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 2025

Audit period: 2025

Implementation of the budget of the Republic of Slovenia 2025 (after the audit)

Tax revenue
▲ € 12,518,062,225

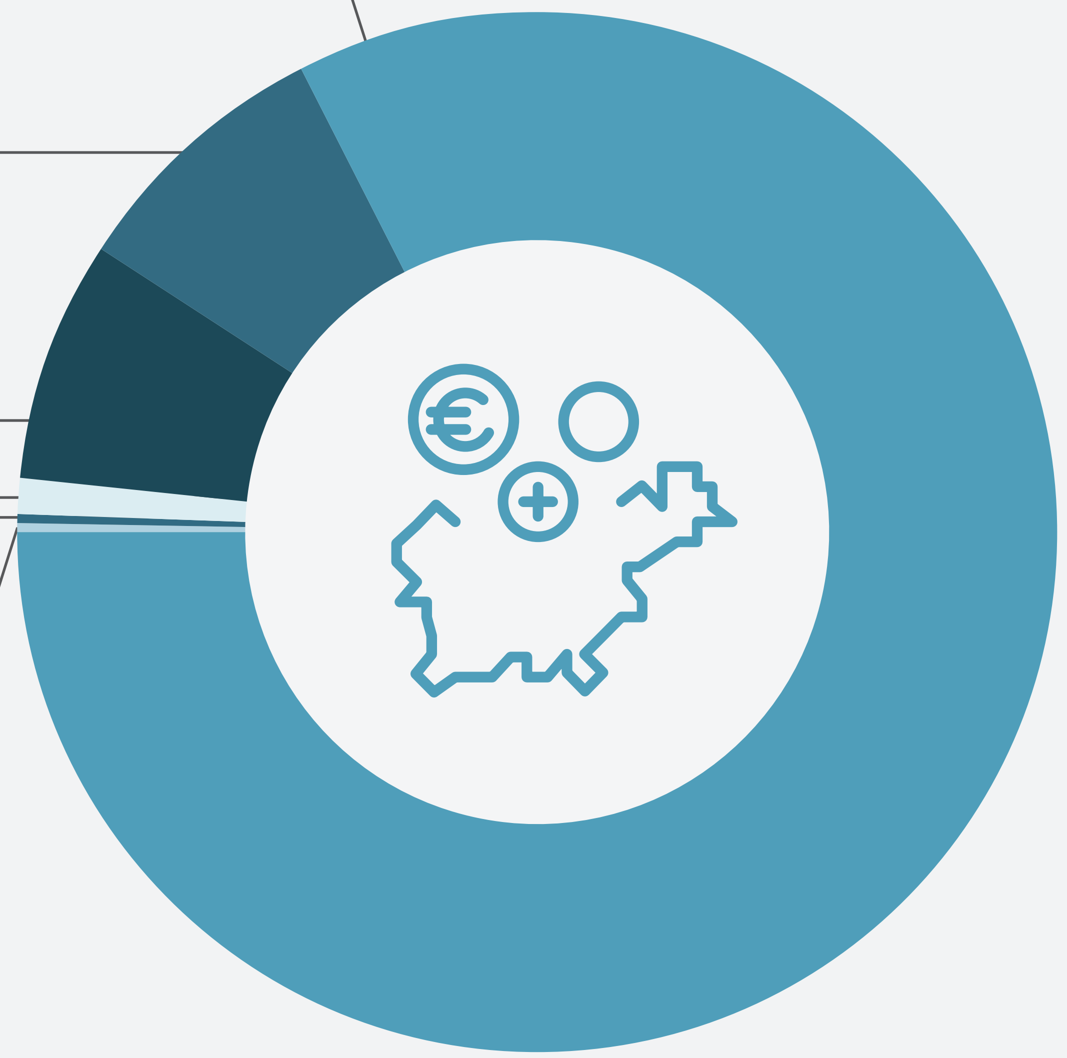
Funds received from the EU and other countries
▲ € 1,248,574,244

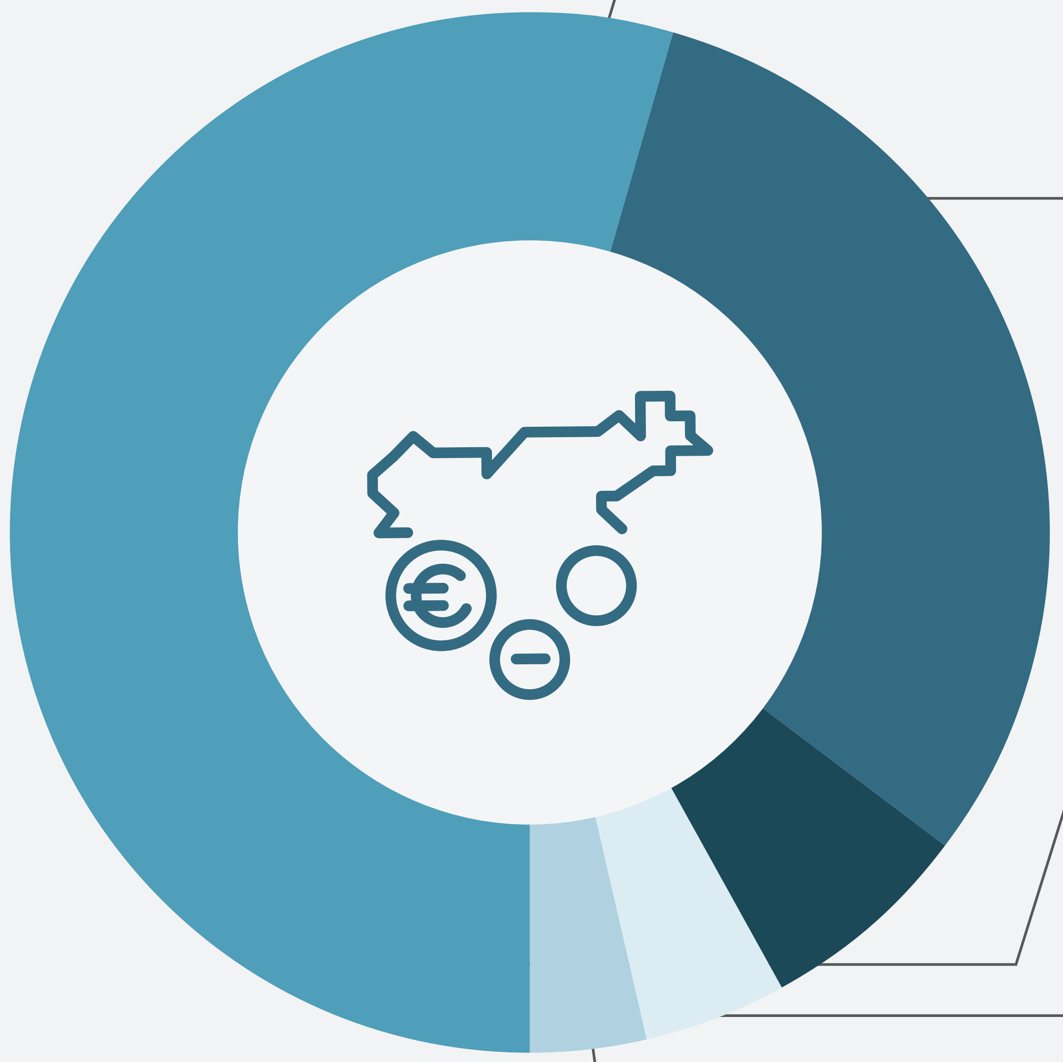
Non-tax revenue
▲ € 1,160,791,040

Capital revenue
▲ € 151,313,181

Received donations
▲ € 30,911,405

Transfer revenue
▲ € 30,475,319





Current transfers
▲ € 9,221,022,516

Current expenditure
▲ € 5,190,786,121

Investment transfers
▲ € 1,127,263,331

Payments to the EU budget
▲ € 719,802,826

Investment transfers
▲ € 592,635,699

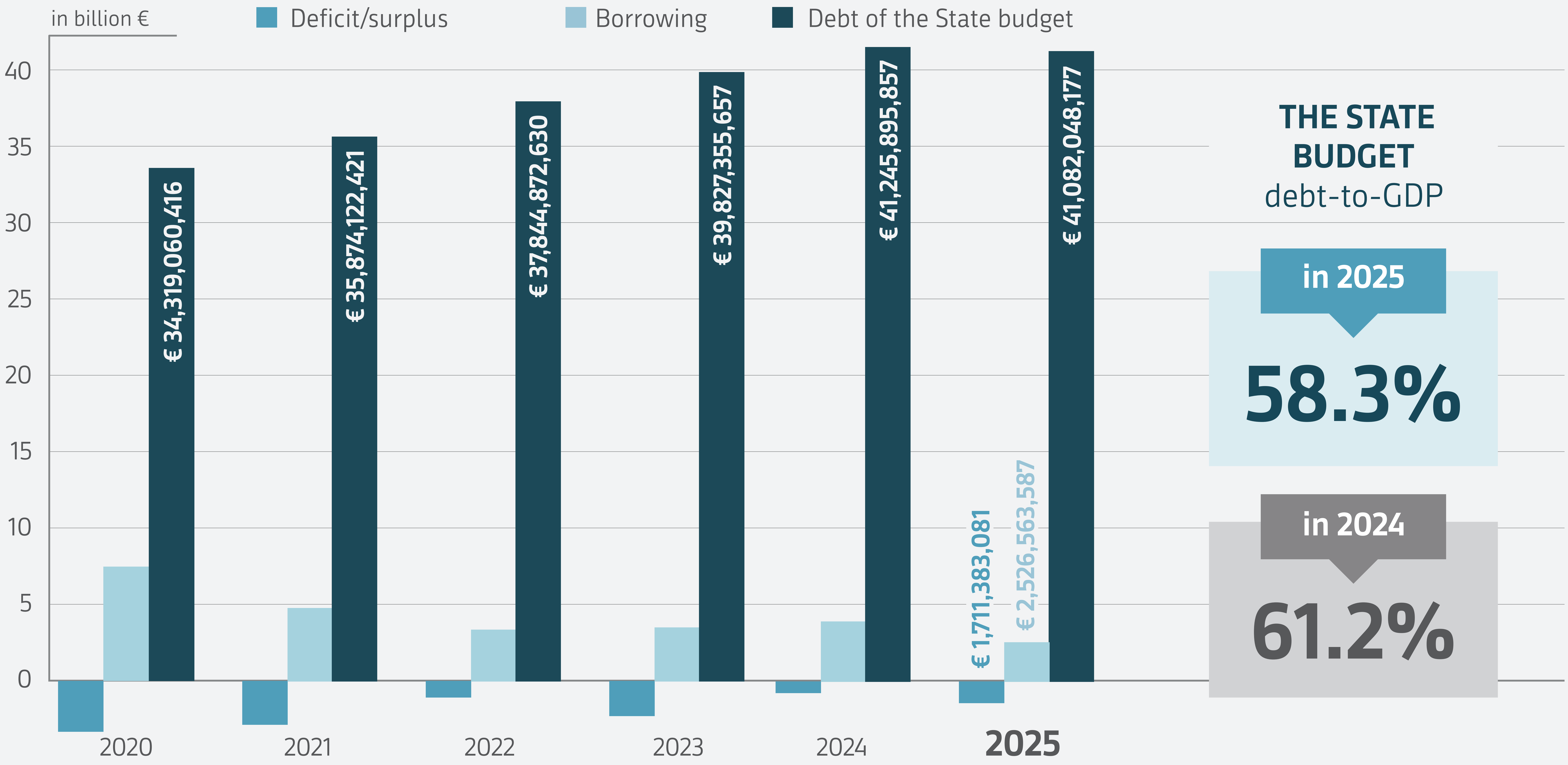
higher ▲ or lower ▼ compared to 2024

REVENUE
€ 15,140,127,413
+3.7% compared to 2024

BUDGET DEFICIT
€ 1,711,383,081

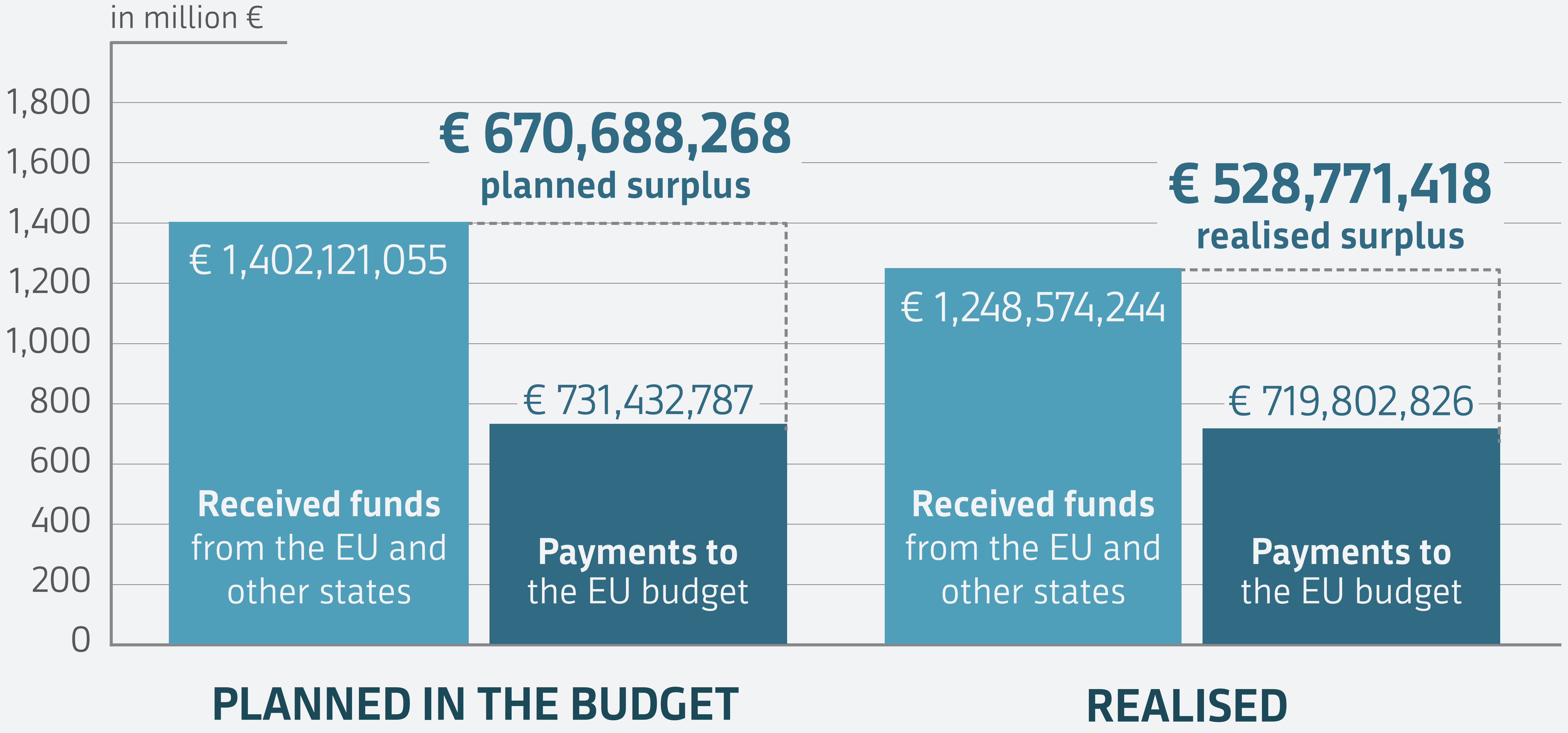
EXPENDITURE
€ 16,851,510,494
+9.4% compared to 2024

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



Funds received from the EU and other states

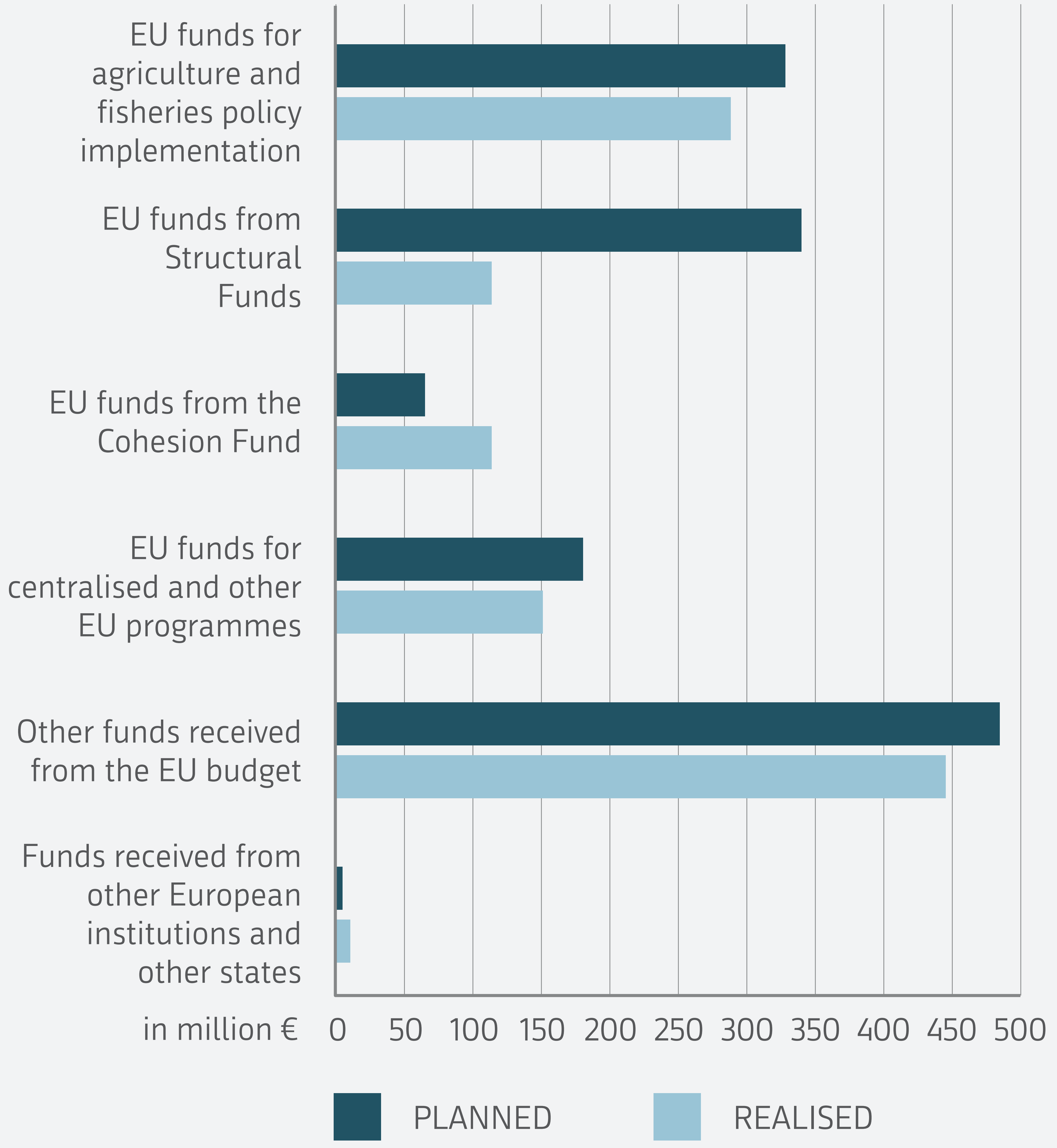
– the difference between the planned and realised funds



Received from the EU budget and other states **11% less** funds than planned in the budget.

Paid into the EU budget **1.6% less** than planned in the budget.

Comparison of planned and realised funds received from the EU and other states



Irregularities and other findings in the Revenue and Expenditure Statement and in the Financing Account

RENTS ON PHYSICAL ASSETS

Some ministries acted contrary to Public Finance Act because

- **they failed to adequately supervise** public institutes
- **they failed to ensure the rents** on physical assets **represented** the state budget **revenue.**

The budget revenue in 2025 thus turned out to be **€ 6 million lower.**

DUTIES OF WATER PERMIT HOLDERS

The Government in 2025 adopted **Decree on water right payment** awarded on the basis of water permit and on water reimbursement.

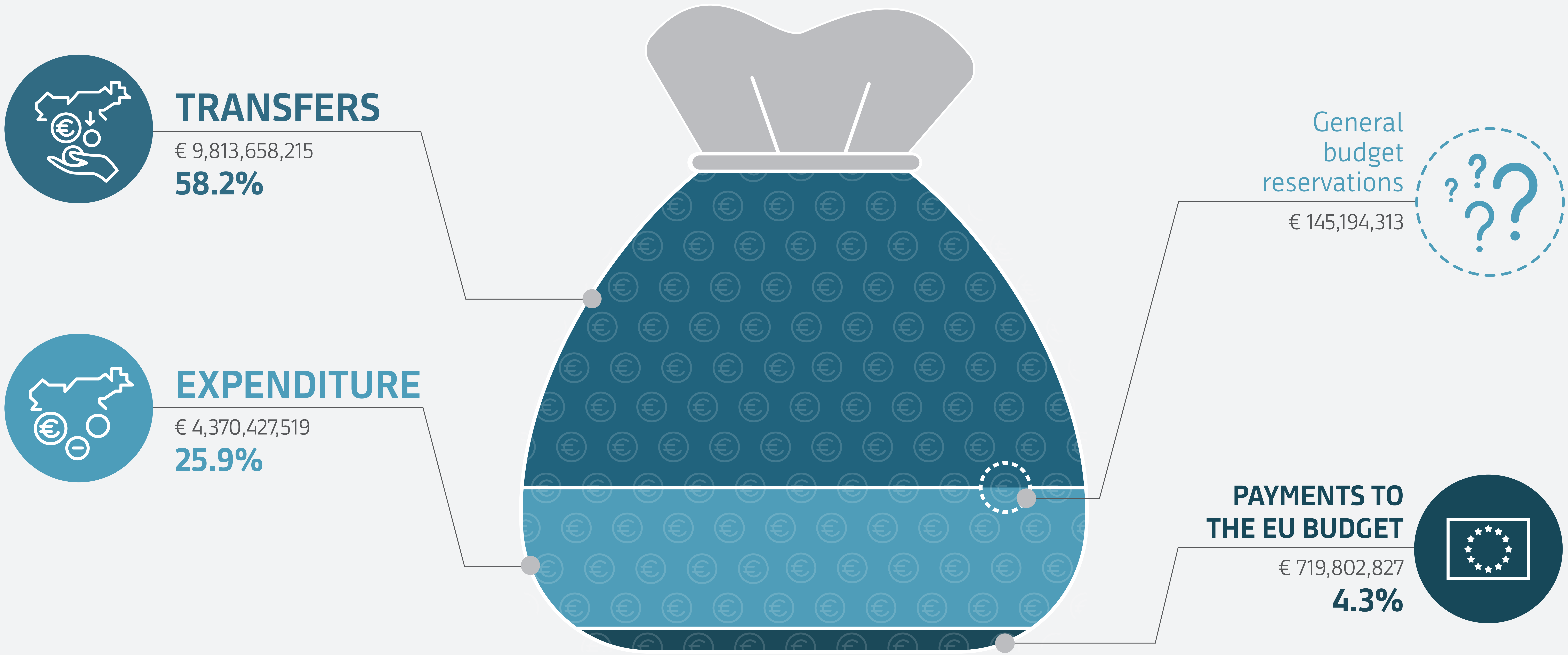
In 2025, **it failed to account for and charge** legally prescribed duty **thus the State did not receive revenue**.

MONETARY ASSETS

Spent **€ 1,448,575,598 more funds** than approved by the adopted budget.

Thus, at the end of the year **€ 1,448,575,598 less funds** remained in the budget.

Regularity of state budget implementation – scope of audited funds*



*Salaries amounted to € 1,947,621,933 (11.6%) and were not subject of the audit.

Irregularities in budget implementation

EXPENDITURE

- **irregularities** in several procedures of **public procurement awards** and not complying with **Public Procurement Act** mostly at:

  Ministry of Defence

  Slovenian Infrastructure Agency

  ↳ in two public procurement procedures, a change in earmarked funds in connection to the selection of an inappropriate procurement procedure and thus the selection of a bidder

- **non-compliance** with the provisions of Public Finance Act and other public finance rules

  ↳ mainly related to inappropriate assuming of liabilities and to reviewing eligibility and regularity of payments

BUDGET RESERVE

- in 5 cases programmes to eliminate consequences of direct damage were submitted to the Government **several months too late**

Irregularities in budget implementation

TRANSFERS

- **non-compliance** with the provisions of **Public Finance Act** and other public finance rules
- **insufficiently implemented controls** of direct budget users over indirect budget users respectively over the operations of legal entities
- irregularities in **assuming liabilities**
- irregularities in **reviewing eligibility and regularity of payments**
- non-compliance with **provisions** from **contracts** or **tender documentation**
- **delay in issuing consents** to work programmes and financial plans of public institutes

Irregularities in budget implementation

Most irregularities related to the field of transfers at:

- **Ministry of the Environment, Climate and Energy** concern:
  - public utility services of **public transport of passengers**
  - public utility services of **generation and delivery of heat**
  - public call for co-financing of **distribution transformation stations** and the construction of a **low-voltage distribution network**
  - measures of programme regarding the use of the **Climate Change Fund resources**
  - public powers for issuing permits for **integrated lines** and concluding contracts

- **Ministry of Labour, Family, Social Affairs and Equal Opportunities** concern:
  - **reassessment of the entitlement to personal assistance** on the basis of Personal Assistance Act
  - public invitation for co-financing of public and development **social and security programmes**
  - **delay in concluding the contracts** with centres of social work
  - **delay in issuing consents** to financial plans

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 2025 in all material aspects **correctly** and in line with the regulations **presents receipts and expenditures of the budget for 2025.**

The Court of Audit proposed **recommendations to improve the 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 the submission of the response report from the Government of the Republic of Slovenia.**