



REPUBLIKA SLOVENIJA
RAČUNSKO SODIŠČE

AUDIT REPORT

Audit of the Proposal of the annual financial statement of the budget of the Republic of Slovenia for the year 2019

Implementation of the budget of the Republic of Slovenia 2019 (after the audit)

REVENUE

€ 10,136,705,290

+ 1.4%

higher in 2019
compared to 2018



non-tax revenue
€ 636,115,505

capital revenue
€ 81,586,065

transfer revenue
€ 879,685

tax revenue
€ 8,678,284,693

**funds received
from the EU and
other state funds**
€ 726,944,937

received donations
€ 12,894,405

BUDGET SURPLUS

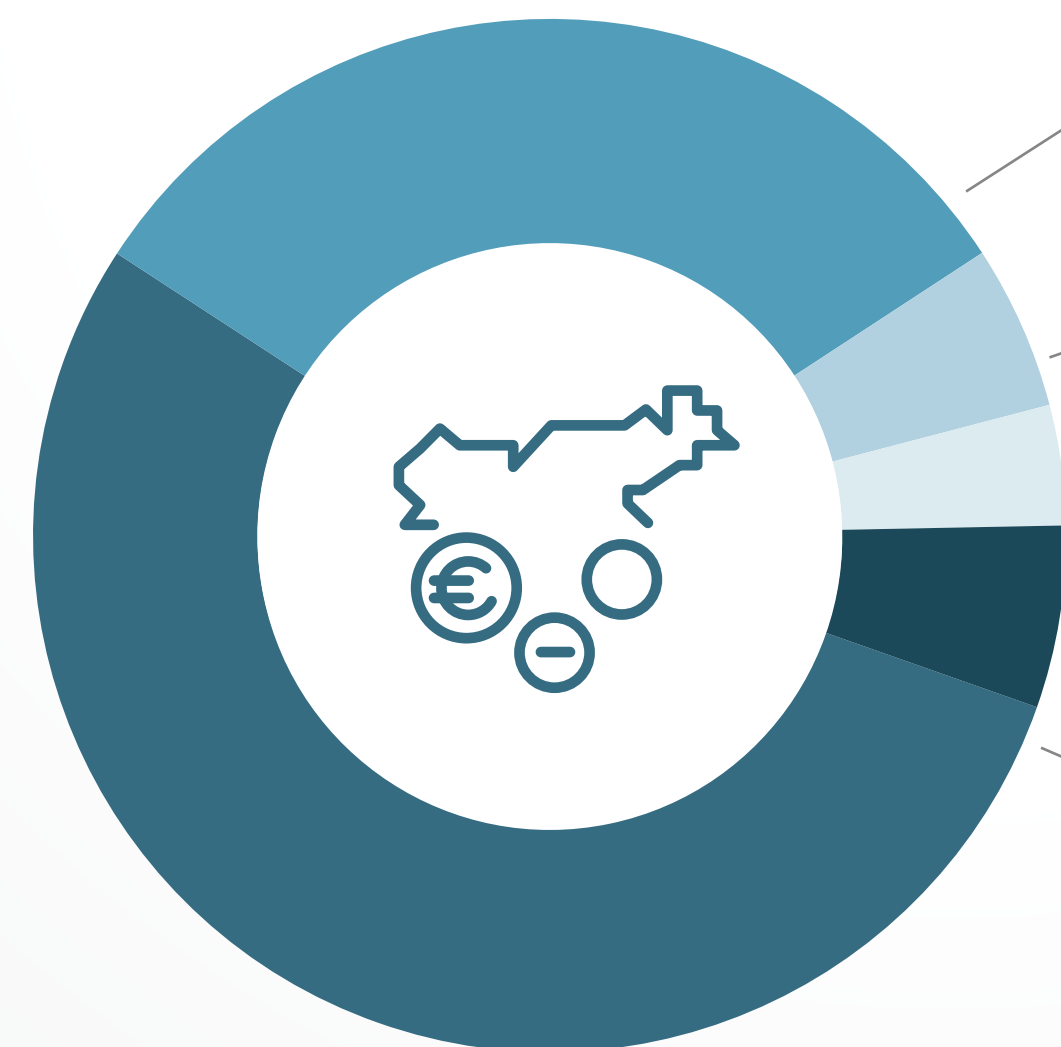
€ 225,011,938

EXPENDITURE

€ 9,911,693,352

+ 4.7%

higher in 2019
compared to 2018



current expenditure
€ 3,131,158,560

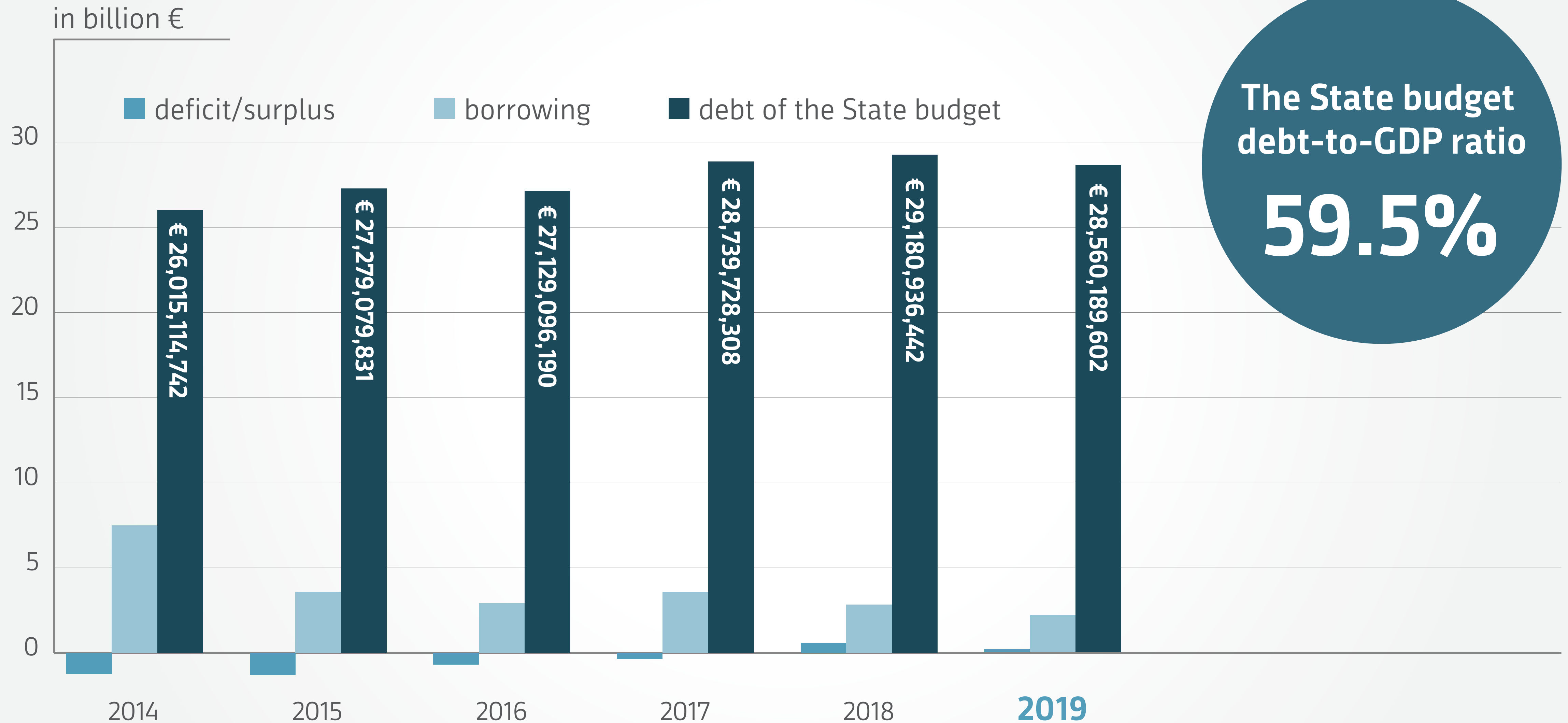
investment transfers
€ 372,775,875

current transfers
€ 5,332,725,808

**payments to
the EU budget**
€ 509,744,899

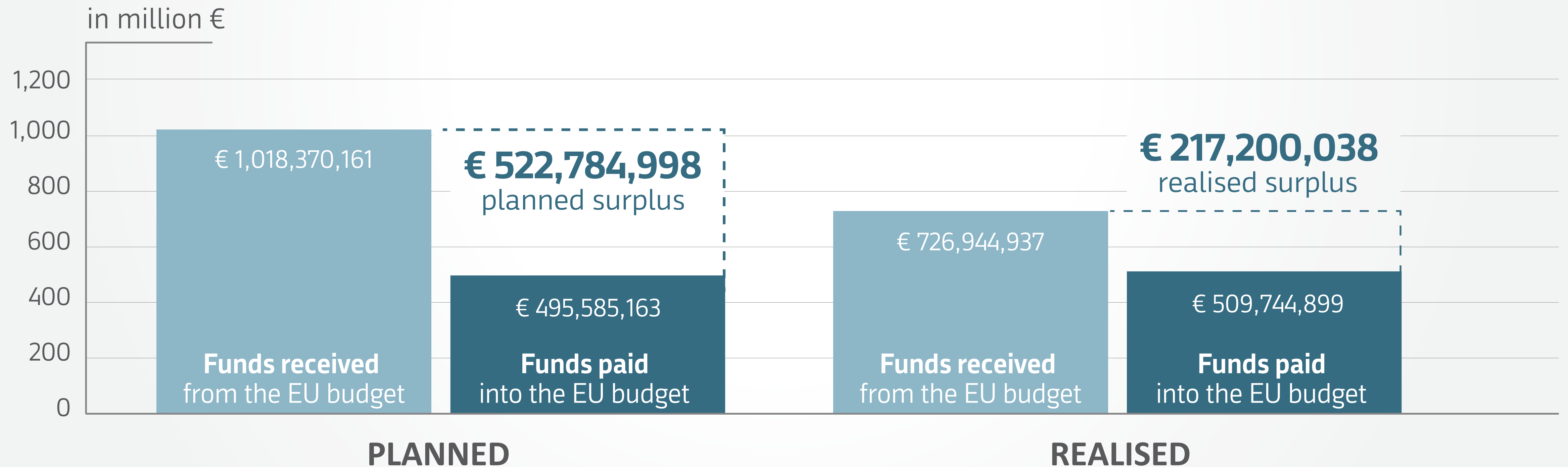
investment expenditure
€ 565,288,210

Deficit/surplus, borrowing and the debt of the State budget



The State budget
debt-to-GDP ratio
59.5%

Funds received from the EU – the difference between the planned and received funds



Irregularities occurring in the accounts payable and accounts receivable



16 years after the legally prescribed time limit, the Government has still not adopted a regulatory or administrative provision to define detailed criteria laying down:



- **deadline, method and amount for the payment of a water right** (for the use of water as a public good)
- **criteria for the reduction in the payment or for the exemption** therefrom for the cases whereby the water right is granted on the basis of a water permit.

It was thus **not possible to calculate and charge the statutory defined duty** to the holders of water permits.

In the 16 years of delay, **the budget revenue was realised in the amount too low**, in 2019 in the estimated amount of at least

€ 6,465,000

Occurrence of irregularities in budget implementation

Irregularities most commonly occurred in the field of

TRANSFERS



EXPENDITURE



SALARIES



General
budget
reservation

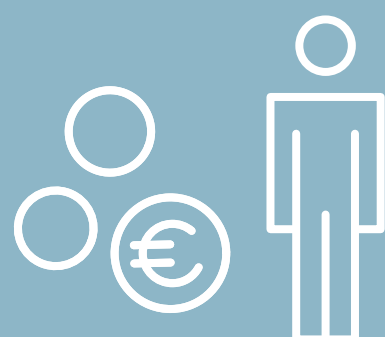


Irregularities in budget implementation – expenditure



TRANSFERS

- non-compliance with the provisions of the Public Finance Act and other public finance rules
- irregularities in the implementation of public calls for tenders and public tenders
- insufficient control of direct budget users over indirect budget users respectively over the operations of legal entities
- non-compliance with the provisions of the agreements



SALARIES

- irregularities in the calculation and payment of bonuses to salaries
- overtime work orders were issued too late



EXPENDITURE

- non-compliance with the provisions of the Public Finance Act
- irregularities in the public procurement procedures
- non-compliance with the provisions of the agreements



General budget reservation

- funds were provided from the general budgetary commitment for the purposes that could have been planned in advance
- funds provided from the general budgetary commitment were allocated for the natural disaster recovery and restoration although the funds therefor were planned already in the budgetary reserve

OPINION OF THE COURT OF AUDIT

GENERAL PART OF THE FINANCIAL STATEMENT

Unqualified opinion

The Court of Audit expressed an opinion that audited general part of the financial statement of the Republic of Slovenia for 2019 correctly, **in line with the regulations presents receipts and expenditures of the budget for 2019.**

REGULARITY OF BUDGET IMPLEMENTATION

Qualified opinion

Except for the impact of the irregularities presented on the regularity of operations, the Court of Audit considered that the Government respectively governmental budget users in all material aspects operated **in line with the regulations.**

Some auditees already during the audit remedied irregularities.

The Court of Audit **demanded response reports from the auditees who failed** to remedy irregularities:

- Government of the Republic of Slovenia
- Ministry of Health

The Court of Audit also proposed **recommendations to improve operations.**