VALSTYBĖS KONTROLĖ
PUBLIC AUDIT

To the Seimas of the Republic of Lithuania

To the Government of the Republic of Lithuania

To the Ministry of Finance of the Republic of Lithuania

PUBLIC AUDITOR'S REPORT

ON THE NATIONAL SET OF ACCOUNTS FOR 2024

10 October 2025 Nr. FAE-7

Vilnius

QUALIFIED OPINION ON THE NATIONAL SET OF ANNUAL ACCOUNTS

We have audited the national set of accounts for 2024 which consists of the statement of financial position, the performance report, the cash flow statement, the statement of changes in net assets and the explanatory note to the financial accounts.

In our opinion, except for the effects of the matters described in the section "Basis for the qualified opinion on the national set of annual accounts" of our report, the national set of accounts for 2024 gives a true and fair view of the financial position as at 31 December 2024, results of performance in 2024, changes in net assets, and cash flows of all public sector entities whose financial accounts are consolidated into a single set of accounts, in accordance with the Public Sector Accounting and Financial Reporting Standards of the Republic of Lithuania.

BASIS FOR THE QUALIFIED OPINION ON THE NATIONAL SET OF ANNUAL ACCOUNTS

We identified material misstatements in the data of financial position, performance, and cash flow statements (detailed information is provided in Section 1 of the report) caused by misstatements in the sets of financial accounts of public sector entities at a lower level of consolidation:

1) We cannot confirm the correctness of EUR 4,207.57 million in operating expenses and EUR 632.68 million in the impact of changes in accounting policy and corrections of material accounting errors, and reserves were increased by EUR 2,832.99 million due to accounting errors in the transfer of state-owned land to municipalities;
2) We cannot confrm the correctness of the data of EUR 2,463.01 million in forest stands and EUR 695.54 million in forest land, EUR 1,969.51 million in reserves and EUR 1,210.09 million in accumulated deficit, respectively, due to deficiencies in the accounting information on forest land and forest stands at the Ministry of Environment;

3) We cannot confirm the correctness of the value of mineral resources and reserves of EUR 1,434.23 million (100%), as the Lithuanian Geological Survey did not recalculate it in 2024: errors identified during the previous audit remained in the accounts, the use of mineral resources in 2024 was not assessed, and newly approved mineral resources were not included;

4) We cannot confirm the correctness of the data on infrastructure and other structures in the amount of EUR 795.55 million due to deficiencies in the accounting of municipal roads and streets.;

5) We cannot confirm the correctness of the data on museum valuables worth EUR 463.54 million, as museums do not have analytical accounting registers for all available valuables, and museum valuables have not been inventoried;

6) Financial accounts of eleven public sector entities are not consolidated in the national set of accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the national set of annual accounts.

OTHER MATTER REGARDING INFORMATION PROVIDED TOGETHER WITH THE NATIONAL SET OF ANNUAL ACCOUNTS

Our opinion on the national set of annual accounts does not cover data on the implementation of municipal budgets and information on public debt.

1. Audits of the sets of municipal budget implementation reports are performed by municipal audit and control services. We checked whether the aggregated municipal budget implementation data had been prepared in accordance with the Rules for the Preparation of State Budget and Aggregated Municipal Budget Implementation Reports, approved by Order No. 1K-022 of the Minister of Finance on 29 January 2010. We did not identify any non-compliances (Section 2 of the report).

2. We checked whether the information on public debt was prepared in accordance with the Procedure for Preparing Information on Public Debt, approved by Order No. 1K-022 of the Minister of Finance on 29 January 2010, whether the Government complied with the changes in net debt obligations and state guarantee limits set out in the Law on the Approval of Financial Indicators for the 2024 State Budget and Municipal Budgets, and whether municipalities complied with the general principles and limitations related to municipal debt management, which are set out in the Constitutional Law on the Implementation of the Fiscal Treaty. We did not identify any non-compliances (Section 3 of the report).

MANAGEMENT'S RESPONSIBILITY FOR THE NATIONAL SET OF ANNUAL ACCOUNTS

The Minister of Finance of the Republic of Lithuania is responsible for the preparation and fair presentation of the national set of annual accounts in accordance with the Law on Public Sector Accountability, and Public Sector Accounting and Financial Reporting Standards of the Republic of Lithuania.

The responsibility for the preparation of the sets of annual financial accounts of public sector entities, all municipal public sector entities, state social funds, the Compulsory

Health Insurance Fund comprising the national set of annual accounts and the set of annual accounts of the Pension Annuity Fund, lies with the heads of these public sector entities or their authorized administrative heads in accordance with the procedure established by law.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT

We conducted our audit in accordance with the International Standards of Supreme Audit Institutions, which include International Standards on Auditing. We are independent from the audited entity in accordance with the Law on the National Audit Office, the Code of Ethics for Employees of the National Audit Office, and we complied with the other ethical requirements set out in this Code.

Our objective is to obtain reasonable assurance about whether the national set of annual accounts for 2024 as a whole is free from material misstatement, whether due to fraud or error, and to issue the auditor's report that includes the auditor's opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee, that an audit conducted in accordance with International Standards on Auditing and International Standards of Supreme Audit Institutions will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial accounts.

A more detailed description of the auditor's responsibility is available on the website of the National Audit Office https://www.valstybeskontrole.lt/EN/PublicAudit. This description is an integral part of the auditor's report

We submit the public auditor's report together with the public audit report and enclose the audited national set of annual accounts.

Auditor General Irena Segalovičienė