnic in Požega, Vukovarska 17, Požega, E-mail: sletinic@vup.hr;

³ Berislav Bolfek, Ph.D., University of Zadar, Splitska 1, Zadar, E-mail: bbolfek@unizd.hr

Introduction

The subject matter of this paper is to present county budget and the use of realized funds on the example of Požega-Slavonia County. The organization of the Republic of Croatia is based on counties as local and regional self-government units and municipalities and towns as local self-government units. The aim of this paper is to, based on data obtained in the process of any financial audit, investigate and give conclusion on the movement of realized revenues and receipts at the level of Požega-Slavonia County and compare that data with the realization at the level of all counties and make conclusions regarding the significance of realized revenues of Požega-Slavonia County. The assumption is that the budget revenues of Požega-Slavonia County in the observed period are decreasing, which affects the possibility of meeting the needs of the population in the county. The importance of research mentioned issues is that the task of counties and municipalities and cities, improve the standard of life of its inhabitants, the current system of funding, or generate revenues necessary for the smooth conduct activities within their jurisdiction. In this research it was found that Požega-Slavonia County budget does not significantly participate in the realization of total revenues at the level of all counties. During the observed period no significant increase in income at the level of observed county has been detected, which means that it is not possible to increase the ability of meeting public needs that are financed from county budget. Therefore, attention should be given to the rational allocation of existing funds.

Organization of local units and sources of budgetary funds

The territory of the Republic of Croatia is divided into 576 local units, of which 20 units are regional self-government units (counties), 555 are local self-government units (127 towns and 428 municipalities) and the City of Zagreb as a separate and unique territorial and administrative unit which has a special status as both a county and a city. The provisions of Article 20 of Local and Regional Self-Government Act [11] prescribe that counties within their self-government scope perform the activities of regional significance, in particular activities related to education, health, physical and urban planning, economic development, transport and transport infrastructure, maintenance of public roads, planning and development of a network of educational, health, social and cultural institutions, issuing construction and location permits, adoption of other acts related to construction and implementation of spatial planning documents in county territory and other activities in accordance with special laws. From the above we can see that it is the responsibility of the county to meet the basic needs of the population. Sources of funds and funding activities from self-government domain of the county, municipality and the city are prescribed by the provisions of Financing of Local and Regional Self-Governments Act [2]. According to the provisions of Article 3 of the said Act, local and regional self-government unit achieves its revenues from its own sources, from shared taxes and financial help from state and county budgets.

County budget realization is presented in this paper on the example of Požega-Slavonia County budget. In the area of Požega-Slavonia County there are five cities and five municipalities with a total of 78,034 inhabitants according to 2011 census. Požega-Slavonia County adopts the budget at the beginning of each financial year, which is the same as the

calendar year. Furthermore, every city and every municipality in the county adopts its own budget. County budget is adopted by the county assembly, while city and municipality budgets are adopted by the city or municipal council. This practice allows meeting the needs that are of general public interest. At the end of each year budget realization is determined.

Financial statements which are drafted by counties, cities and municipalities are subject to audit by the National Audit Office which is regulated by legal provisions [1]. As a basis for research we used the data from the financial statements included in audit reports. The audit process is used for confirming the authenticity and credibility of financial statements, it analyses actual revenues and receipts, expenses and expenditures, and confirms compliance with relevant laws in force. An audit also includes an assessment of the efficiency and cost-effectiveness of activities and provides an assessment of the effectiveness of achieving business goals or objectives of individual financial transactions, programs and projects. From provisions listed above we observe that the basic tasks of the audit are aimed at financial activities, but also include activities used for the purposes of determining effectiveness, cost-effectiveness and efficiency.

Budget planning

County adopts the budget, the decision on budget execution and amendments to the budget. The budget is used for planning revenues and receipts and expenses and expenditures. In the case of deviation between generated revenues or expenditures in relation to the planned ones, amendments to the budget are performed during the year. The county has issued projections for the next

two years, i.e. 2014 and 2015, which plan revenues and receipts and expenses and expenditures. Development Programs Plan for 2013 is also adopted, which includes expenditures for investment and capital financial help planned according to programs and funding sources. The most significant funds are earmarked for the construction of irrigation systems, construction of primary schools and the construction and procurement of equipment for health institutions. In February 2011 County Development Strategy for the period 2011 to 2013 was adopted, which aims to increase the competitiveness of the county through better use of natural resources, support the introduction of modern technologies and business methods, provide the prerequisites for attracting investments, improve physical, economic and social infrastructure and foster competitiveness of industry and entrepreneurship in the county. Based on the decision by the County from December 2013 the validity of County Development Strategy was extended for one year, i.e. for the period from 2011 to 2014 in order to ensure Strategy's compliance with the Regional Development Strategy of the Republic of Croatia.

Accounting operations

Local and regional self-government units apply the accounting system of budget accounting as prescribed by the provisions of the Budget Act [4]. Accounting documents, books, bookkeeping organization, budget accounting plan content and other areas relating to budget accounting are prescribed by the Regulation on Budget Accounting and Budget Accounting Plan [6]. In accordance with budget accounting plan revenues are recorded within the frame of class 6 - operating revenues, class 7 - revenue from the sale of nonfinancial

assets and class 8 - receipts from financial assets and borrowing. Within each class are groups, subgroups and basic accounts within which certain types of income are recorded. Expenditures are recorded within the frame of class 3 - operating expenditures, class 4 - expenditures for the acquisition of nonfinancial assets, and class 5 - expenditures for the acquisition of financial assets and repayment of loans. In accordance with the prescribed method, recording was performed on the basis of expense and expenditure groups, and the results for the observed period are presented in Table 2 and Table 3.

Analysis of the revenues and expenditures

Below you can find an overview and analysis of realized budget revenues. Within the frame of total realized revenues and receipts of all counties and the City of Zagreb the achievement of municipalities and cities in their area is included. Data for the most recent year, the observed year in terms of this paper, relate to 2012 (realization of total budget revenues and receipts of all counties), i.e. for 2013 (realization of total budget expenses and expenditures of Požega-Slavonia County), which at the time of writing this paper (December 2014) were available online.

Table 1 gives an overview of realization of the total budget revenues and receipts of Požega-Slavonia County which consist of revenues and receipts of all cities and municipalities in the county, and an overview of revenues and receipts of County budget itself, and that data is observed in relation to the total realization of revenues and receipts of all counties. Total realization of revenue and receipts at the level of all counties also includes

the realization of all cities and municipalities in the area of counties, and also includes the City of Zagreb. As a source of data we used Working reports of the National Audit Office from the period from 2009 to 2013 [7-12]. With an aim of performing data analysis and comparison the period from 2008 to 2012 was covered, after which followed the calculation using percentages and indexes. Total revenue realization of all counties between 2008 and 2011 was in decline, while in 2012 compared to 2011 the realization was slightly higher. Realization of total revenues and receipts of Požega-Slavonia County budget, which consists of total revenues and receipts of all cities and municipalities in the county, has decreased by 7.97% in 2011 compared to 2010, while in 2012 it was 3.73% higher compared to 2011. Budget revenues and receipts of Požega-Slavonia County in 2012 were slightly higher than in 2008, while the realization in 2011 was lower by 4.37%, compared to 2010, while the realization in 2012 was lower by 10.21 % compared to 2011. Looking at the share of the budget of Požega-Slavonia County consisting of revenues and receipts of all cities and municipalities in the county in total realization of all counties, the share in 2008 was 0.97%, and in 2012 the share was 1.15%, i.e. the increase in share confirms greater significance of observed county in the realization at the level of all counties. The share of Požega-Slavonia County budget itself in the overall realization at the level of all counties varies from 0.31% in 2008 up to 0.41% in 2010, while in 2011 the share was 0.40%, and in 2012 the share was 0.36%.

in HRK without Ip

Revenues for years	a) Total for all units in the area of Požega-Slavonia County (County, cities and municipalities budget)		b) Požega-Slavonia County (County budget)		Total for all counties and the City of Zagreb	
	1	2	3	4	5	6
2008	251,271,697	0.97	79,097,582	0.31	25,884,516,959	100
2009	242,770,603	1.01	68,819,175	0.29	24,114,352,243	100
2010	264,575,373	1.16	92,646,280	0.41	22,714,703,611	100
2011	243,496,015	1.11	88,595,986	0.40	21,919,046,803	100
2012	252,568,298	1.15	79,547,850	0.36	21,992,281,162	100
Index 2011/ 2010	92.03	-	95.63	-	96.50	-
Index 2012/ 2011	103.73	-	89.79	-	100.33	-

Table 1. Total budget revenues and receipts

in HRK without Ip

No.	Expenses and Expenditures	Realized in 2009	Realized in 2010	Realized in 2011
1	2	3	4	5
1.	Expenses for employees	12,388,879	17,940,027	16,837,988
2.	Material costs	18,155,373	37,345,073	34,800,029
3.	Financial expenses	5,286,057	3,748,929	5,502,831
4.	Subsidies	2,776,627	1,570,421	968,893
5.	Financial help	2,953,540	2,823,281	2,544,077
6.	Compensations to citizens and households based on insurance and other fees	9,384,246	2,659,390	2,624,359
7.	Other expenses	7,867,331	3,199,877	3,366,377
8.	Expenses for the acquisition of nonfinancial assets	11,481,979	18,571,313	18,460,153
9.	Expenditures for the acquisition of financial assets and repayment of loans	3179639	4,620,097	2,595,166
Total		73,473,664	92,478,408	87,699,873
Surplus of revenues and receipts		-	167,872	896,113
Deficit of revenues and receipts		4,654,489	-	-

Table 2. Realized expenses and expenditures of Požega-Slavonia County from 2009 to 2011

No.	Expenses and Expenditures	Realized in 2012	Realized in 2013	Share in % for 2013	Index (4/3)
1	2	3	4	5	6
1.	Expenses for employees	16,039,425	14,243,585	15.56	88.8
2.	Material costs	33,037,693	34,695,749	37.91	105.0
3.	Financial expenses	2,294,534	3,237,262	3.54	141.1
4.	Subsidies	545,345	307,738	0.34	56.4
5.	Financial help	3,476,878	4,068,653	4.45	117.0
6.	Compensations to citizens and households based on insurance and other fees	6,264,024	11,597,710	12.67	185.1
7.	Other expenses	4,116,452	5,152,642	5.63	125.2
8.	Expenditures for the acquisition of nonfinancial assets	12,773,036	15,167,047	16.57	118.7
9.	Expenditures for the acquisition of financial assets and repayment of loans	1,414,337	3,050,808	3.33	215.7
Total		79,961,724	91,521,194	100	114.5
Surplus of revenues and receipts		-	-	-	-
Deficit of revenues and receipts		413,874	2,183,736	-	-

Table 3. Realized expenses and expenditures of Požega-Slavonia County for 2012 and 2013

Table 2 and Table 3 give an overview of realization of total budget expenditures and expenses of Požega-Slavonia County. As a source of data we used Financial audit reports for Požega-Slavonia County for 2009, 2010, 2011, 2012 and 2013 [5]. In order to perform data analysis and comparison, we covered the period from 2009 to 2013, after which the calculation using relative numbers, percentages and indexes was performed. The share of expenses and expenditures in the total realization is calculated for 2013, while the index is used for observing realization in 2013 compared to 2012. Total realization of budget expenses and expenditures in Požega-Slavonia County in the observed period tends to increase. Total expenses and expenditure in 2013 amounted to HRK 91,521,194.00 and compared to 2009

it represents an increase of HRK 18,047,530.00 or 24.56%. In 2013 compared to 2012 expenses and expenditures increased by 14.5%. The increase in expenses and expenditures was significantly influenced by the increase of expenditures for the acquisition of financial assets and repayment of loans which in 2013 increased by 115.7% compared to 2012. Compensations to citizens and households based on insurance and other fees in 2013 were increased by HRK 5,333,686.00 or 85.1% compared to 2012.

In the structure of expenses and expenditures for 2013, according to value, the most important expenses and expenditures were for material costs in the amount of HRK 34,695,749.00 or 37.91%, acquisition of nonfinancial assets in the

amount of HRK 15,167,047.00 or 16.57%, expenses for employees in the amount of HRK 14,243,585.00 or 15.56% and compensations to citizens and households based on insurance and other fees in the amount of HRK 11,597,710.00 or 12.6% of total expenses and expenditures. Other expenses and expenditures relate to financial expenses, subsidies, financial help, other expenses and expenditures for the acquisition of financial assets and repayment of loans amounting to HRK 15,817,103.00 which amounts to 17.28% of total expenses and expenditures.

From Table 2 we see that in 2013 expenses for employees were lower than in 2012 by 11.2%, and compared to 2009 they were 14.97% higher. They refer to expenditures of the County amounting to HRK 6,470,195.00 and to budgetary beneficiaries and decentralized functions amounting to HRK 7,773,390.00. Material costs amounted to HRK 34,695,749.00 and compared to 2012 they increased by 5.0%, and by 91.1% compared to 2009. They refer to expenditures for services, materials and energy, other unlisted operating expenses, compensation for employees and expenditures related to compensation for the unemployed. Total realized material costs refer to expenditures for users that are financed from the decentralized funds and for budgetary beneficiaries in the amount of HRK 25,930,100.00 and County expenditures amounting to HRK 8,765,649.00. Within the frame of total realized other unlisted operating expenditures in the County HRK 5,504,160.00 refers to compensations to members of electoral boards, committees and administrative referendum staff, the European elections and local elections, compensations to Assembly members, compensations to representatives of the executive authority and deputy County prefect, compensations to

representatives of national minorities councils, compensations to council members of various institutions and other committees and other miscellaneous operating expenditures. Compensations are determined on the basis of the decision by the County Assembly. Financial expenses refer to interest payments for loans, banking and payment services, default interests and other financial expenses. In comparison to 2012 those expenses increased by 41.1%, and compared to 2009 they decreased by 38.76%. Financial help was realized in the amount of HRK 4,068,653.00 and in relation to 2012 it increased by 17.0%, and by 37.8% compared to 2009. They refer to capital financial help to cities and municipalities (75.0% of received financial help came from the state budget in 2013) amounting to HRK 3,936,098.00 and ongoing financial help amounting to HRK 132,555.00 (transfer of funds to the State Hydro Meteorological Institute amounting to HRK 50,000.00 and pre-school education co-financing amounting to HRK 82,555.00). Compensations to citizens and households based on insurance and other fees were realized in the amount of HRK 11,597,710.00 and compared to 2012 such compensations were higher by 85.1%, and compared to 2009 they were higher by 23.6%. They refer to the co-financing of student transportation which amounts to HRK 9,174,435.00, financial help to families and households amounting to HRK 1,949,875.00 and scholarships and tuition amounting to HRK 473,400.00. Other expenditures amounting to HRK 5,152,642.00 refer to current donations on the basis of public needs to religious communities, associations, political parties on the basis of the provisions of the Financing Political Activities and Election Campaigns Act, sports associations, fire department, Red Cross, Tourist Board, Regional Development Agency and other beneficiaries in the

amount of HRK 4,361,308.00, capital financial help to Tourist Board amount to HRK 170,000.00, compensations of damages to natural persons on the basis of court rulings amount to HRK 601,304.00, HRK 12,530.00 to legal persons and compensations for damages caused by a natural disaster amount to HRK 7,500.00. The funds were allocated to users on the basis of public demands for 2013, payment orders, and within the frame of amounts earmarked by the budget. Before the start of the financial year, users submitted requests for funds and programs on the basis of public invitation with listed funds' utilization. After the end of the business year the users are required to submit reports on funds' utilization.

Of the total realized expenditures for the acquisition of nonfinancial assets in the amount of HRK 15,167,047.00, the most significant are expenditures realized for the acquisition of buildings amounting to HRK 6,674,434.00, the acquisition of plant facilities and equipment amounting to HRK 5,075,082.00, drafting of project documentation amounting to HRK 1,139,750.00, additional investments in health institution facilities and schools amounting to HRK 1,137,886.00 and the acquisition of transport vehicles amounting to HRK 379,750.00. Of the total realized expenditures for the acquisition of nonfinancial assets, the expenditures for decentralized functions amount to HRK 10,375,222.00 or 68.4%, and the expenditures of the County amount to HRK 4,791,825.00 or 31.6%. The most significant investments of the County were realized for the construction of irrigation systems in the amount of HRK 3,234,474.00. On the basis of co-financing agreements and construction agreements between the County, the contractor and the Company for Management of State-Owned Waters, funds are allocated to the contractor. Expenditures for the

acquisition of financial assets and loan repayment in 2013 make up 3.33% of realized expenses and expenditures. Compared to 2012, they have increased by 115.7%, and decreased by 4.05% compared to 2009. For the most part they refer to the repayment of loan principals granted by commercial banks in previous years and deposit interests. Table 3 shows that a deficit of revenues and receipts compared to expenses and expenditures for 2014 amounts to HRK 2,183,736.00.

Most of realized revenue has set use. Earmarked County budget's revenues and receipts are revenues for decentralized functions, financial help, lease and sale of agricultural land owned by the state, hunting concessions, the performance of public health protection and exploitation of mineral resources, hunting leases, fees for retention of illegally constructed buildings in the area, capital financial help and receipts from the repayment of funds for agricultural crediting. In the case of Požega-Slavonia County, in 2013 realized revenues amounted to HRK 69,161,837.00 and their share in total realized revenues and receipts was 77.4%. The realization of the budget in accordance with the established purposes is specified in the provisions of Article 47 of the Budget Act [4] which prescribe that the bodies of local and regional self-government units are responsible for the full and timely collection of revenue and receipts, their payment into the budget and for the execution of all expenses and expenditures in accordance with their purposes. The provisions of Articles 124 and 125 of the said Act prescribe that conduct contrary to the prescribed provisions is subject to criminal prosecution, according to which legal person, as well as the person responsible for the budget, is punished. Therefore, the audit determines the total earmarked revenues realized by the budget and

determines whether there are expenditures for which earmarked revenues were collected. The share of realized earmarked revenues in total revenues is significant, in 2013 the share was 77.4%. From this it follows that the remaining realized revenues of the budget can be spent for other purposes. In doing so it is mandatory to respect all other provisions regarding budget execution.

Material costs are most significant budget expenditure. With their realization it is important to note that of their total realization in 2013 as much as 25.26% refers to material costs of the County budget, while the remaining material costs relate to expenditures of users who are financed from the decentralized funds and to budgetary beneficiaries. For the realization of material costs it is important to ensure compliance with legal provisions relating to

the implementation of the procurement of goods, works and services because that way it is possible to achieve greater value for money. Figure 1 shows County budget expenses and expenditures for the period from 2009 to 2013.

Expenditures for the acquisition of nonfinancial assets are in second place in the realization of total expenditures. Within these expenditures investments in the acquisition of fixed assets, i.e. buildings, plants and equipment, additional investments in existing property of health care institutions, schools and other investments are realized. It would be better if realized investments according to their share in total budgetary funds are more significant in their absolute value and in their share.

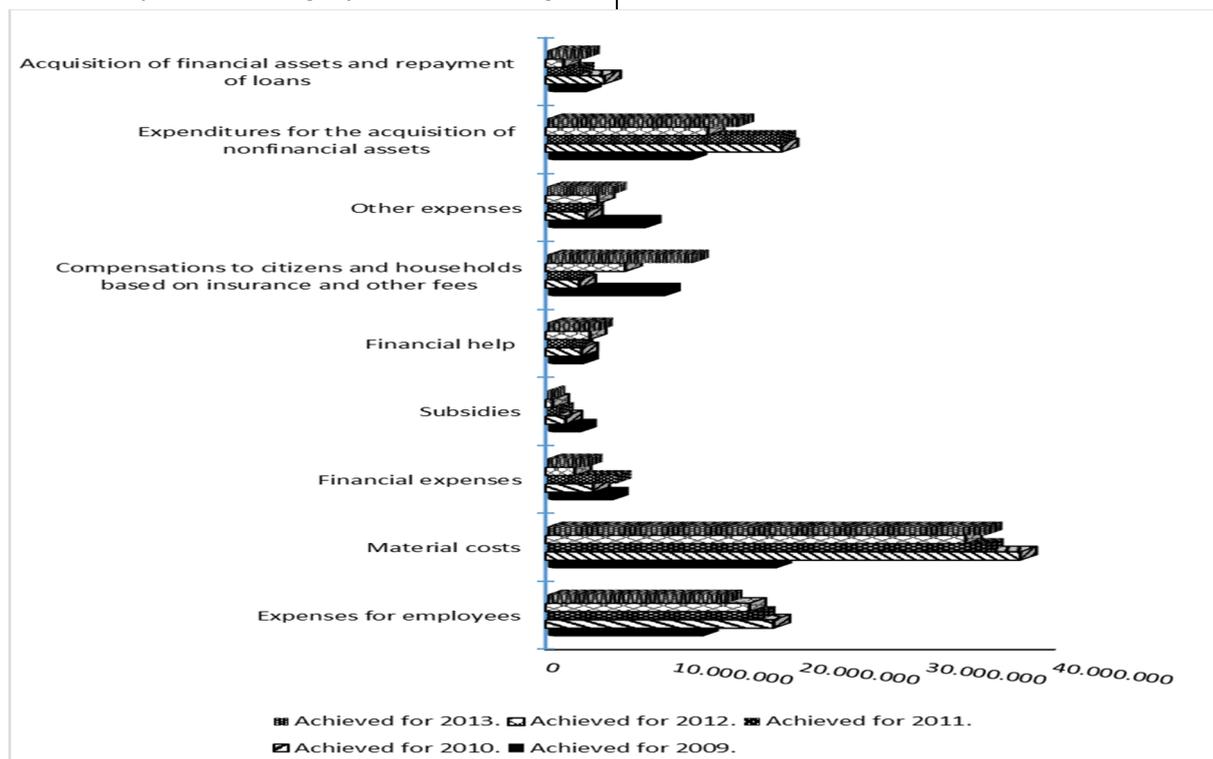


Figure 1. Expenditures and expenses of Požega-Slavonia County from 2009 to 2013

Within the budget expenditures significant are expenses for employees. We have observed their tendency of growth compared to 2009. Regarding their achievement it is important to note that there

are no legal restrictions on the payment of salaries that should be respected, and salaries above all depend on the size of local government unit and budgetary capacities of that unit. From Financial

audit reports for Požega-Slavonia County [5] during the audit it was determined that the order which was not respected refers to the amount of paid funds for salaries which is greater than allowed. That means that in 2014 it is necessary to take certain actions in order to ensure compliance with provisions regarding salary payment to employees.

Operating result is the difference between realized revenues and expenditures during one budget year, which is the same as calendar year. Požega-Slavonia County has generated a deficit of income in 2009, 2012 and 2013. Budget audit for 2013 indicated that the recommendations on execution procedures relate to the program for covering the deficit between income and receipts which has not been adopted, but activities have been taken to cover the deficit in a way that commitments for operating expenses and acquisition of nonfinancial assets were reduced. Budget revenues are allocated for specific purposes. If during the year budget revenues are not realized in planned amounts and according to planned dynamics, or if expenditures are higher than planned, it is necessary to reduce expenditures, i.e. to reallocate revenues, which is achieved via budget amendments. It is necessary to monitor the realization of revenues and expenditures in order to undertake necessary reallocations.

Conclusion

Through the information provided in audit procedures from 2008 to 2013, an overview of budget realization with special attention to County budget was performed. Audited financial statements are available to the public, and represent the basis of this study for conducted analysis and conclusions drawn. In this paper we concluded that the trend of total revenues and receipts of Požega-Slavonia

County, as well as County budget (excluding revenues of cities and municipalities), has no tendency of significant revenue increase. Collecting budget revenues is prescribed by legal provisions, as is their purposeful spending. In addition to ensuring full and timely collection of revenues, importance is attached to their earmarked use. The availability of budget revenues determines the possibilities of meeting the needs in local unit's area. Since there is no significant increase in revenues at the level of observed county, the assumption that has been confirmed in this paper is that there are no significant possibilities for increasing the level of meeting public needs. The application of statistical methods in the work we concluded the movement to achieve revenues in the area of one county and significance in relation to the achievement of all counties. We found that the achievement of observed counties is not significant compared to the total realization of all counties. From the movement of the size of the revenue generated we concluded that it did not increase capacity to meet the needs placed in the jurisdiction of the county. This paper concerns the budget revenues of one county, and therefore to perform any general conclusions require an analysis revenues and expenditures of other counties, and do their comparison.

References

- [1] The Croatian Parliament: State Audit Office Act, Official Gazette No. 80, 2011.
- [2] The Croatian Parliament: Financing of Local and Regional Self-Governments Act, Official Gazette No. 150, 2002 (consolidated text), 147, 2003, 132, 2006, 26, 2007, 73, 2008, 25, 2012,
- [3] The Croatian Parliament: Local and Regional Self-Government Act, Official Gazette No. 33, 2001, 60, 2001,

129, 2005, 109, 2007, 125, 2008, 36th, 2009, 150, 2011, 144, 2012, 19, 2013,

[4] The Croatian Parliament: Budget Act, Official Gazette No. 87, 2008, 136, 2012,

[5] Financial audit reports for Požega-Slavonia County for 2009, 2010, 2011, 2012 and 2013, http://www.revizija.hr/izvjesca/2011-rr-2009/02-lokalne_jedinice/11-pozesko-slavonska_zupanija/280_pozesko-slavonska_zupanija.pdf ,

<http://www.revizija.hr/izvjesca/2011-rr-2011/02-lokalne-jedinice/11-pozesko-slavonska-zupanija/281-pozesko-slavonska-zupanija.pdf> ,

http://www.revizija.hr/izvjesca/2012-rr-2012/03-lokalne_jedinice/11-pozesko-slavonska_zupanija/93_pozesko-slavonska_zupanija.pdf ,

<http://www.revizija.hr/izvjesca/2013-rr-2013/01-lokalne-jedinice/11-pozesko-slavonska-zupanija/36-pozesko-slavonska-zupanija.pdf> ,

<http://www.revizija.hr/izvjesca/2014/rr-2014/lokalne-jedinice/zupanije/pozesko-slavonska-zupanija.pdf> , Accessed: 2014-12-15

[6] Regulation on Budget Accounting and Budget Accounting Plan, Official Gazette No. 114/10 - valid until 25th 2014.; Bylaw on Budget Accounting and Chart of Accounts, Official Gazette No. 124/14 - valid from October 25th 2014

[7] The Republic of Croatia, the State Audit Office: Report on the work of the National Audit Office for 2008, <http://www.revizija.hr/izvjesca/2009-rr/1-izvjesce-o-radu-za-2008/izvjesce-o-radu-2008.pdf> , Accessed: 2014-12-15

[8] The Republic of Croatia, the State Audit Office: Report on the work of the National Audit Office in 2009, http://www.revizija.hr/izvjesca/2010-rr/izvjesce_o_radu_2009.pdf , Accessed: 12/15/2014

[9] The Republic of Croatia, the State Audit Office: Report on the work of the National Audit Office in 2010, http://www.revizija.hr/izvjesca/2011-rr-2009/izvjesce_o_radu_2010.pdf , Accessed: 15/12/2014

[10] The Republic of Croatia, the State Audit Office: Report on the work of the National Audit Office for 2011, <http://www.revizija.hr/izvjesca/2011-rr-2011/izvjesce-o-radu-drzavnog-ureda-za-reviziju-za-2011.pdf> , Accessed: 2014-12-15

[11] The Republic of Croatia, the State Audit Office: Report on the work of the National Audit Office for 2012, http://www.revizija.hr/izvjesca/2012-rr-2012/izvjesce_o_radu_drzavnog_ureda_za_reviziju_za_2012.pdf , Accessed: 2014-12-15

[12] The Republic of Croatia, the State Audit Office: Report on the work of the National Audit Office for 2012, <http://www.revizija.hr/izvjesca/2013-rr-2013/izvjesce-o-radu-drzavnog-ureda-za-reviziju-2013.pdf> , Accessed: 2014-12-15