



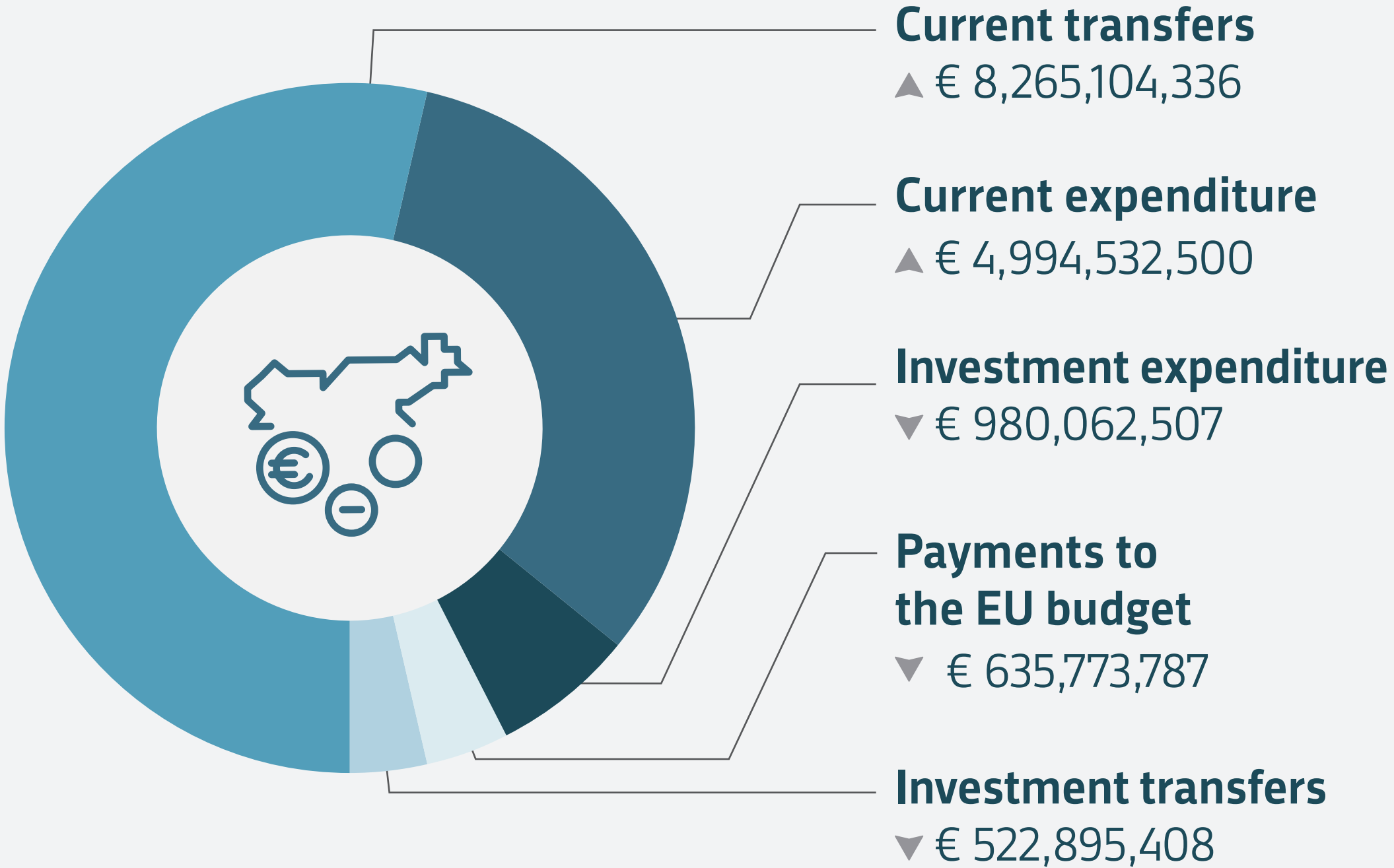
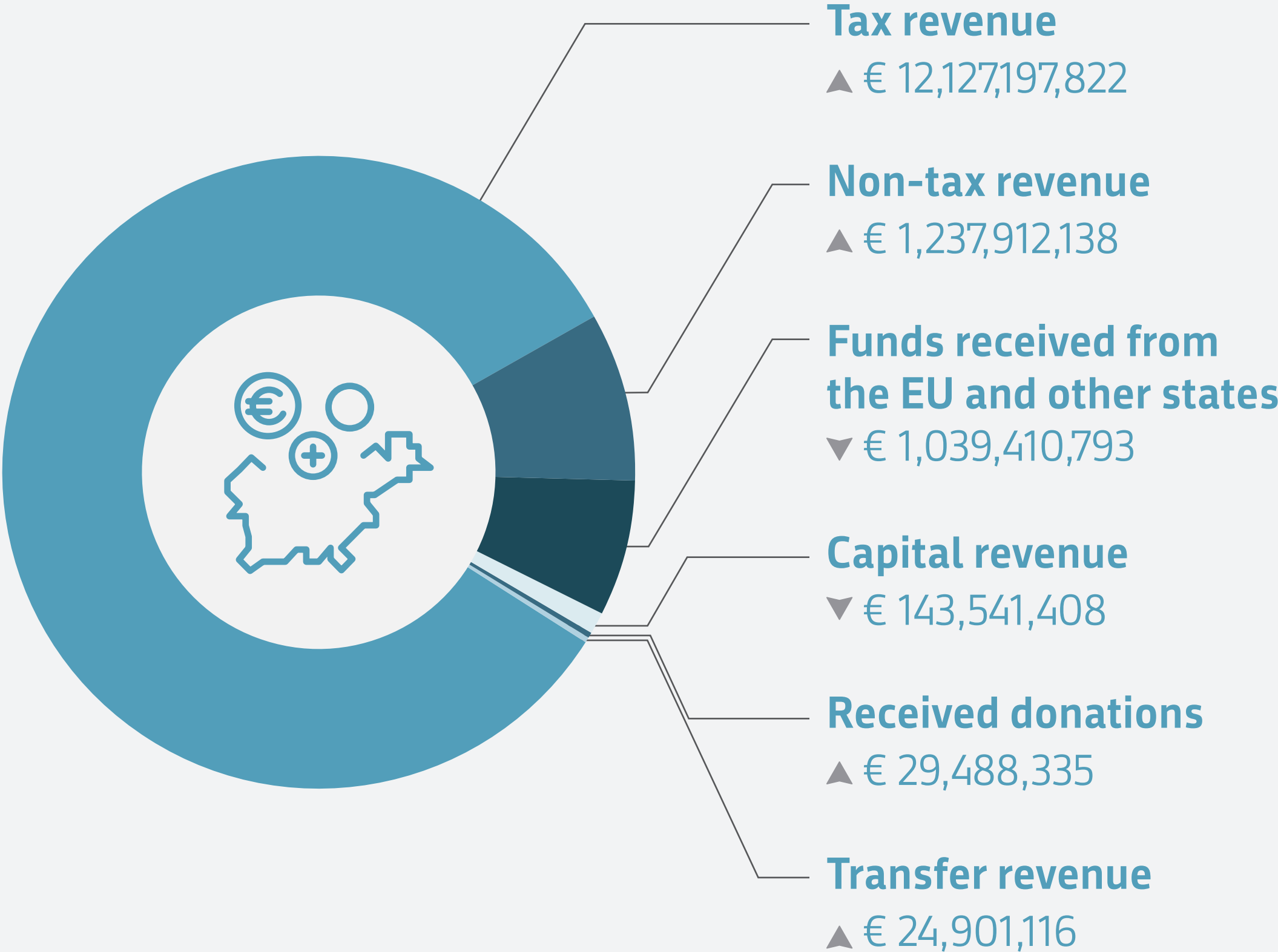
REPUBLIC OF SLOVENIA  
COURT OF AUDIT

## AUDIT REPORT

# **Audit of the Proposal of the annual financial statement of the budget of the Republic of Slovenia for the year 2024**

Audit period: year 2024

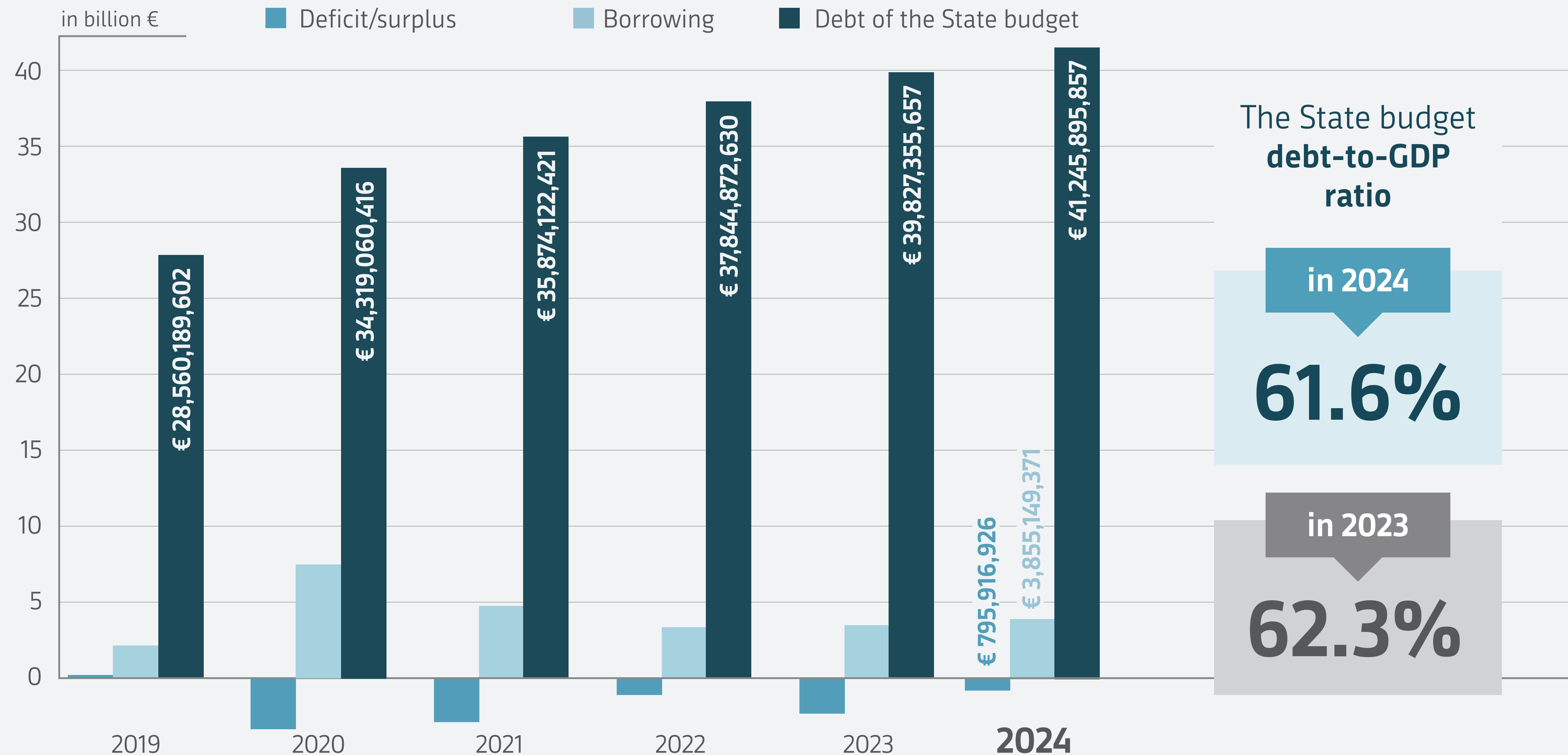
# Implementation of the budget of the Republic of Slovenia 2024 (after the audit)



higher ▲ lower ▼ compared to 2023

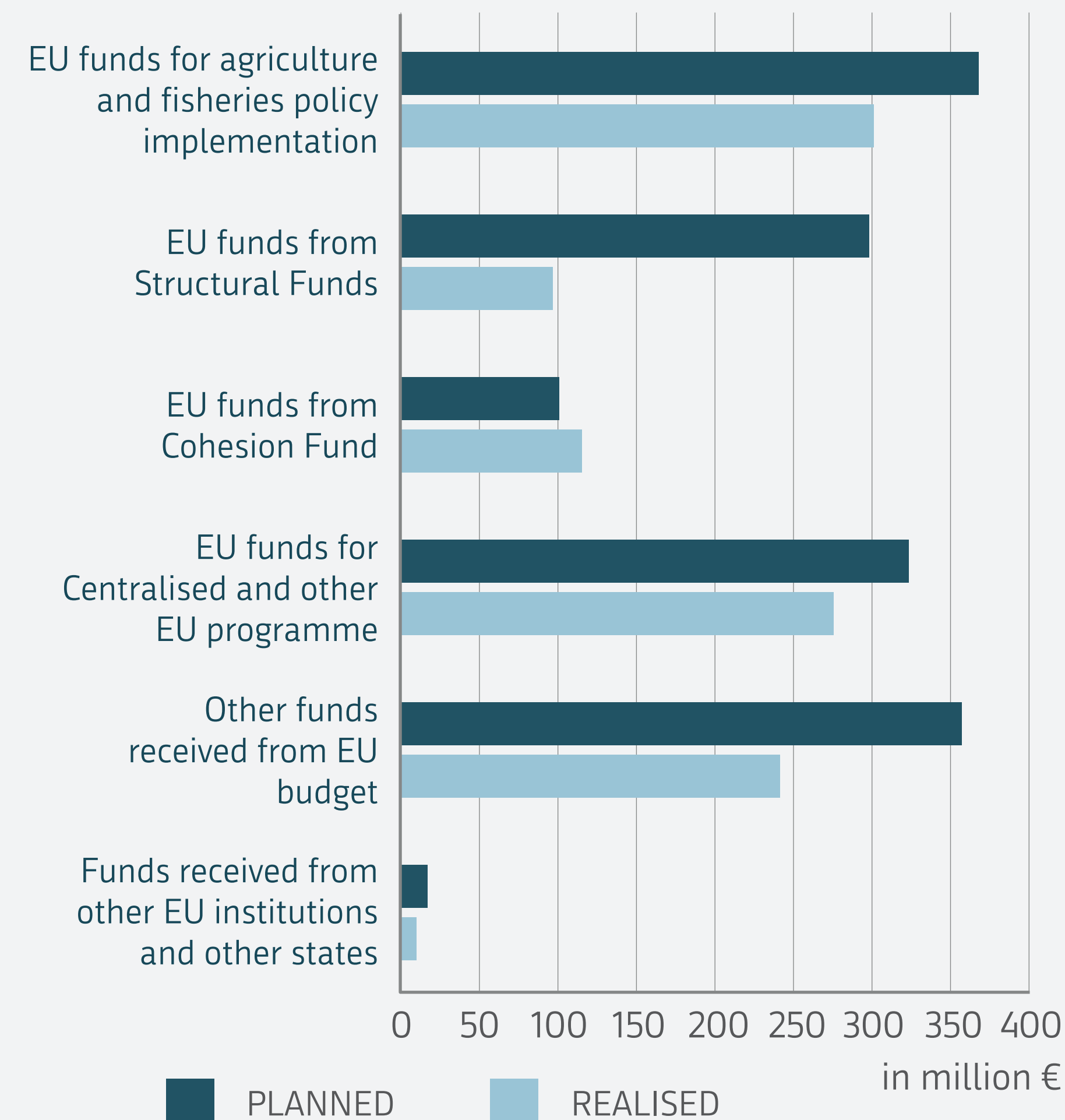
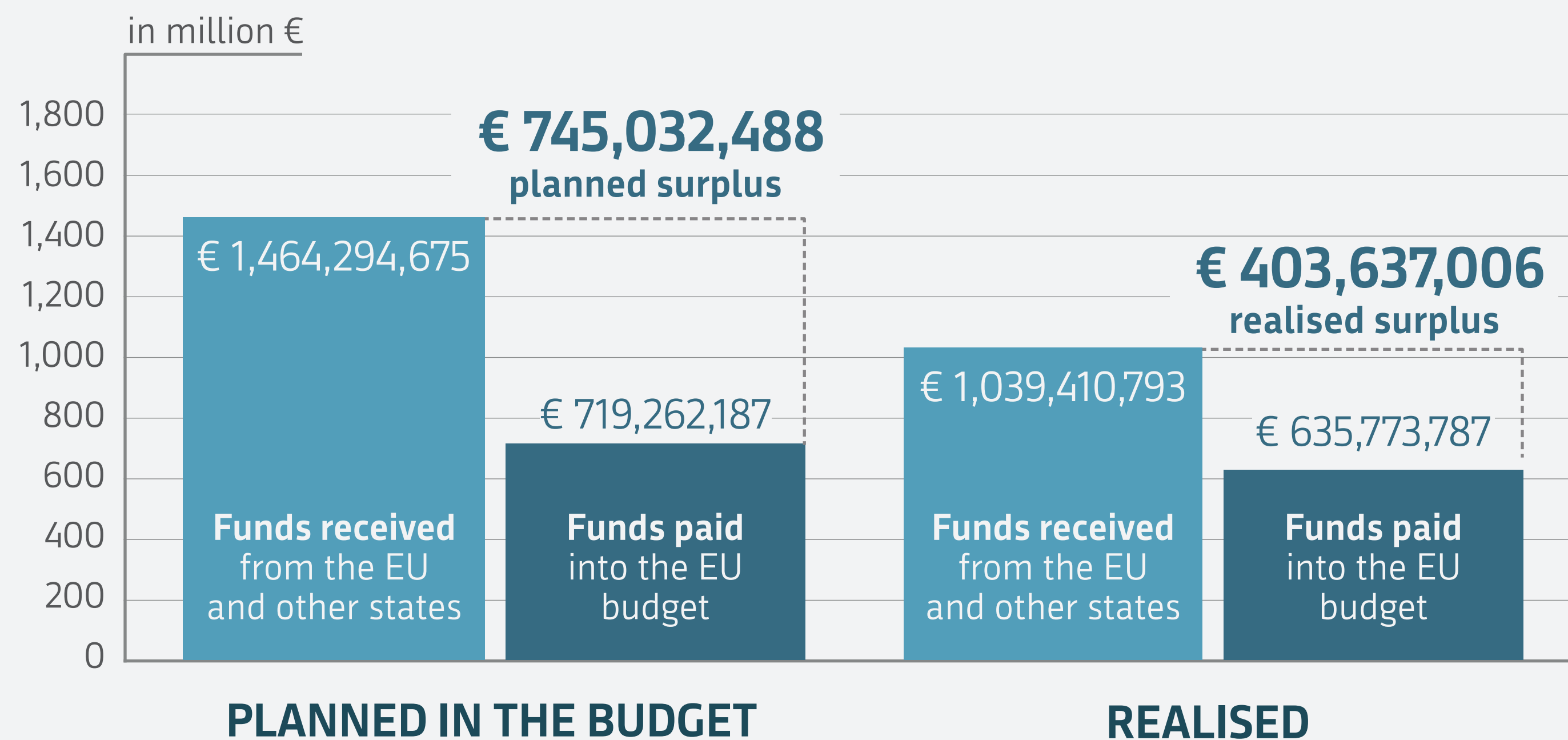
<b>REVENUE</b> € 14,602,451,612	<b>+12.1%</b> compared to 2023	<b>BUDGET DEFICIT</b> € 795,916,926	<b>EXPENDITURE</b> € 15,398,368,538	<b>+0.3%</b> compared to 2023
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# Deficit/surplus, borrowing and the debt of the State budget



# Funds received from the EU and other states

– the difference between the planned and realised funds






**Comparison between planned and realised funds received from the EU and other states**

Received from the EU and other states  
**29% less funds than planned in the budget.**

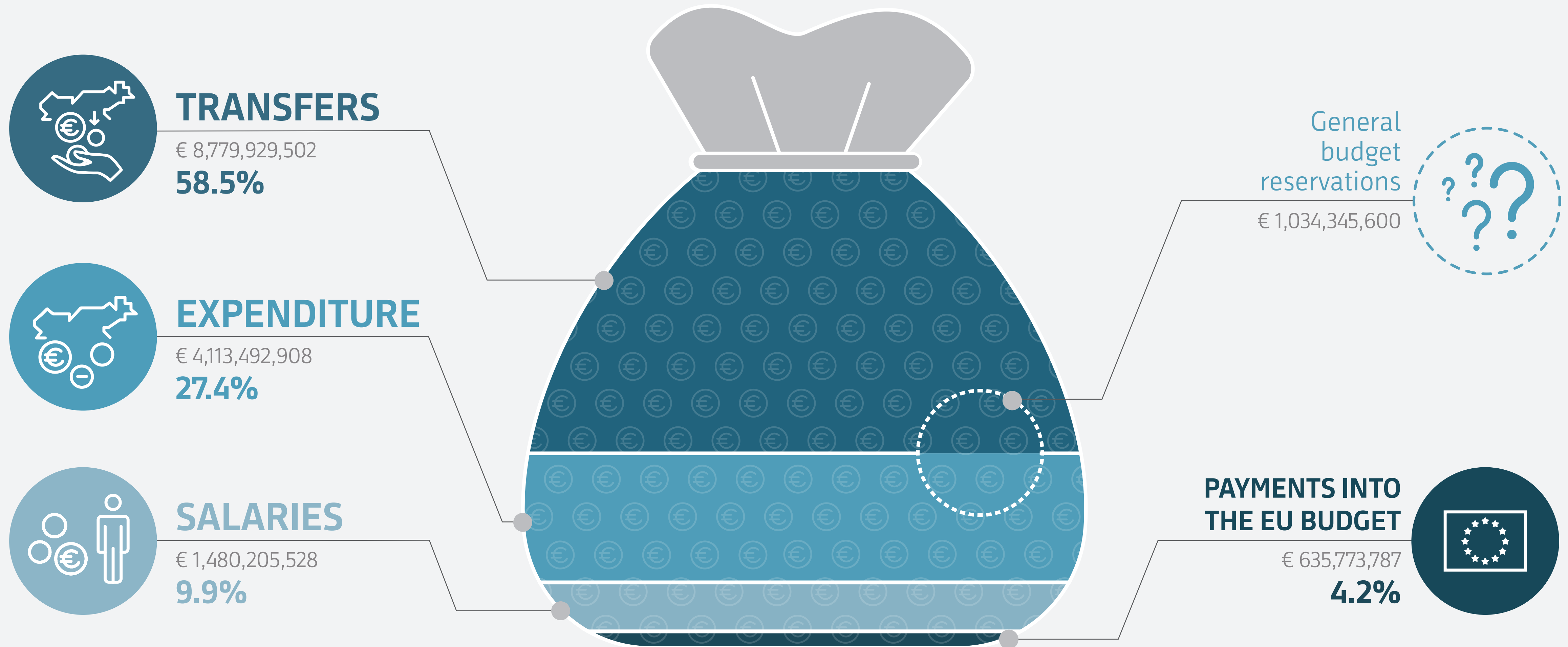


**Paid into the EU budget 11.6% less than planned in the budget.**

# Irregularities and other findings in the Revenue and Expenditure Statement

	<b>DUTIES OF WATER PERMIT HOLDERS</b>	<p>In more than 20 years, the <b>Government</b> failed to arrange payment methods for water right awarded by water permit.</p>	<p>Therefore, it was not possible to account for and charge <b>legally prescribed duty to holders of water permits</b>. The Government adopted Decree on water right payment awarded on the basis of water permit and on water reimbursement.</p>
	<b>RENTS ON PHYSICAL ASSETS</b>	<p>Some ministries acted contrary to <b>Public Finance Act</b> because:</p> <ul style="list-style-type: none"><li>• <b>they failed to adequately supervise</b> public institutes</li><li>• <b>they failed to ensure the rents</b> on physical assets represented <b>the state budget revenue</b></li></ul>	<p><b>The budget revenue</b> in 2024 thus turned out to be <b>€ 6 million lower</b>.</p>
	<b>UNUSED FUNDS OF THE RECONSTRUCTION FUND</b>	<p>In 2024, <b>Reconstruction fund</b> was set up in order to provide funds for reconstruction and development of areas affected by flood and landslides in August 2023.</p>	<p>By the end of 2024 the Reconstruction fund recorded <b>€ 532 million of earmarked funds</b>, but spending did not begin in 2024.</p>

# Regularity of state budget implementation - scope of audited funds





# Irregularities in budget implementation



## BUDGET RESERVE



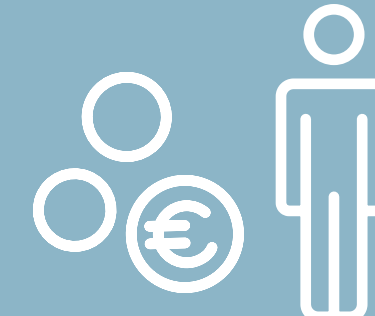
## GENERAL BUDGET RESERVATIONS



**Municipalities received € 234,171,145** as an advanced payment on the basis of **Natural disaster recovery Act** for addressing impacts **of natural disasters** in 2023. Municipalities **failed to justify eligibility of costs for € 18,600,614**, and the Ministry for natural resources and spatial planning did not request their reimbursement.



Funds from general budget reservations in the total amount of **€ 85,693,084** were allocated to the budget users **for purposes that could be planned.**



## SALARIES



**non-compliance with the provisions of the Employment Relationships Act** and other rules regulating the field of salaries



irregularities **in the calculation and payment** of bonuses to salaries



**non-compliance of tariff classes** between the regulation and the collective agreement

# Irregularities in budget implementation



## EXPENDITURE

- **irregularities in the public procurement procedures** and non-compliance with the provisions of the Public Procurement Act
- **non-compliance with the provisions of the Public Finance Act** and other public finance rules



## TRANSFERS

- **non-compliance** with the provisions of **the Public Finance Act** and other public finance rules
- **insufficient control** of direct budget users over indirect budget users respectively **over the operations of legal entities**
- the principles **of efficiency and economy** were not followed
- irregularities **in assuming liabilities** and non-compliance with **the provisions of the agreement**



# OPINION OF THE COURT OF AUDIT

## GENERAL PART OF THE FINANCIAL STATEMENT

### ✓ Unqualified opinion

Audited general part of the financial statement of the Republic of Slovenia for 2024 in all material aspects **correctly** and in line with the regulations **presents receipts and expenditures of the budget for 2024.**



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



## 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.**

The Court of Audit **demanded a response report from the Ministry of natural resources and spatial planning.**