



ДРЖАВЕН ЗАВОД ЗА РЕВИЗИЈА
ENTI SHTETËROR I REVIZIONIT
STATE AUDIT OFFICE

Final Audit Report Abstract

Key Entities Covered by the Audit Report

Public Enterprise "Vodovod" Kumanovo

Audit Subject

Audit of financial statements together with compliance audit for 2020

Audit Objective

To obtain reasonable assurance about whether financial statements are free from material misstatement, and whether activities and financial transactions contained in the financial statements are in accordance with the legislation.

Key Conditions Identified

- not regulated mutual rights and obligations of the provider "Vodostopanstvo Kumanovo Lipkovsko pole" and the user of services PE "Vodovod" Kumanovo;
- obligations toward the Budget of RNM amounting to 28.713.000 denars based on compensation for water use and water discharge have not been paid;
- the water supply system registers high percentage (55%) of water loss.

Audit Opinion*

We expressed adverse opinion on the reality and objectivity of financial statements and adverse opinion on the compliance with legal regulations, guidelines and policies in place for 2020.



Key Recommendations

- the service provider and the PE to sign agreement for regulation of mutual rights and obligations;
- timely settlement of obligations based on compensation for water use and water discharge;
- to eliminate the reasons behind the water loss in the water supply system.

Key Systemic Weaknesses

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Comments on Draft Audit Report

We have received comments on the Draft Audit Report by the authorized person of PE "Vodovod" Kumanovo no. 17-181 / 11, from 05.10.2021.

Response on Draft Audit Report Comments

The comments were reviewed but were not accepted, because no additional evidence was provided to change the findings in the audit report.

* unqualified qualified adverse disclaimer of opinion