

Public Institutes– Financing	Slovenian Economic Mirror	IMAD
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Revenues of public institutes and other public service providers in 2002 broken down by budget spending units ¹ , SIT mln									
Sub-group code	Budget spending unit	Total revenue	Growth index, nom. terms 02/01	Revenue from public funding	Growth index, nom. terms 02/01	Other revenue to provide public services	Growth index, nom. terms 02/01	Revenue from selling goods & services in the market	Growth index, nom. terms 02/01
		2002		2002		2002		2002	
	Public inst. – total	817,816	112.2	583,661	112.7	160,130	108.1	74,015	117.9
3.1.	Education & sport	333,296	114.0	269,323	114.6	46,561	112.5	17,412	109.3
3.2.	Health	323,847	110.0	234,279	110.4	59,795	110.1	29,772	106.7
3.3.	Social protection	51,847	109.4	24,349	138.9	25,497	91.2	2,001	105.7
3.4.	Culture ²	60,762	108.8	29,193	108.1	23,287	112.1	8,271	102.5
3.5.	Research	19,869	100.8	12,112	96.4	2,710	101.8	5,047	112.7
3.6.-3.11.	Other	28,197	146.9	14,405	105.8	2,280	213.9	11,512	254.5

Source of data: APLRS – cash flow statement of revenues and expenses; calculations by the IMAD.

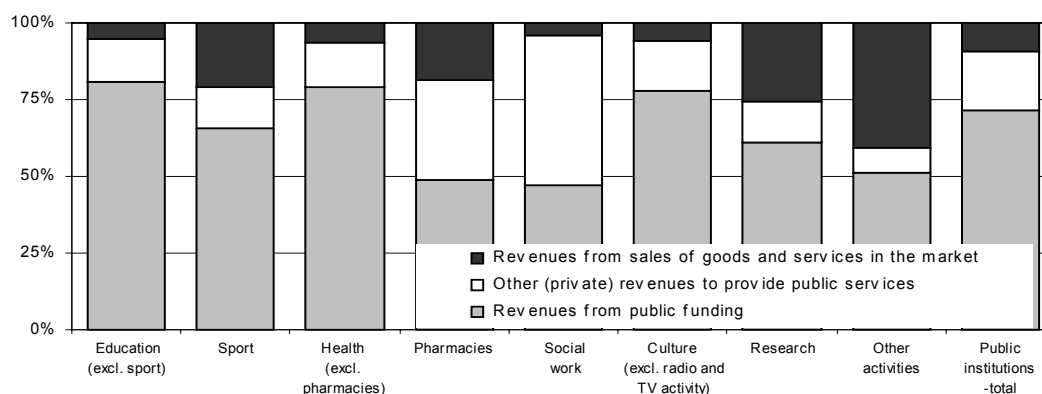
Notes: ¹ see notes below the table in the article Public Institutes – Financial Results, p. 18; ² public institutes operating in radio and television activity accounted for 40% of total revenues in culture (1% of revenues from public funding allocated to public institutes operating in culture, about 75% of other revenues allocated to provide public services in culture and 74.8% of revenues from sales in the culture market).

Public institutes are generally financed from both public and private financial sources. **Public funding** is provided for: (i) the regular operations of public service providers defined by law or national programmes, annual plans or contracts concluded with the government, local authorities or finance providers (Health Insurance Institute); (ii) part of the market-oriented activities of public service providers; these services are subject to a public institute's capacities and the permission of the founder (usually the government or local authorities), while prices are usually set by the founder; and (iii) investment made on the basis of a contract concluded between the founder and a public institute within the scope defined by the annual financial plan which is in line with government or local authorities' development programmes. **Private funding** is largely provided in two ways: (i) by selling public services in the market (direct payments or financial participation of legal and natural persons (school fees), payments from voluntary health insurance schemes, self-payer schemes etc); and (ii) by selling goods and services which do not fall under a public service (market-oriented activities). Being budget spending units, public institutes must record their revenues and expenses in accordance with the cash flow principle in order to be able to monitor revenue and expenditure at the general government level. The cash flow statement separates revenues for providing public services and revenues from selling goods and services in the market, while revenues for providing public services are further divided into: (i) revenues from public funding; and (ii) revenues from other sources. This allows financing, either of an individual public service or the whole public institute, to be analysed in terms of the relationship between public and private funding.

In 2002, public institutes as a whole recorded SIT 818 billion in revenues according to the cash flow statement. Expenses totalled SIT 815 billion. The consolidated balance of public institutes' revenues and expenses recorded a surplus of revenues, amounting to SIT 2.6 billion (SIT 6.2 billion in 2001). Public institutes received SIT 584 billion of revenues from **public funding**, or 71.4% of their total revenues, SIT 289 billion of which came from the state budget, or 35.4% of total revenues, SIT 71.3 billion, or 8.7%, from local government budgets, SIT 219 billion, or 26.9%, from social insurance funds, and SIT 3.3 billion, or 0.4%, from other public funds. **Private sources** provided SIT 234 billion of revenues, or 28.7% of total revenues. SIT 160 billion of this was generated by providing public services, or 19.6%. Other private revenues, totalling SIT 74 billion or 9.1%, came from market-oriented services (sales of goods and services in the market).

The relationship between public and private funding in **providing public services** was 78.5 : 21.5. Compared to 2001, the dependence of providing public services on public funding increased slightly, up by 0.7 of a percentage point.

Graph: Structure of public institutes' financial sources broken down by public services in 2002, %



Sources of data: APLRS, calculations by the IMAD.