



ДРЖАВЕН ЗАВОД ЗА РЕВИЗИЈА
ENTI SHTETËROR I REVIZIONIT
STATE AUDIT OFFICE

Final Audit Report Abstract

Key Entities Covered by the Audit Report

Municipality of Studenicani

Audit Subject

Audit of financial statements together with compliance audit on the Core budget account (637) for 2020



Audit Objective

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

Key Conditions Identified

- Inconsistent application of the Law on Construction of buildings where the municipality is the investor;
- Expenditures amounting to 2.403.000 denars without adequate supporting documentation;
- Weaknesses in the inventory and inadequate records of tangible assets;
- Concluded framework agreement in the amount of 18.880.000 denars, although the State Commission for Public Procurement Appeals issued a Decision for annulment of the procedure.

Audit Opinion*

 
We issued disclaimer of opinion on the reality and objectivity of financial statements and the results of financial activities, and adverse opinion on the compliance of financial transactions with legal regulations, guidelines and policies in place for 2020.

Key Recommendations

- to provide complete documentation for performed construction works, which should be integral part of every investment project;
- to base the changes in business books on complete and reliable accounting documents;
- to introduce records of tangibles and to perform comprehensive inventory as well as adjustment of factual with accounting records;
- To abide by decisions of the State Commission for Public Procurement Appeals.

Key Systemic Weaknesses

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Comments on Draft Audit Report

No comments were received upon the Draft Audit Report.

Response on Draft Audit Report Comments

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*  unqualified  qualified  adverse  disclaimer of opinion