



ДРЖАВЕН ЗАВОД ЗА РЕВИЗИЈА
ENTI SHTETËROR I REVIZIONIT
STATE AUDIT OFFICE

Final Audit Report Abstract

Key Entities Covered by the Audit Report

Political party Social Democratic Union of Macedonia (SDSM)

Audit Subject

Audit of financial statements for 2019 together with compliance audit

Audit Objective

To obtain reasonable assurance about whether financial statements are free from material misstatement and whether activities and transactions comply with legal regulations.

Key Conditions Identified

- some of the inherited buildings have unresolved ownership status and are not entered in the records;
- monthly membership fee of each municipal organization is paid in the total amount directly to the transaction account, and thus there is no complete insight and confirmation of individually paid membership fees.

Audit Opinion*

We expressed qualified opinion on the reality and objectivity of financial statements and qualified opinion on the compliance of financial transactions with relevant legal regulations, guidelines and policies in place.

Key Recommendations

- to continue with activities for determining ownership of structures and recording thereof; and
- to further regulate manner of collecting, payment and reporting on received membership fees.

Key Systemic Weaknesses

To review the legal provision on financing election campaign with funds from the regular account; to clarify the part on financing the election process with donations from a political party in relation to single and total limits of funds; to amend and supplement bylaws that regulate the accounting of non-profit organizations and to regulate payment method, payment and registration of membership fees as a source of funding.

Comments on Draft Audit Report

We have not received comments on the Draft Audit Report by the responsible persons of the entity.

Response on Draft Audit Report Comments

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* unqualified qualified adverse disclaimer of opinion