



ДРЖАВЕН ЗАВОД ЗА РЕВИЗИЈА
ENTI SHTETËROR I REVIZIONIT
STATE AUDIT OFFICE

Final Audit Report Abstract

Key Entities Covered by the Audit Report

Public Enterprise "Strezevo" Bitola

Audit Subject

Audit of financial statements together with compliance audit

Audit Objective

To obtain reasonable assurance about whether financial statements are free from material misstatement and whether financial transactions and information contained in financial statements is in line with the legal regulations

Key Conditions Identified

- not established complete system for control of use of water for irrigation of agricultural land by the consumers;
- not regulated property ownership for part of the facilities that are integral part of the irrigation system – network;
- not performed complete inventory;
- missing data on measures taken for collection of disputed and questionable claims;
- irregularities in the calculation of salary of employees; and
- unused project documentation for remedy of erosive land changes around the main supply channel.

Audit Opinion*



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

Key Systemic Weaknesses

- It is necessary to make changes to the laws and bylaws for regulating:
- the amount of irrigation fee, the basis for calculating fees for water use for irrigation and electricity production, and
 - the procedure for public positive bidding during sale of electricity.

Key Recommendations

- to take measures for establishing full control over the collection of revenues;
- to continue with activities for securing title deeds;
- to pay more attention to the manner of conducting inventory and monitoring claims, maturity for collection and obsolescence, and timely taking of measures before the competent courts; and
- to regulate the payment of salaries to employees.

Comments on Draft Audit Report

We have not received comments on the Draft Audit - Report no. 17-180/9 from 14 September 2021.

Response on Draft Audit Report Comments

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* unqualified qualified adverse disclaimer of opinion