



*Povodí Odry*  
*státní podnik*

2020

# ANNUAL REPORT





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# Foreword by the General Director

One of the main tasks of the river basin manager is to ensure a sufficient amount of water for the population, the watercourses under reservoirs and the industry, and at the same time implement flood control measures that protect the population and their property against floods. An important factor is always the climatic conditions throughout the year, which affect all the activities of water managers. Despite the rainy weather of the summer and autumn months of 2020, the COVID-19 pandemic measures and the repeated high water levels, which complicated the continuation of the prepared construction work, the state-owned company Povodí Odry managed to fulfil the plan.

In the area of long-term property acquisition, investments totalled CZK 284,177 thousand in 2020. From the subsidies of the Ministry of Agriculture, CZK 122,533 thousand was used for flood control measures and CZK 10,991 thousand for measures on small watercourses and small water reservoirs. From the subsidies of the Environment Operational Programme, CZK 2,344 thousand was used for the revitalisation of watercourses. A total of CZK 146,410 thousand from the state enterprise's own resources was spent on the acquisition of new fixed assets or their technical improvement, and assets amounting to CZK 1,899 thousand were acquired by free of charge transfers and placed under the management of the state enterprise.

As like every year, we carried out intensive maintenance of water works, which is closely related to their safety and reliability.

In order to prevent or minimise the spread of COVID-19 in our critical infrastructure business, we have adopted strict measures such as separating the shifts of employees operating individual dams and water management dispatch. Ensuring the operation of waterworks is for us, water managers, the main priority. Strict hygiene measures have been introduced, such as mandatory face masks in workplaces or respirators and the use of disinfectants at dams. Strangers were only allowed to enter waterworks and buildings in exceptional cases.

Among the most important tasks dealt with by the Company was, in particular, the preparation of the construction of the Nové Heřminovy waterworks on the Upper Opava River in the Bruntál region. However, the Company also strives to take care of other parts of the Oder basin. The reconstruction of the weir on the Lomná River in Jablunkov was carried out to ensure water supply to the sanatorium, and the reconstruction of the dam works on the Mohelnice stream in the Beskydy Mountains is being completed. Intensive work began on the government's task of verifying the possibilities of strengthening the water resources of the Upper Morava with water from the Oder basin. Finally, I will mention our projects to improve the environment. The revitalisation of the Rychtářský brook was completed, we started landscaping in Karlovice – Zadní Ves around the Opava River in a near natural way, we agreed with the management of the Beskydy Protected Landscape Area on the renaturation of the Černá Ostravice stream and we would like to prepare the clearance of the Dětmorovice weir on the Olše River and thus fulfil the State's concept and open up this river from the state borders to its significant tributary Stonávka.

The operation of the state-owned enterprise Povodí Odry is wide and the success depends on its employees, whom I would like to thank for their personal responsibility in the COVID-19 pandemic and performance of the assigned tasks.

Ing. Jiří Tkáč  
General Director



# Basic information about the Company

## FOUNDER

Ministry of Agriculture  
Registered office: Těšnov 65/17, Nové Město  
Prague 1, Postal code 110 00  
Organisation ID No.: 00 02 04 78

## PERSON AUTHORISED TO ACT FOR THE FOUNDER AS AT 31 DECEMBER 2020

Ing. Aleš Kendík  
Deputy Minister for Water  
Management Section, Ministry of Agriculture

## NAME

Povodí Odry, státní podnik

## REGISTERED SEAT

Varenská 3101/49, Moravská Ostrava,  
702 00 Ostrava,  
Delivery number: 701 26

## FOUNDING DATE

1 January 2001 according to Act No. 305/2000 Coll.,  
on river basins

## ENTRY IN THE COMMERCIAL REGISTER

Regional Court in Ostrava  
File Ref. AX IV 584

## DATE OF REGISTRATION

26 March 2001

## LEGAL FORM

State-owned enterprise  
Organisation ID No.: 70 89 00 21  
VAT number: CZ 70 89 00 21

## STATUTORY BODY AS AT 31 DECEMBER 2020

Ing. Jiří Tkáč, General Director Povodí Odry, state-owned company

## SUPERVISORY BOARD AS AT 31 DECEMBER 2020

Ing. Aleš Kendík, Chairman  
Ing. Pavel Schneider  
Ing. Michal Sirko  
Ing. Jiří Duda  
Ing. Jan Kocián  
Ing. Peter Suchý  
Ing. Ivana Mojžíšková  
Ing. Dalibor Kratochvíl  
Ing. Radek Pekař

## EXECUTIVE MANAGEMENT AS AT 31 DECEMBER 2020

Ing. Jiří Tkáč, General Director  
Ing. Břetislav Tureček, Technical Director  
Ing. Petr Kučera, Finance Director  
Ing. Radek Pekař, Director of Plant 1 Opava  
Ing. Dalibor Kratochvíl, Director of Plant 2 Frýdek-Místek

## AUDIT COMMITTEE AS AT 31 DECEMBER 2020

Ing. Bc. Simona Székelyová, MBA, Chairperson  
Ing. Peter Suchý  
Ing. Antonín Brtník



# Company structure

The scope of business of the state-owned company is defined in the Memorandum of Association and is based on legal provisions, particularly Act No. 254/2001 Coll., on waters, as amended, Act No. 305/2000 Coll., on river basins, as amended, and Act No. 77/1997 Coll., on state-owned companies, as amended. The primary activity consists of the management and maintenance of significant watercourses, including boundary watercourses, waterworks, and small watercourses for which the Company was appointed as manager, all within the Oder basin territory. Further activities of the Company include determination and evaluation of the surface and ground water condition in the given territory, investment activities in this area including flood measures, management of watercourse accidents and, last but not least, also planning activities stipulated by the applicable legislation. The major activity of the Company is directly related to auxiliary activities, especially the activities of accredited laboratories, building, engineering, design and consulting activities in the field of water management, all for the requirements of the Company as well as external customers.

## ORGANISATIONAL DIAGRAM OF THE COMPANY

- Office of the General Director
- Office of the Technical Director
- Office of the Finance Director
- Plant 1 Opava
- Plant 2 Frýdek-Místek

## OFFICE OF THE GENERAL DIRECTOR

The General Director directly controls the HR Department, which handles both personnel and social matters as well as educational, occupational safety and health matters, as well as the agenda of the Office of the General Director, PR activity, and internal auditing and security pursuant to special regulations together with the agenda of personal data protection in the Company, risk management and the legal agenda.

## STRUCTURE OF THE DIVISION

- HR Department
- Department of the Office of the General Director
- Legal Department
- Internal Audit Department
- Risk Management Office



## OFFICE OF THE TECHNICAL DIRECTOR

This division handles professional activities in the areas of management of the water management system, management of watercourses, waterworks and water management facilities, energy management, and other activities. It oversees activities related to the preparation and execution of investments and engineering activities, particularly projection and geodetic projects. It coordinates the major focuses of engineering services and participates in the preparation of the plan of investments and repairs, including those involving machinery and equipment of a technological nature. The activities of the accredited water management laboratory also fall under the Office of the Technical Director. The division ensures the processing of prognoses and water management concepts, assessments and advisory activities for state administration and other interested parties. The special position is intended to ensure the planning process in water management and other activities under the Water Act.

### STRUCTURE OF THE DIVISION

- Operations Department
- Water management dispatch
- Water management concepts and information department
- Investment Department
- Water management laboratory
- Design Department

## OFFICE OF THE FINANCE DIRECTOR

The division handles the implementation of plans targeted at achievement of efficient business management, especially in the areas of planning, finance, pricing, grants, accounting, statistics, analytical activities and labour economy. At the same time, it deals with the support for information systems, economic management and services in the area of commercial contracting and also ensures the property agenda.

### STRUCTURE OF THE DIVISION

- Finance Department
- Business Information Department
- Labour Economy Department
- Informatics Department
- Business Management Department
- Commercial Contracts Department
- Asset Management Department

## PLANTS

The plants ensure the implementation of the plans and targets of the enterprise in the specified areas of administration, maintenance, repair and investment activities on the watercourses in relation to the enterprise's main focus of business. The activities of the plants are divided territorially between Plant 1 Opava and Plant 2 Frýdek-Místek, such that the two territorial units entirely cover the area of the basin, which is managed by the enterprise. Aside from the activities related to the direct management of watercourses and waterworks, they also manage and coordinate operations and business activities to the necessary extent.

### CLASSIFICATION OF THE PLANTS

- Office of the Plant Director
- Operations Division
- Technical Division
- Finance Division

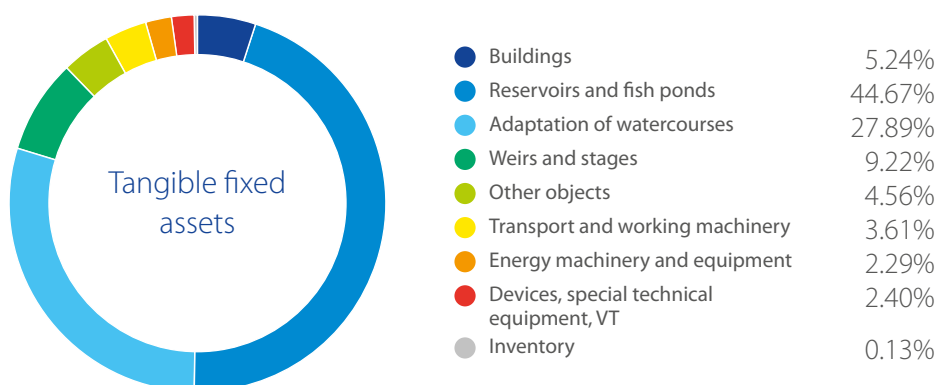
# Managed assets

## OVERALL STRUCTURE OF TANGIBLE FIXED ASSETS

The volume of tangible fixed assets increased by CZK 71.97 million compared to 2019. As at 31 December 2020, the total amount of these tangible fixed assets at their acquisition price was CZK 7,631.42 million.

The structure of fixed assets (excluding land, perennial crops, other tangible fixed assets and tangible fixed assets in progress) is as follows:

Buildings	5.24%	CZK 399.66 million
Reservoirs and fish ponds	44.67%	CZK 3,408.77 million
Adaptation of watercourses	27.89%	CZK 2,128.21 million
Weirs and stages	9.22%	CZK 703.42 million
Other objects	4.56%	CZK 348.30 million
Transport and working machinery	3.61%	CZK 275.14 million
Energy machinery and equipment	2.29%	CZK 174.97 million
Devices, special technical equipment, VT	2.40%	CZK 183.37 million
Inventory	0.13%	CZK 9.58 million
<b>Total small tangible fixed assets</b>	<b>100.00%</b>	<b>CZK 7,631.42 million</b>



## Tangible fixed assets by facilities

	Buildings		Reservoirs and fish ponds		Adaptation of watercourses		Weirs and stages		Other objects	
	mil. CZK	%	mil. CZK	%	mil. CZK	%	mil. CZK	%	mil. CZK	%
<b>S.p. total</b>	399.66	100.0	3,408.77	100.0	2,128.21	100.0	703.42	100.0	348.30	100.0
<b>Facility Opava</b>	128.62	32.18	2,295.03	67.3	1,151.26	54.1	188.88	26.9	185.65	53.3
<b>Facility FM</b>	132.42	33.13	1,113.74	32.7	976.95	45.9	514.54	73.1	146.83	42.2
<b>Management of the state-owned company</b>	138.62	34.68	0.00	0.0	0.00	0.0	0.00	0.0	15.82	4.5

	Transport and working machinery		Energy machinery and equipment		Instruments, special technical equipment		Inventory		Total small tangible fixed assets	
	mil. CZK	%	mil. CZK	%	mil. CZK	%	mil. CZK	%	mil. CZK	%
<b>S.p. total</b>	275.14	100.0	174.97	100.0	183.37	100.0	9.58	100.0	7,631.42	100.00
<b>Facility Opava</b>	137.33	49.91	96.99	55.4	19.16	10.4	3.95	41.2	4,206.88	55.13
<b>Facility FM</b>	121.82	44.27	72.61	41.5	53.76	29.3	2.71	28.3	3,135.37	41.09
<b>Management of the state-owned company</b>	15.99	5.81	5.37	3.1	110.45	60.2	2.92	30.5	289.17	3.79



# Human resources

The employer fulfilled its commitments under the Collective Agreement, which was signed after collective bargaining between the General Director and the Chair of the trade union organisations.

Within the framework of the social programme, employees received contributions for encephalitis and jaundice vaccinations. Within the framework of occupational safety and health, all workplaces were verified with a focus on safety, fire protection, working hygiene and provision of PPE to employees.

**Development of the employee numbers in individual years can be compared in the following table:**

<b>Number of employees</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Number of full-time equivalent employees	464.16	458.21	451.81
Average number of natural person employees	470	463.50	456.49
of which: White collar employees	252	248.41	243.30
Blue collar employees	218	215.09	213.19
Management of the state-owned company	178	173.96	170.03
Opava Plant	129	126.50	125.64
Frýdek-Místek Plant	163	163.04	160.82

**Employees according to working location**

<b>District</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Opava	64	62	61
Bruntál	30	32	31
Šumperk	1	1	1
Nový Jičín	29	29	29
Karviná	24	24	24
Frýdek-Místek	110	110	105
Ostrava – Město	198	190	191
Jeseník	13	13	12

# Provision of information

The state-owned enterprise Povodí Odry is an obliged entity in the area of provision of information pursuant to Act No. 106/1999 Coll., on free access to information, as amended.

## ACTIVITIES IN THIS AREA FOR 2020 ARE SUMMARISED BELOW:

- **The number of filed requests for information and the number of issued decisions to reject requests** – In 2020, four requests for information were delivered to the state enterprise and one decision on partial rejection of a request was issued.
- **Number of appeals against decisions** – No appeals were submitted in 2020.
- **A copy of the relevant parts of each of the court verdicts in the matter of examination of the legality of the decisions of the statutory body regarding rejection of a request for the provision of information and an overview of all expenditure incurred in connection with judicial proceedings on the rights and obligations under Act No. 106/1999 Coll.** – No lawsuits were filed and no costs were incurred for such purpose in 2020.
- **List of provided exclusive licences** – No exclusive licences were provided in 2020.
- **Number of complaints filed under the provisions of Section 16a of Act No. 106/1999** – No complaints were filed in 2020.
- **Additional information relating to the implementation of this law** – For all requests, information was provided within the statutory limit of 15 days from receipt of the request.



# Water consumption

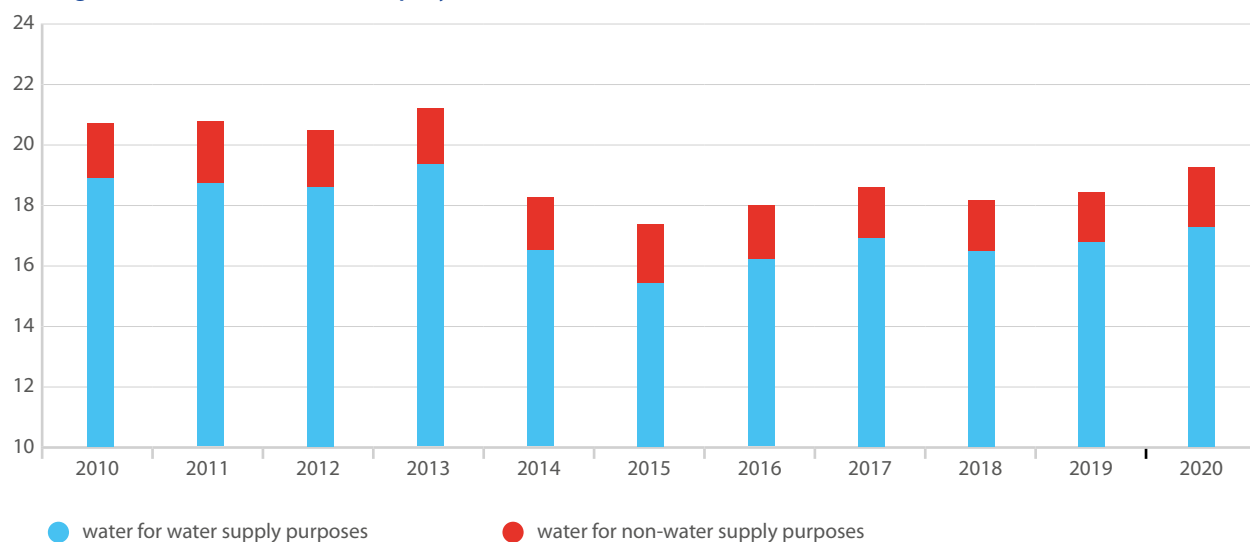
## UNDERGROUND WATER OFF-TAKE

As regards groundwater off-take, the year 2020 saw a year-on-year increase and the total take-off was 19.3 million cubic metres of water compared to 18.3 million in 2019. The increase is due to the off-take for water supply purposes in the Horní Odra River sub-basin, where in the reference year there was an increase in the quantity taken by the water and sewerage company Ostravské vodárny a kanalizace a.s. Ostrava and a total of 17.6 million cubic metres was consumed. The ground water off-take for non-water supply purposes slightly declined year-on-year reaching 1.7 million cubic metres compared to 1.8 million cubic metres in 2019.

### Underground water consumption (millions of m<sup>3</sup>)

Years	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Water for water supply purposes	18.8	18.9	18.9	19.2	16.1	15.6	16.2	17.1	16.4	16.5	17.6
Water for non-water supply purposes	1.9	1.7	1.6	1.7	1.6	1.7	1.5	1.6	1.6	1.8	1.7
<b>Total underground water</b>	<b>20.7</b>	<b>20.6</b>	<b>20.5</b>	<b>20.9</b>	<b>17.7</b>	<b>17.3</b>	<b>17.7</b>	<b>18.7</b>	<b>18.0</b>	<b>18.3</b>	<b>19.3</b>

### Underground water (in millions of m<sup>3</sup> per year)



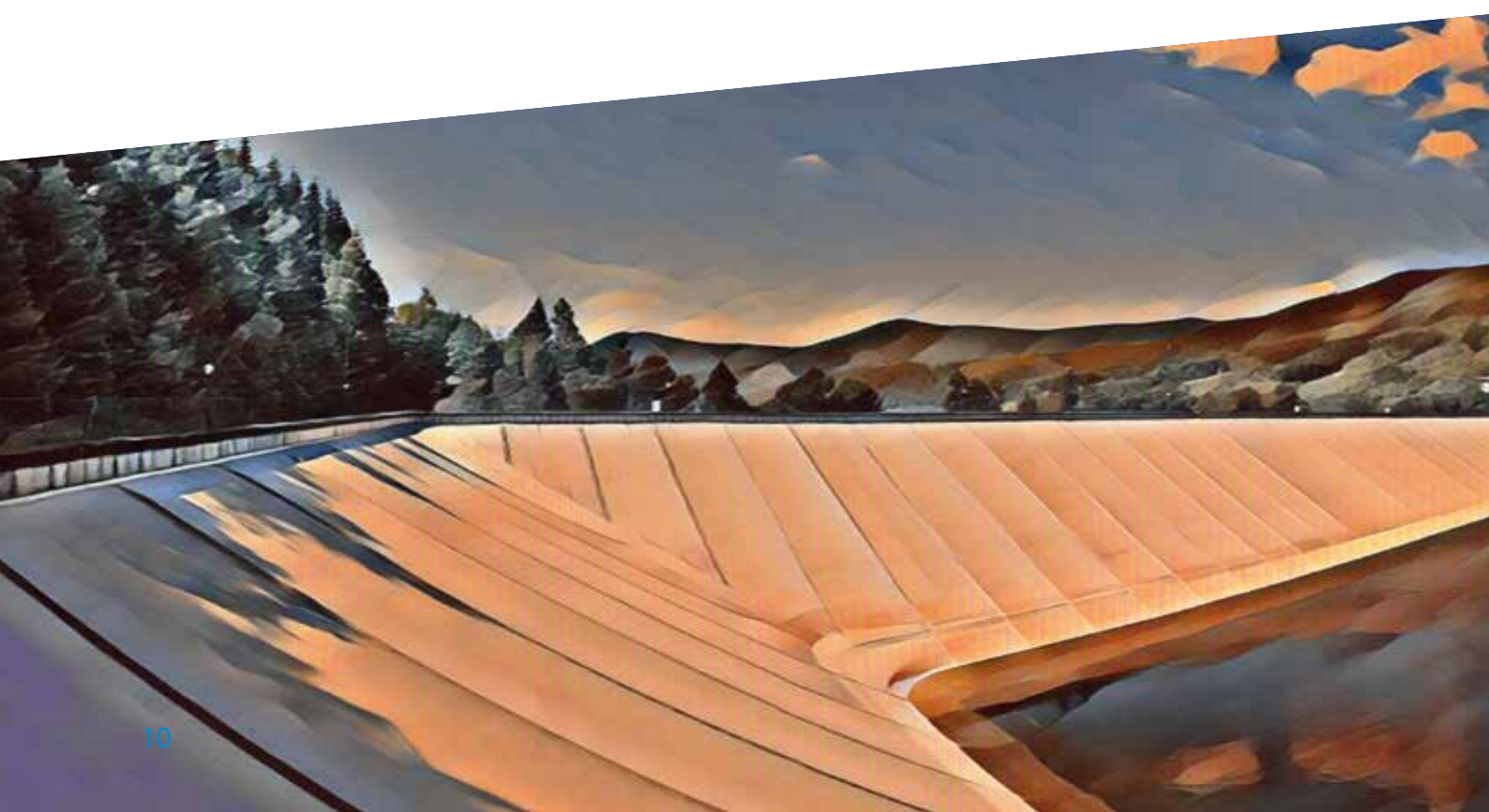
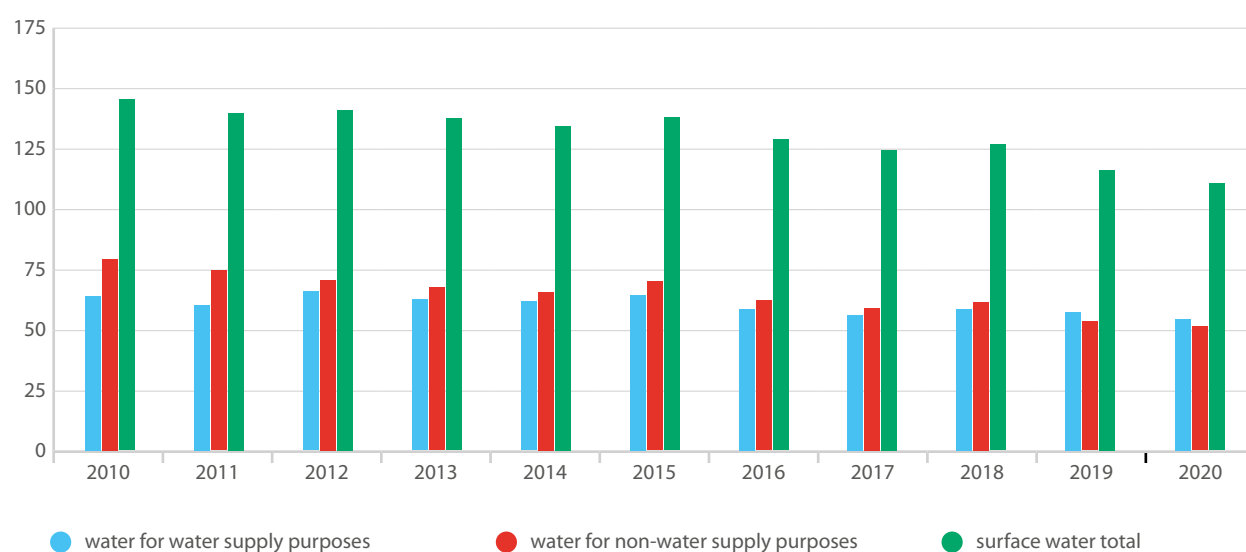
## SURFACE WATER OFF-TAKE

In 2020, the amount taken was affected by the COVID-19 pandemic and there was a significant year-on-year decrease in surface water consumption. A total of only 108.7 million cubic metres of water from sources managed by the state-owned enterprise Povodň Odrý was consumed by customers, which was a year-on-year decline of 6%. There was a decrease in off-take for both the supply of drinking water to inhabitants (from 60.2 to 57.2 million cubic metres) and consumption by industrial facilities (from 55.5 million to 51.5 million cubic metres).

### Surface water off-take (mil. m<sup>3</sup>)

Years	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Water for water supply purposes	66.9	64.2	67.1	65.1	64.9	65.0	62.3	60.6	60.9	60.2	57.2
Water for non-water supply purposes	77.2	74.8	72.0	71.5	70.2	71.8	65.7	63.5	64.5	55.5	51.5
<b>Surface water total</b>	<b>144.1</b>	<b>139.0</b>	<b>139.1</b>	<b>136.6</b>	<b>135.1</b>	<b>136.8</b>	<b>128.0</b>	<b>124.1</b>	<b>125.4</b>	<b>115.7</b>	<b>108.7</b>

### Surface water (millions of m<sup>3</sup> per year)



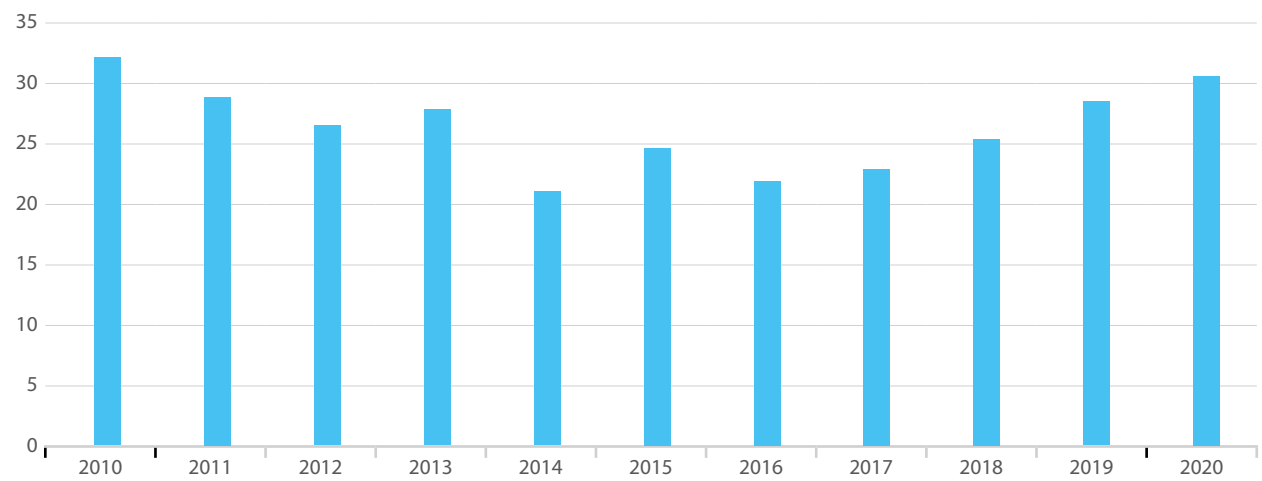
# Electricity generation

The hydroelectric power plant operations of the state-owned enterprise Povodí Odry has recorded the already fourth year-on-year increase in a row. The year 2020 was characterised by excellent hydrological conditions, which made it possible to generate above-average quantities reaching the highest production in the last ten years. This is despite the fact that an unplanned shutdown took place at the Slezská Harta power plant in the second half of the year. In March, a production of 4.0 million kWh per month was achieved, which is a record to date. A total of 30.1 million kWh of electricity was produced, of which almost 39% came from the largest hydroelectric power plant at the Slezská Harta waterworks on the Moravice River.

## Production of electric power in millions of kWh

Years	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total	32.133	29.194	26.424	27.559	20.992	24.824	21.820	23.289	25.198	27.767	30.119

## Annual production of electric power in millions of kWh



# Water quality control

An important activity of our state enterprise under the Water Act is to ensure and evaluate the surface water level and quality. This is a long-term and systematic activity in the area of its monitoring and applies to both flowing water (rivers, streams) and still water (water supply and recreational reservoirs).

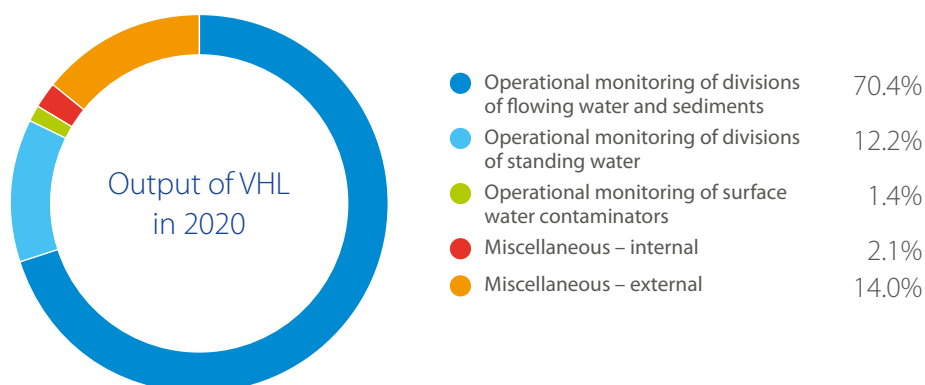
The measured results are used as the bases for all sorts of activities in the area of protecting water against pollution and are increasingly becoming more important in connection with implementation of European standards in Czech legislation. The objective is to achieve the so-called good water level, which is defined in the general Framework Agreement on Water and represents the fulfilment of many criteria and conditions in the aqueous environment. Monitoring water levels not only involves sampling basic physiochemical parameters, but also heavy metals, pesticides, and a broad spectrum of pollutants in the area of priority substances and specific organic substances that are created by human activity in many production processes. Great emphasis is also placed on the monitoring of biological elements, for instance, fish population, macrozoobenthos, phytoplankton, phytobenthos, and others. An integral part of the evaluation of the watercourses is also the assessment of its selected hydro-morphological characteristics, i.e., whether building constructions and other anthropogenic activities in the water channel have disrupted the conditions for the development of aqueous organisms. The results of such monitoring processes are the basic condition for the protection of water quality and the design of measures for its continuous improvement within the scope of the planning processes for water use. They represent a major category of information for the communicative activities of the state enterprise, particularly the issue of opinions and conveyances on any handling of water because the managers of the basins create the professional base for the water management authorities and, on a case-by-case basis, assess whether polluters' release of waste water violates the law in terms of the given requirements for the target quality condition of the water. The basin managers perform this activity free-of-charge and it is their duty to prepare and provide an opinion. In 2020, the water quality care department handled about 2,700 record items.

Water analyses are annually evaluated and serve both for the performance of additional state administrative actions and as information for the professional and lay public, they are the basic condition for formulation of the water management balance, and for the negotiation of bilateral treaties and the activities of the International Committee for Protection of the Oder.

## WATER QUALITY CONTROL – VHL

The monitoring of water quality in 2020 was accomplished in compliance with the annual plan prepared according to the existing legislation and the needs of our state enterprise. Within the framework of monitoring, 157 profiles were monitored in flowing watercourses with a planned sampling frequency of 12 times per year, and 12 profiles with a sampling frequency of 6 times per year. Due to the reduction in capacity resulting from the coronavirus measures, the frequency of flowing water sampling was reduced to 10/11 per year for 53 profiles. This also includes the monitoring of small water reservoirs and border waters. The scopes of the analysed parameters were optimised in such a manner that the relevant substances and groups of these substances as well as other quality indicators necessary for evaluation of the condition or ecological potential in the water bodies were monitored in the individual profiles. Monitoring of the quality of the water in our valley water supply and recreation reservoirs included the “mixed” and “zonal” off-takes from several vertical reservoirs (3 to 7, usually 5) with the frequency ranging from 3 to 12 off-takes per year. Basic monitoring was also done at the selected discharges of the contaminators of surface water.

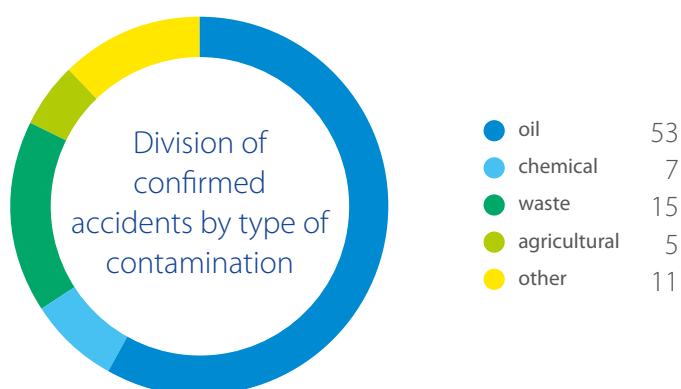
The total volume of the outputs of the water management laboratories in 2020 was approximately CZK 20.33 million. The percentage share of the individual types of analyses in the total outputs is given in the following graph:



# Water purity failure in 2020

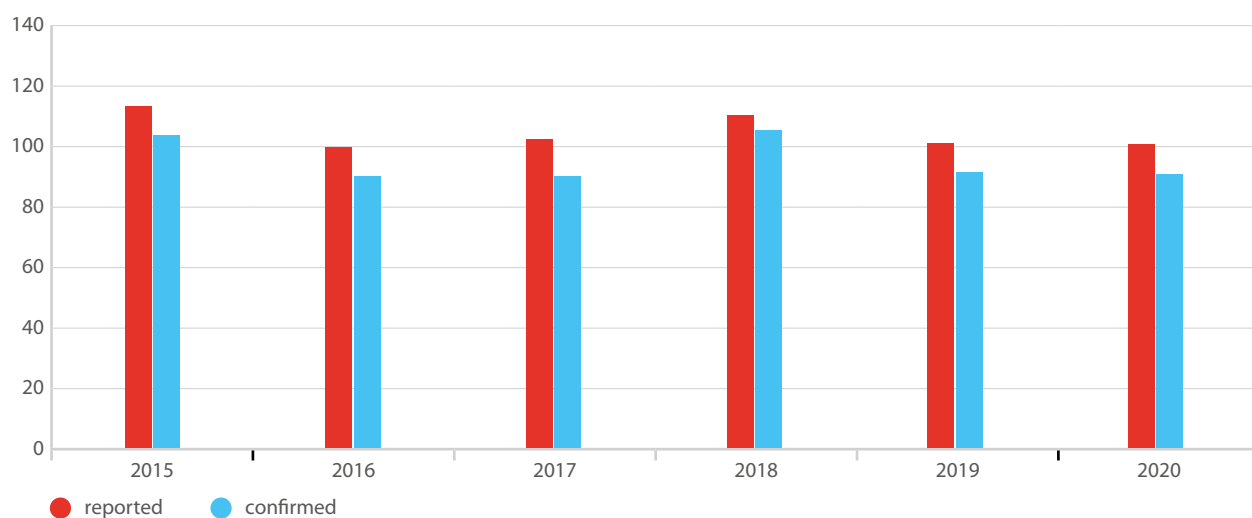
## ACCIDENTS IN 2020

<b>Reported accidents</b>	<b>100</b>
<b>Confirmed accidents</b>	<b>91</b>
of which: reported after lapse of accident	3
of which: confirmed threat to the watercourse	49
<b>Unconfirmed accidents</b>	<b>9</b>



## TREND OF REPORTED AND CONFIRMED ACCIDENTS IN THE 2015–2020 PERIOD

Year	2015	2016	2017	2018	2019	2020
reported	115	100	101	110	101	100
confirmed	103	91	91	107	92	91



## ACCIDENTS IN 2020 IN THE TERRITORIES OF THE INDIVIDUAL MUNICIPALITIES WITH EXTENDED POWERS

In 2020, a total of 100 accidents were confirmed, which resulted in deterioration of or danger to the quality of surface or ground waters. Overall, accidents involving petroleum products prevailed, accounting for about 58.2%.

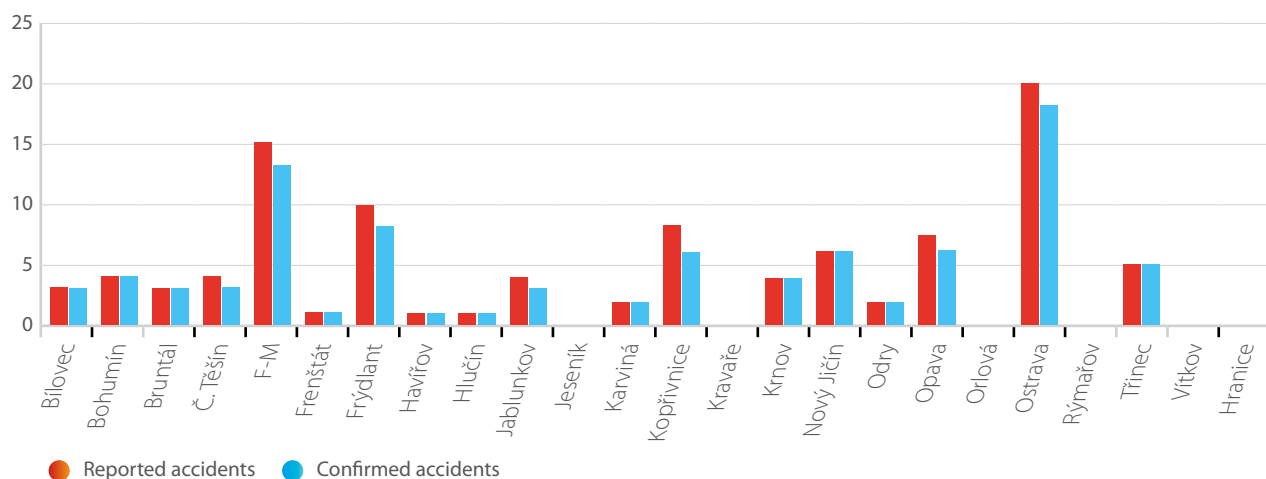
ORP		Bílovec	Bohumín	Bruntál	Č. Těšín	F-M	Frenštát	Frýdlant	Havířov
Accidents	reported	3	4	3	4	15	1	10	1
	confirmed	3	4	3	3	13	1	9	1

ORP		Hlučín	Jablunkov	Jeseník	Karviná	Kopřivnice	Kravaře	Krnov	Nový Jičín
Accidents	reported	1	4	0	2	8	0	4	6
	confirmed	1	3	0	2	6	0	4	6

ORP		Odry	Opava	Orlová	Ostrava	Rýmařov	Třinec	Vítkov	Hranice
Accidents	reported	2	7	0	20	0	5	0	0
	confirmed	2	6	0	19	0	5	0	0



## MORE SIGNIFICANT ACCIDENTS

### 1 FEBRUARY 2020 D1 KM 357.5 – TRUCK ACCIDENT

The Information Security Centre informed about a truck accident on the D1 motorway (direction to Brno). The truck's fuel tank broke away in an accident and 500 to 1,000 litres of diesel leaked. The fire-fighters covered the pollution on the road with sorbent. Diesel leaking from the sewer began to appear in the drainage ditch. The situation was dealt with on the spot by the Roads and Motorways Authority, which called in the company Ekoaquas s.r.o. to clean the drainage and sewerage. They installed an absorbent sock in the drainage ditch. The Oder watercourse was not polluted. The resolution of the accident was overseen by the Water Law Authority of the Ostrava City Hall's Environmental protection department, which handled the accident in accordance with the provisions of Sections 40 and 41 of Act No. 254/2001 Coll., on waters and on amendment of certain acts, as amended.

### 27 APRIL 2020 VRBICKÁ STRUŽKA – DEATH OF FISH

The Municipal Police of Bohumín informed the Oder River basin control centre about the death of fish (approx. 200) on the Vrbická stružka watercourse, which had been reported by a citizen from Vrbice. As a result of the repair of the steel supply piping (owned by the Czech Anglers Union) leading to the Heřmanický pond, it was necessary to reduce the flow in the race. This resulted in the deaths of tens to hundreds of small fish. The repair was carried out by concreting in the period of 21-24 April 2020. After increasing the flow, the dead fish were flushed into the Heřmanický pond and further from the pond drain into the Vrbická stružka – up to Ostravská Street. The Czech Environmental Inspectorate (CEI) ordered the water bailiff of the Heřmanický pond to ensure the collection of dead fish with the fishermen. At the same time, at the request of the CEI, the HS PO hygiene station took water samples at four different locations: on the race below the Rychvald weir, at the inlet to the pond, from the Heřmanický pond, and at the outflow from the pond. The hygiene station also measured the oxygen content and pH in the pond and on the tributary. Values of pH 8.2-9.1 and



oxygen of approx. 5-6 mg/l were measured. The fishermen collected and transported the accumulated fish (crucian carp) from the tributary to the Lesník pond. They continued to collect dead fish that remained in the Vrbická stružka below the Heřmanický pond. The resolution of the accident was overseen by the Czech Environmental Inspectorate and the Water Law Authority of the Ostrava City Hall's Environmental protection department, which handled the accident in accordance with the provisions of Sections 40 and 41 of Act No. 254/2001 Coll., on waters, and on amendment of certain acts, as amended.

#### **25 JUNE 2020 ODER WATERCOURSE – HRUŠOV HYDROCHLORIC ACID**

Ostrava water supply and sewerage company (OVaK) – 600 litres of 5% hydrochloric acid leaked from the company Rumpold s.r.o. into the sewerage system and subsequently reached the waste water treatment plant (WWTP) in Hrušov, Rígrova Street, where it was diluted and discharged into the Oder watercourse (in the place of OZO in Hrušov), where a pH of 2.56 was measured. The accident occurred in the morning and the situation was managed by the Ostrava City Hall (MMO). The director of Rumpold s.r.o. and the employees of OVaK were also present at the scene. The HS PO hygiene station carried out an inspection of the Oder watercourse. The WWTP was not in operation at that time. The acid accumulated in the sumps and only an insignificant part got into the Oder watercourse. All of it was drained by Rumpold s.r.o. and the rest was diluted at the outflow. Wastewater in the sewerage was diluted with water from the hydrant, then pumped from the pumping station to a tank and disposed of at the Rumpold s.r.o. plant. OVaK carried out an inspection of the sewerage system, the treatment plant technology and the pumping station. The resolution of the accident was overseen by the Water Law Authority of the Ostrava City Hall's Environmental protection department, which handled the accident in accordance with the provisions of Sections 40 and 41 of Act No. 254/2001 Coll., on waters and on amendment of certain acts, as amended.

#### **17 OCTOBER 2020 TRUCK ACCIDENT ABOVE THE ŠANCE WATERWORKS**

The Information Security Centre informed about a truck accident on the I/56 road near the municipality of Staré Hamry. The vehicle drove off a bridge directly to the Ostravice watercourse, while about 300 litres of diesel leaked into the terrain and the watercourse. Fire-fighters intervened on the scene. Due to the high flow rate, it was not possible to install containment booms. The fire-fighters, together with the staff of the Šance waterworks, then installed containment booms at the end of the reservoir area, because diesel appeared on the surface. The truck was pulled out onto the road and towed away. The HS PO hygiene station carried out a check in the afternoon. The company Ekoaquas s.r.o. extracted the contaminated soil and dug a ditch under the accident site to catch the residues of the spilling diesel. They stretched 2 containment booms into the reservoir area, the NEL substances were successfully captured (the operation was provided by the dam keeper using a boat). Two containment booms were installed at the end of the reservoir area, with absorption socks laid before them. An inspection was then performed together with Ekoaquas and the contaminated containment booms were replaced. Behind the containment booms, the surface of the Šance waterworks was without contamination and no pollution flowed to the surface of the Ostravice watercourse. The containment booms remained in place. On 26 October 2020, the containment booms were inspected at the Šance waterworks surface without any further captured pollution and therefore, they were dismantled by Ekoaquas. 29 October 2020 – Ekoaquas added new soil and finished the earthworks at the accident site. The resolution of the accident was overseen by the Water Law Authority of the Frýdlant nad Ostravicí City Hall's environmental protection department, which handled the accident in accordance with the provisions of Sections 40 and 41 of Act No. 254/2001 Coll., on waters and on amendment of certain acts, as amended.

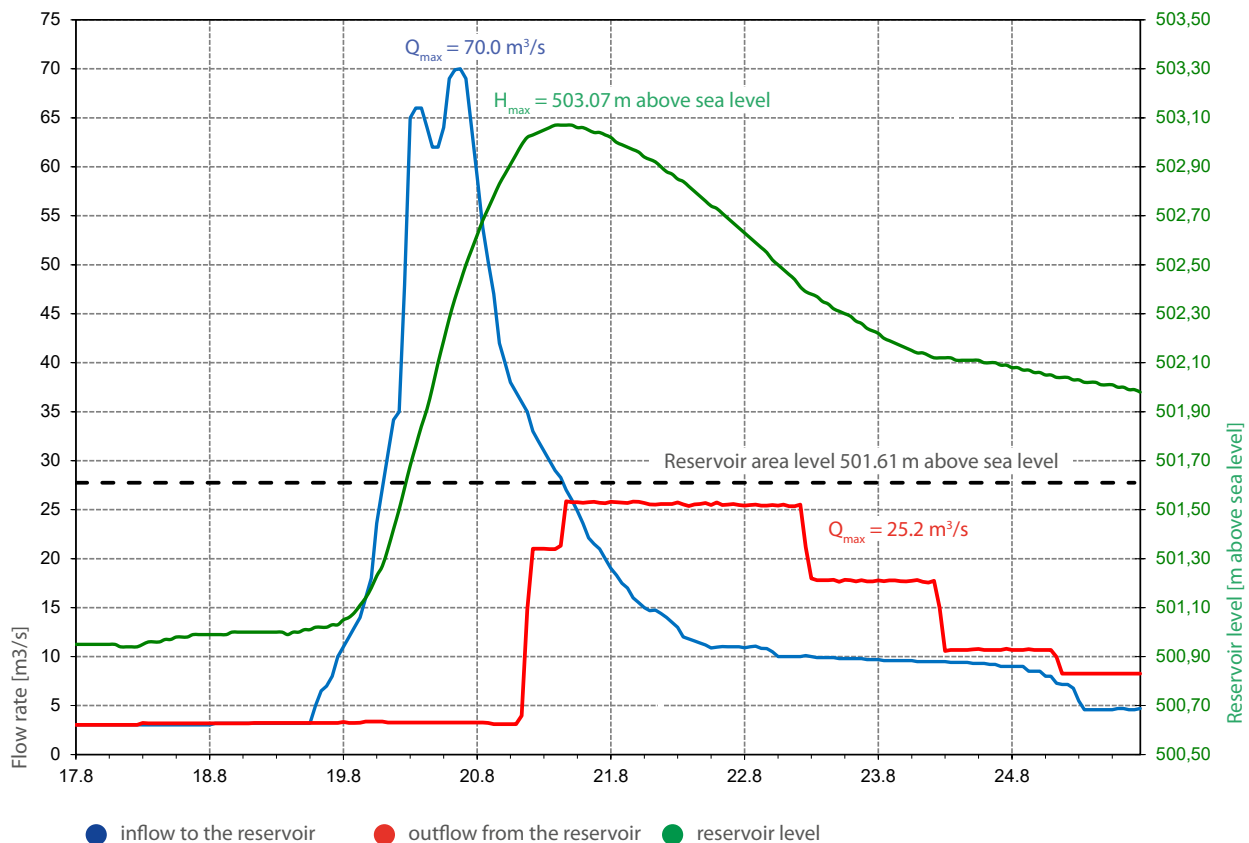
# Floods 2020

In recent years, the territory of the Czech Republic has been ever more frequently affected by extreme hydrological phenomena. In 2015-2016, the Oder River basin was affected by the most severe drought over the observation period, which persisted in the following years practically until May 2020. Since that month, on the other hand, the Oder River basin has been hit several times by flash floods and finally, in October this year, by a flood that already had the character of a regional flood.

In the period from 18 to 22 June, the most water fell in the windward parts of the Beskydy Mountains and in the Podbeskydy uplands, where the five-day precipitation totals ranged from 120 to 240 mm of water. About 70-180 mm of water rained down in the western part of the Hrubý Jeseník Mountains and in the area of the Rychlebské Mountains and their foothills during the same period. Further torrential rain, which had a response on the watercourses, occurred on 20 July. The highest precipitation amount was recorded that day at the Hodoňovice station – 40 mm in just 3 hours of intense rain. The heaviest rainfall in August occurred on 18 August in the Beskydy region, with the highest daily precipitation amount registered in Jablunkov (98 mm). In the October flood episode, the rainfall started the night of 12 October and lasted almost incessantly until Thursday morning, 15 October. During this period, the most water fell in the windward parts of the Beskydy Mountains, the Beskydy foothills and the Karviná and Jeseník regions, where the three-day precipitation amounts ranged most often from 70 to 110 mm of water.

The rainfall episodes described above were reflected in a significant runoff response. In terms of the achieved times of recurrence of peak flows, the floods of 2020 were most often around the value of  $Q_2$ . The exceptions were the flow of  $Q_{100}$  at the Polančice in Polanka (21 m<sup>3</sup>/s),  $Q_{50}$  on the Petrůvka in Zebrzydowice (45 m<sup>3</sup>/s) and  $Q_{10}$ - $Q_{20}$  on the Porubka in Vřesina (21 m<sup>3</sup>/s) in June. Furthermore, in July, the catchment area of the Bystrý stream in Baška was hit by a flash flood, where the peak flow on the Rzavý stream could be around  $Q_{100}$ . In August, the rainfalls impacted most of all the Ludgeřovický stream ( $Q_2$ - $Q_5$ ) and the Lomná watercourse in Jablunkov  $> Q_5$ . In September, the flow rate of  $Q_{10}$  was again exceeded on the Ludgeřovický stream. In the October episode, the largest flow extreme was recorded at the Sezina in Bravantice ( $Q_{50}$ , 39 m<sup>3</sup>/s), the Luza in Jeseník nad Odrou, the Porubka in Vřesina and the Petrůvka in Petrovice near Karviná ( $Q_{10}$ ). At the same time, significant flows close to  $Q_{10}$  were reached on the backbone streams in

## Flood wave transformation 17-24 August 2020, Waterworks ŠANCE





Morávka – Vyšní Lhoty on 20 June 2020

October, namely on the Oder in Odry (100 m<sup>3</sup>/s) and Svinov (306 m<sup>3</sup>/s) and the flood water exceeded  $Q_{10}$  on the lower reaches of the Opava (in Děhylov 263 m<sup>3</sup>/s).

The rainfalls were also reflected in high inflows into the reservoirs of the water management system of the Oder River basin. The capture of flood waves in the reservoirs from the basins above them made it possible to slow down the course of these waves over time, and thus to achieve a safer outflow of high waters from the lower sub-basins. For example, the inflow of 70 m<sup>3</sup>/s at the Šance waterworks during the August episode was damped to the outflow from the reservoir of 2.5 m<sup>3</sup>/s and the retention space of the reservoir was filled up to 30%. At the Slezská Harta waterworks, the maximum inflow into the reservoir of 60 m<sup>3</sup>/s during the October episode was damped to an outflow of 11 m<sup>3</sup>/s and the reservoir surface reached the emergency overflow level. During the flood events, the flow rate forecasts in the river basin were processed and the handling of the reservoirs was controlled by our water management control centre. They were further optimised using the HYDROG rainfall-runoff forecasting model.

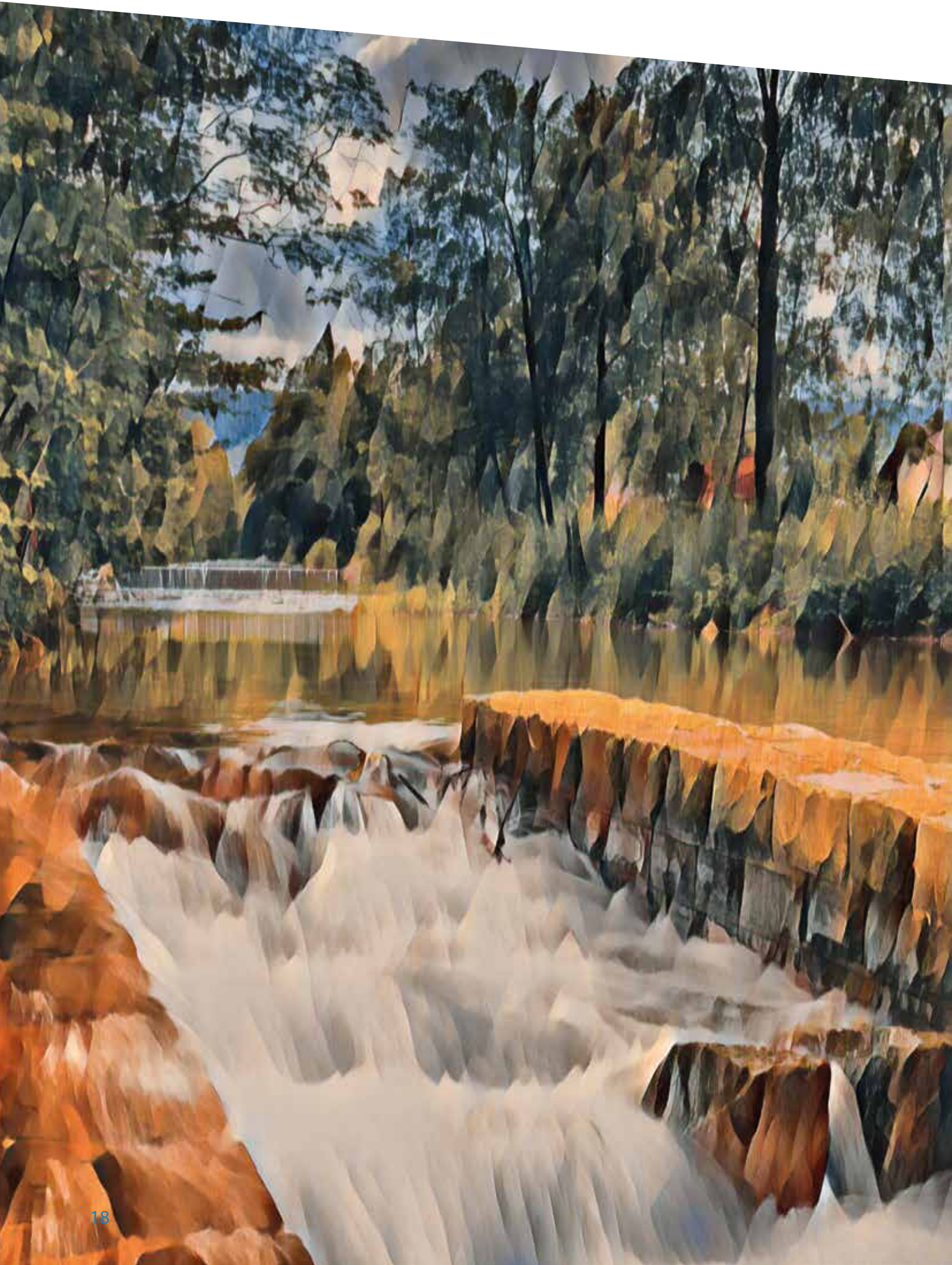
It can be concluded that there was no significant flood damage to the property of the state-owned enterprise Povodí Odry. Gradually, the barriers as well as the deposits from the benches and troughs of the watercourses were removed and the floating debris were cleared, all for about CZK 10 million. On a number of small water streams, as well as on significant watercourses, flood damage did not occur or its manifestations were significantly mitigated, and the water-side inhabitants owe this to the very good maintenance of the troughs of these watercourses by our Company. On a number of small watercourses, flash floods were significantly dampened by newly built or reconstructed small water reservoirs. The professional management of the major valley reservoirs forming together with the important weirs and water transfers from them the Water Management System of the Oder River basin contributed substantially to the mitigation of the regional October flood in particular. We are also pleased to note that in many localities there was no response from the general public to the floods and that the sites where flood risks and flood damage occurred in recent years were protected in the meantime.



Ludgeřovický stream on 26 September 2020



Completely filled water reservoir Pocheň on 15 October 2020



# Economic results for 2020

The economic result achieved in 2020 amounted to CZK 14,826 thousand. This profit was achieved despite a significant drop in surface water sales, mainly due to increased electricity generation in small hydroelectric power plants.

The long-term downward trend in surface water consumption continued in 2020, especially in the area of industrial customers in the Moravian-Silesian region. The total consumption in 2020 amounted to 108,655 thousand m<sup>3</sup> representing a year-on-year decrease of 7,041 thousand m<sup>3</sup>. This drop generated a year-on-year decline in sales of surface water in 2020 of CZK 13,009 thousand as compared with the previous year 2019.

On the other hand, there was a favourable development in the area of electricity generation, where the revenues from this activity increased by CZK 9,482 thousand year-on-year thanks to good hydrological conditions throughout the year and the agreed purchase price. A total of 29,943 MWh of electricity was sold in 2020, which is 2,331 MWh more than in the previous year 2019. The total income from electricity generation in 2020 amounted to CZK 89,112 thousand. The creation of the achieved economic result was also contributed to by the outperforming revenues from fish sales, laboratory work and rental income.

In the area of costs, there were savings aimed at eliminating the negative effects of declining sales in almost all items compared to the planned values. An exception is the repair and maintenance costs, which were realised in excess of the annual planned values in accordance with the objective of ensuring the proper and operational condition of the entrusted water management assets. In 2020, work in the total amount of CZK 105,057 thousand was carried out as part of the repairs, of which CZK 95,280 thousand came from the company's own resources and CZK 9,777 thousand from the subsidy programme of the Ministry of Agriculture intended for the repair and maintenance of small water reservoirs and small watercourses.

In the balance-sheet part of the finances in 2020, there was particularly an increase in current assets, mainly due to a lower use of investments paid from own resources. Another factor was the year-on-year increase in the volume of trade receivables, related in particular to the increase in electricity sales.

In the area of long-term property acquisition, investments totalled CZK 284,177 thousand in 2020. From the subsidies of the Ministry of Agriculture, CZK 122,533 thousand was used for flood control measures and CZK 10,991 thousand for measures on small watercourses and small water reservoirs. From the subsidies of the Environment Operational Programme, CZK 2,344 thousand was used for the revitalisation of watercourses. A total of CZK 146,410 thousand from the state enterprise's own resources was spent on the acquisition of new fixed assets or their technical improvement, and assets amounting to CZK 1,899 thousand were acquired by free of charge transfers and placed under the management of the state enterprise.

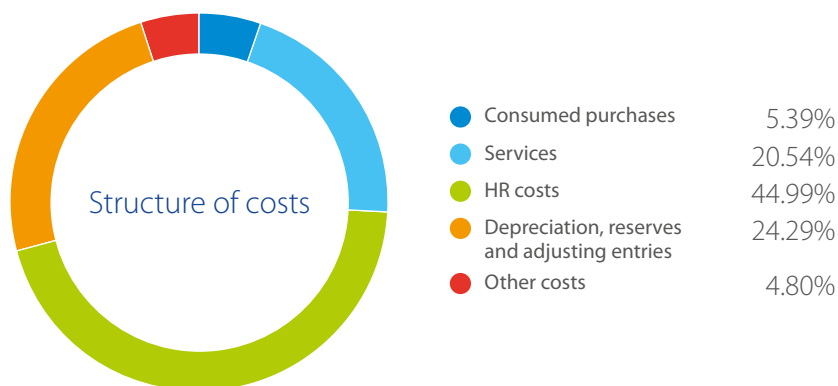
In conclusion, it can be stated that we managed to achieve relatively good economic results in 2020, mainly due to the favourable developments, in particular in revenues from electricity generation and due to savings in primary costs. At the same time, the main line of business of the state-owned enterprise in the field of repairs and maintenance of and investments in the entrusted water management assets was successfully fulfilled.

## COSTS (IN THOUSANDS OF CZK)

Consumed purchases	35,494
Purchased services	135,343
of which: Repairs and maintenance	105,057
Other services	30,286
HR costs	296,534
of which: Wage costs	204,433
Social security and health insurance	71,125
Other social costs	20,976
Taxes and fees	3,008
Other operating costs	9,415
Depreciation, reserves and adjusting entries	160,096
of which: Depreciation	149,016
Reserves and adjusting entries	11,080
Change to status of inventory and capitalisation	-1,787
Financial costs	211
Deferred tax	20,755
<b>Total costs</b>	<b>659,069</b>

## STRUCTURE OF COSTS

Consumed purchases	5.39%	35,494
Services	20.54%	135,343
HR costs	44.99%	296,534
Depreciation, reserves and adjusting entries	24.29%	160,096
Other costs	4.80%	31,602
<b>Total costs</b>	<b>100.00%</b>	<b>659,069</b>

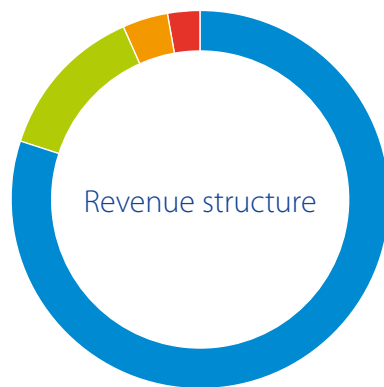


## REVENUES (IN THOUSANDS OF CZK)

Sales	656,536
of which: For surface water	540,016
For electricity	89,112
For fish	13,527
For services	13,881
Other operating revenues	15,035
Financial revenues	2,324
<b>Total revenues</b>	<b>673,895</b>

## REVENUE STRUCTURE

Surface water sales	80.13%	540,016
Electricity sales	13.22%	89,112
Other revenues	4.07%	27,408
Other revenues	2.58%	17,359
<b>Total revenues</b>	<b>100.00%</b>	<b>673,895</b>



● Surface water sales	80.13%
● Electricity sales	13.22%
● Other revenues	4.07%
● Other revenues	2.58%



# Auditor's report



## ZPRÁVA NEZÁVISLÉHO AUDITORA pro zakladatele státního podniku o ověření účetní závěrky a výroční zprávy za rok 2020

**Povodí Odry, státní podnik**  
Varenská 3101/49, Moravská Ostrava, Ostrava, PSČ 702 00  
státní podnik  
IČ: 708 90 021

### *Výrok auditora*

Provedli jsme audit přiložené účetní závěrky státního podniku Povodí Odry, státní podnik (dále také „Státní podnik“) sestavené na základě českých účetních předpisů, která se skládá z rozvahy k 31. 12. 2020, výkazu zisku a ztráty, za rok končící 31. 12. 2020, a přílohy této účetní závěrky, která obsahuje popis použitých podstatných účetních metod a další vysvětlující informace, přehledu o peněžních tocích a přehledu o změnách vlastního kapitálu. Údaje o Státním podniku jsou uvedeny v bodě 1) přílohy této účetní závěrky.

**Podle našeho názoru účetní závěrka podává věrný a poctivý obraz aktiv a pasiv státního podniku Povodí Odry, státní podnik k 31. 12. 2020 a nákladů a výnosů a výsledku jejího hospodaření a peněžních toků za rok končící 31. 12. 2020 v souladu s českými účetními předpisy.**

### *Základ pro výrok*

Audit jsme provedli v souladu se zákonem o auditorech a standardy Komory auditorů České republiky pro audit, kterými jsou mezinárodní standardy pro audit (ISA) případně doplněné a upravené souvisejícími aplikačními doložkami. Naše odpovědnost stanovená těmito předpisy je podrobněji popsána v oddílu Odpovědnost auditora za audit účetní závěrky. V souladu se zákonem o auditorech a Etickým kodexem přijatým Komorou auditorů České republiky jsme na Státním podniku nezávislí a splnili jsme i další etické povinnosti vyplývající z uvedených předpisů. Domníváme se, že důkazní informace, které jsme shromáždili, poskytují dostatečný a vhodný základ pro vyjádření našeho výroku.



#### *Ostatní informace uvedené ve výroční zprávě*

Ostatními informacemi jsou v souladu s § 2 písm. b) zákona o auditorech informace uvedené ve výroční zprávě mimo účetní závěrku a naši zprávu auditora. Za ostatní informace odpovídá statutární orgán Státního podniku.

Náš výrok k účetní závěrce se k ostatním informacím nevztahuje. Přesto je však součástí našich povinností souvisejících s auditem účetní závěrky seznámení se s ostatními informacemi a posouzení, zda ostatní informace uvedené ve výroční zprávě nejsou ve významném (materiálním) nesouladu s účetní závěrkou či našimi znalostmi o účetní jednotce získanými během provádění auditu účetní závěrky nebo zda se jinak tyto informace nejeví jako významně (materiálně) nesprávné. Také posuzujeme, zda ostatní informace byly ve všech významných (materiálních) ohledech vypracovány v souladu s příslušnými právními předpisy. Tímto posouzením se rozumí, zda ostatní informace splňují požadavky právních předpisů na formální náležitosti a postup vypracování ostatních informací v kontextu významnosti (materiality), tj. zda případné nedodržení uvedených požadavků by bylo způsobilé ovlivnit úsudek činěný na základě ostatních informací.

Na základě provedených postupů, do míry, již dokážeme posoudit, uvádíme, že ostatní informace, které popisují skutečnosti, jež jsou též předmětem zobrazení v účetní závěrce, jsou ve všech významných (materiálních) ohledech v souladu s účetní závěrkou a že byly vypracovány v souladu s právními předpisy.

Dále jsme povinni uvést, zda na základě poznatků a povědomí o Státním podniku, k nimž jsme dospěli při provádění auditu, ostatní informace neobsahují významné (materiální) věcné nesprávnosti. V rámci uvedených postupů jsme v obdržенých ostatních informacích žádné významné (materiální) věcné nesprávnosti nezjistili.

#### *Odpovědnost statutárního orgánu, dozorčí rady a výboru pro audit Státního podniku za účetní závěrku*

Statutární orgán Státního podniku odpovídá za sestavení účetní závěrky podávající věrný a poctivý obraz v souladu s českými účetními předpisy a za takový vnitřní kontrolní systém, který považuje za nezbytný pro sestavení účetní závěrky tak, aby neobsahovala významné (materiální) nesprávnosti způsobené podvodem nebo chybou.

Při sestavování účetní závěrky je statutární orgán Státního podniku povinen posoudit, zda je Státní podnik schopen nepřetržitě trvat, a pokud je to relevantní, popsat v příloze účetní závěrky záležitosti týkající se jejího nepřetržitého trvání a použití předpokladu nepřetržitého trvání při sestavení účetní závěrky, s výjimkou případů, kdy statutární orgán plánuje zrušení Státního podniku nebo ukončení jeho činnosti, resp. kdy nemá jinou reálnou možnost než tak učinit.

Za dohled nad procesem účetního výkaznictví ve Státním podniku odpovídá dozorčí rada ve spolupráci s výborem pro audit.

### *Odpovědnost auditora za audit účetní závěrky*

Naším cílem je získat přiměřenou jistotu, že účetní závěrka jako celek neobsahuje významnou (materiální) nesprávnost způsobenou podvodem nebo chybou a vydat zprávu auditora obsahující náš výrok. Přiměřená míra jistoty je velká míra jistoty, nicméně není zárukou, že audit provedený v souladu s výše uvedenými předpisy ve všech případech v účetní závěrce odhalí případnou existující významnou (materiální) nesprávnost. Nesprávnosti mohou vznikat v důsledku podvodů nebo chyb a považují se za významné (materiální), pokud lze reálně předpokládat, že by jednotlivě nebo v souhrnu mohly ovlivnit ekonomická rozhodnutí, která uživatelé účetní závěrky na jejím základě přijmou.

Při provádění auditu v souladu s výše uvedenými předpisy je naší povinností uplatňovat během celého auditu odborný úsudek a zachovávat profesní skepticismus. Dále je naší povinností:

- Identifikovat a vyhodnotit rizika významné (materiální) nesprávnosti účetní závěrky způsobené podvodem nebo chybou, navrhnout a provést auditorské postupy reagující na tato rizika a získat dostatečné a vhodné důkazní informace, abychom na jejich základě mohli vyjádřit výrok. Riziko, že neodhalíme významnou (materiální) nesprávnost, k níž došlo v důsledku podvodu, je větší než riziko neodhalení významné (materiální) nesprávnosti způsobené chybou, protože součástí podvodu mohou být tajné dohody (koluze), falšování, úmyslná opomenutí, nepravdivá prohlášení nebo obcházení vnitřních kontrol.
- Seznámit se s vnitřním kontrolním systémem Státního podniku relevantním pro audit v takovém rozsahu, abychom mohli navrhnout auditorské postupy vhodné s ohledem na dané okolnosti, nikoli abychom mohli vyjádřit názor na účinnost jejího vnitřního kontrolního systému.
- Posoudit vhodnost použitých účetních pravidel, přiměřenost provedených účetních odhadů a informace, které v této souvislosti statutární orgán Státního podniku uvedl v příloze účetní závěrky.
- Posoudit vhodnost použití předpokladu nepřetržitého trvání při sestavení účetní závěrky statutárním orgánem a to, zda s ohledem na shromážděné důkazní informace existuje významná (materiální) nejistota vyplývající z událostí nebo podmínek, které mohou významně zpochybnit schopnost Státního podniku nepřetržitě trvat. Jestliže dojdeme k závěru, že taková významná (materiální) nejistota existuje, je naší povinností upozornit v naší zprávě na informace uvedené v této souvislosti v příloze účetní závěrky, a pokud tyto informace nejsou dostatečné, vyjádřit modifikovaný výrok. Naše závěry týkající se schopnosti Státního podniku nepřetržitě trvat vycházejí z důkazních informací, které jsme získali do data naší zprávy. Nicméně budoucí události nebo podmínky mohou vést k tomu, že Státní podnik ztratí schopnost nepřetržitě trvat.
- Vyhodnotit celkovou prezentaci, členění a obsah účetní závěrky, včetně přílohy, a dále to, zda účetní závěrka zobrazuje podkladové transakce a události způsobem, který vede k věrnému zobrazení.



Naší povinností je informovat statutární orgán, dozorčí radu a výbor pro audit mimo jiné o plánovaném rozsahu a načasování auditu a o významných zjištěních, která jsme v jeho průběhu učinili, včetně zjištěných významných nedostatků ve vnitřním kontrolním systému.

AUDIT BARTOŠ s.r.o.  
Žernovník 42, 679 21 Černá Hora  
Evidenční číslo oprávnění KA ČR č. 503

HB AUDITING, s.r.o.  
Dolní 1730/25, 591 01 Žďár nad Sázavou  
Evidenční číslo oprávnění KA ČR č. 078

Ing. Roman Bartoš, auditor  
Evidenční číslo oprávnění č. 2148

Ing. Zdeněk Novotný, auditor  
Evidenční číslo oprávnění č. 1131

Datum zprávy auditora: 18. března 2021

.....  
Podpis auditora



.....  
Podpis auditora

HB AUDITING, s.r.o.  
Dolní 1730 / 25  
591 01 Žďár nad Sázavou  
IČO: 80 11 32 19  
DIČ: CZ60113219

# Balance Sheet

unabridged as at 31 December 2020 (in thousands of CZK)

POVODÍ ODŘY, state-owned enterprise  
Varenská 3101/49, Moravská Ostrava  
702 00 Ostrava  
Organisation ID No.: 70890021  
Registered in the Commercial Register of the  
Regional Court in Ostrava, File Ref. AXIV584

Label	Item content	Current period			Prior period
		Gross	Correction	Net	
	<b>TOTAL ASSETS</b>	<b>9,034,630</b>	<b>-4,042,229</b>	<b>4,992,401</b>	<b>4,957,308</b>
<b>B.</b>	<b>Fixed assets</b>	<b>8,553,242</b>	<b>-4,040,671</b>	<b>4,512,571</b>	<b>4,511,815</b>
B.I.	Intangible fixed assets	162,282	-141,865	20,417	17,266
B.I.1.	Intangible results of research and development	13,948	-13,948	0	0
B.I.2.	Valuable rights	63,301	-60,472	2,829	1,576
B.I.2.1.	Software	63,301	-60,472	2,829	1,576
B.I.4.	Miscellaneous intangible fixed assets	70,155	-67,445	2,710	4,821
B.I.5.	Advance payments for intangible fixed assets and intangible fixed assets in progress	14,878	0	14,878	10,869
B.I.5.2.	Intangible fixed assets in progress	14,878	0	14,878	10,869
B.II.	Tangible fixed assets	8,390,960	-3,898,806	4,492,154	4,494,549
B.II.1.	Land and structures	7,507,829	-3,381,207	4,126,622	4,176,907
B.II.1.1.	Land	519,476	0	519,476	510,171
B.II.1.2.	Buildings and structures (constructions)	6,988,353	-3,381,207	3,607,146	3,666,736
B.II.2.	Tangible movables and sets thereof	643,066	-517,235	125,831	122,742
B.II.4.	Other tangible fixed assets	1,167	-364	803	610
B.II.4.1.	Perennial crops	189	-189	0	0
B.II.4.3.	Other tangible fixed assets	978	-175	803	610
B.II.5.	Advance payments for tangible fixed assets and tangible fixed assets in progress	238,898	0	238,898	194,290
B.II.5.1.	Provided advances for tangible fixed assets	45	0	45	179
B.II.5.2.	Tangible fixed assets in progress	238,853	0	238,853	194,111
<b>C.</b>	<b>Current assets</b>	<b>480,727</b>	<b>-1,558</b>	<b>479,169</b>	<b>444,719</b>
C.I.	Inventory	8,090	-17	8,073	7,917
C.I.1.	Materials	2,609	-17	2,592	2,829
C.I.4.	Young and miscellaneous animals and groups thereof	5,481	0	5,481	5,088
C.II.	Accounts receivable	118,282	-1,541	116,741	106,566
C.II.1.	Long term receivables	104	0	104	202
C.II.1.1.	Trade receivables	60	0	60	146
C.II.1.5.	Receivables – others	44	0	44	56
C.II.1.5.2.	Long-term provided advances	12	0	12	12
C.II.1.5.4.	Other receivables	32	0	32	44
C.II.2.	Short-term receivables	118,178	-1,541	116,637	106,364
C.II.2.1.	Trade receivables	109,112	-1,538	107,574	102,526
C.II.2.4.	Receivables – others	9,066	-3	9,063	3,838
C.II.2.4.3.	State – tax claims	1,061	0	1,061	0
C.II.2.4.4.	Short-term advance payments made	1,211	0	1,211	583
C.II.2.4.5.	Contingent assets	61	0	61	333
C.II.2.4.6.	Other receivables	6,733	-3	6,730	2,922
C.IV.	Monetary funds	354,355	0	354,355	330,236
C.IV.1.	Available cash	522	0	522	746
C.IV.2.	Funds in accounts	353,833	0	353,833	329,490
<b>D.</b>	<b>Asset accruals and deferrals</b>	<b>661</b>	<b>0</b>	<b>661</b>	<b>774</b>
D.1.	Costs for subsequent periods	661	0	661	774

Label	Item content	Current period	Prior period
	<b>TOTAL LIABILITIES</b>	<b>4,992,401</b>	<b>4,957,308</b>
<b>A.</b>	<b>Equity</b>	<b>4,609,230</b>	<b>4,607,791</b>
A.I.	Registered capital	1,565,444	1,565,444
A.I.1.	Registered capital	1,565,444	1,565,444
A.II.	Share premium and capital funds	2,689,251	2,688,221
A.II.2.	Capital funds	2,689,251	2,688,221
A.II.2.1.	Other capital funds	2,689,251	2,688,221
A.III.	Funds from profit	339,709	246,578
A.III.1.	Other reserve funds	269,267	171,222
A.III.2.	Statutory and miscellaneous funds	70,442	75,356
A.IV.	Profit/Loss from previous years (+/-)	0	98,045
A.IV.2.	Other profit/loss from previous years (+/-)	0	98,045
A.V.	Profit/Loss for the current accounting period	14,826	9,503
<b>B. + C.</b>	<b>External resources</b>	<b>383,100</b>	<b>348,961</b>
<b>B.</b>	<b>Reserves</b>	<b>66,382</b>	<b>55,367</b>
B.4.	Other reserves	66,382	55,367
C.	Liabilities	316,718	293,594
C.I.	Long-term liabilities	282,575	263,219
C.I.8.	Deferred tax liability	275,744	254,989
C.I.9.	Other liabilities	6,831	8,230
C.I.9.3.	Miscellaneous liabilities	6,831	8,230
C.II.	Short-term liabilities	34,143	30,375
C.II.3.	Short-term received advances	55	56
C.II.4.	Liabilities from business relationships	6,728	3,416
C.II.8.	Other liabilities	27,360	26,903
C.II.8.3.	Obligations towards employees	13,744	12,552
C.II.8.4.	Social security and health insurance dues	7,946	7,469
C.II.8.5.	State – tax liabilities and subsidies	2,484	3,977
C.II.8.6.	Contingent liabilities	792	291
C.II.8.7.	Miscellaneous liabilities	2,394	2,614
<b>D.</b>	<b>Accrued liabilities</b>	<b>71</b>	<b>556</b>
D.1.	Expenses for subsequent periods	7	469
D.2.	Revenues for subsequent periods	64	87



Prepared on 16 March 2021

Name and signature of the statutory body:  
Ing. Jiří Tkáč, General Director

# Profit and Loss Statement

classification by elements in full format for the period from 1 January 2020 to 31 December 2020 (in thousands of CZK)

POVODÍ ODŘY, state-owned enterprise  
Varenská 3101/49, Moravská Ostrava  
702 00 Ostrava  
Organisation ID No.: 70890021  
Registered in the Commercial Register of the  
Regional Court in Ostrava, File Ref. AXIV584

Label	Item content	Current period	Prior period
I.	Revenues from sale of products and services	656,536	658,221
A.	Output consumption	170,837	281,160
A.2.	Consumption of materials and energy	35,494	36,642
A.3.	Services	135,343	244,518
B.	Change to balance of reserves from internal activities (+/-)	-364	3,184
C.	Activation (-)	-1,423	-1,382
D.	HR costs	296,534	288,168
D.1.	Wage costs	204,433	198,154
D.2.	Social security, health insurance and miscellaneous costs	92,101	90,014
D.2.1.	Costs for social security and health insurance	71,125	68,855
D.2.2.	Other costs	20,976	21,159
E.	Value adjustments related to operations	149,081	147,965
E.1.	Adjustment of values of intangible and tangible fixed assets	148,802	147,962
E.1.1.	Adjustment of values of intangible and tangible fixed assets – permanent	149,016	150,452
E.1.2.	Adjustment of values of intangible and tangible fixed assets – temporary	-214	-2,490
E.2.	Adjustment of inventory values	9	8
E.3.	Adjustment of receivable values	270	-5
III.	Other operating income	15,035	22,343
III.1.	Revenues from the sale of fixed assets	2,355	7,388
III.3.	Other operating revenues	12,680	14,955
F.	Other operating costs	23,437	-65,567
F.1.	Net book value of fixed assets sold	51	5,447
F.3.	Taxes and fees	3,008	3,150
F.4.	Position of operating reserves and complex accrued costs	11,016	-86,378
F.5.	Other operating costs	9,362	12,214
*	<b>Operating profit/loss (+/-)</b>	<b>33,469</b>	<b>27,037</b>
VI.	Revenue interest and similar returns	2,324	4,038
VI.2.	Miscellaneous revenue interest and similar returns	2,324	4,038
K.	Miscellaneous financial costs	212	231
*	<b>Financial profit/loss (+/-)</b>	<b>2,112</b>	<b>3,807</b>
**	<b>Profit/Loss before taxation (+/-)</b>	<b>35,581</b>	<b>30,844</b>
L.	Income tax	20,755	21,342
L.2.	Deferred income tax (+/-)	20,755	21,342
**	<b>Economic result after taxation (+/-)</b>	<b>14,826</b>	<b>9,503</b>
***	<b>Profit/Loss for the accounting period (+/-)</b>	<b>14,826</b>	<b>9,503</b>
*	<b>Net turnover for the accounting period</b>	<b>673,894</b>	<b>684,603</b>



Name and signature of the statutory body:  
Ing. Jiří Tkáč, General Director

Prepared on 16 March 2021

# Cash flow statement

for the period ending 31 December 2020 (in thousands of CZK)

POVODÍ ODŘY, state-owned enterprise  
Varenská 3101/49, Moravská Ostrava  
702 00 Ostrava  
Organisation ID No.: 70890021  
Registered in the Commercial Register of the  
Regional Court in Ostrava, File Ref. AXIV584

	Current accounting period	Previous accounting period	
<b>P.</b>	<b>Initial balance of cash and cash equivalents at the beginning of the accounting period</b>	<b>330,236</b>	<b>332,797</b>
	<b>Cash flow from the main profitable activity (operations)</b>		
<b>Z.</b>	<b>Profit/Loss before taxation (+/-)</b>	<b>35,582</b>	<b>30,844</b>
A. 1.	Adjustment by non-monetary operations	155,800	57,931
A. 1. 1.	"Depreciation of fixed assets (+) excluding the net book value of fixed assets sold and amortisation of the valuation difference to acquired assets and goodwill (+/-)"	148,947	153,093
A. 1. 2.	Change in adjustments, reserves and contingent accounts	11,481	-89,182
A. 1. 3.	Profit (loss) from sale of fixed assets (-/+)	-2,304	-1,942
A. 1. 4.	Revenues from shares of the profit (-)		0
A. 1. 5.	Clearance of interest receivable (+) excluding interest included in fixed assets valuation and clearance of interest receivable (-)	-2,324	-4,038
A. 1. 6.	Potential adjustment by other non-monetary operations	0	0
<b>A *</b>	<b>Net cash flow from operations before tax and changes in working capital</b>	<b>191,382</b>	<b>88,775</b>
A. 2.	Change in the non-monetary elements of working capital	-9,911	23,415
A. 2. 1.	Changes in the position of receivables from operations (+/-)	-12,496	21,052
A. 2. 2.	Changes in the position of short-term receivables from operations (+/-)	2,750	-177
A. 2. 3.	Changes in inventory (+/-)	-165	2,540
A. 2. 4.	Change of the position of short-term financial assets that are not in the category of cash and its equivalents	0	0
<b>A **</b>	<b>Net cash flow from operations before tax</b>	<b>181,471</b>	<b>112,190</b>
A. 3.	Interest paid excluding interest included in fixed assets valuation (-)	0	0
A. 4.	Interest received (+)	2,324	4,038
A. 5.	Income tax paid and supplementary taxes for previous periods (-)	0	0
A. 7.	Shares of profit received (+)	0	0
<b>A ***</b>	<b>Net cash flow from operations</b>	<b>183,795</b>	<b>116,228</b>
	<b>Cash flows from investment activities</b>		
B. 1.	Expenses associated with acquisition of fixed assets	-146,410	-117,698
B. 2.	Revenue from sale of fixed assets	2,355	7,388
B. 3.	Change in investment advance payments, re-billing of investments	196	-27
<b>B ***</b>	<b>Net cash flow related to investment activities</b>	<b>-143,859</b>	<b>-110,337</b>
	<b>Cash flows from financial activity</b>		
C. 1.	Influence of changes in long-term payables or potentially such short-term payables that fall into the financial activity category (e.g. some operating loans) on cash and its equivalents	-1,400	6,150
C. 2.	Effect of equity changes on cash and its equivalents	-14,417	-14,602
C. 2. 1.	Increase in cash and its equivalents caused by an increase in registered capital, issue premium or funds from profit including deposits made for such an increase (+)	0	0
C. 2. 2.	Payment of equity shares to partners (-)	0	0
C. 2. 3.	Other cash contributions from partners and shareholders (+)	0	0
C. 2. 4.	Compensation of losses by partners (+)	0	0
C. 2. 5.	Direct payments from funds (-)	-14,417	-14,602
C. 2. 6.	Shares of profit paid including withholding tax paid in relation to such entitlements including financial settlement with partners in general partnerships and general partners in limited partnerships (-)	0	0
<b>C ***</b>	<b>Net cash flow related to financial activities</b>	<b>-15,817</b>	<b>-8,452</b>
<b>F.</b>	<b>Net increase/decrease of cash</b>	<b>24,119</b>	<b>-2,561</b>
<b>R.</b>	<b>Balance of cash and cash equivalents at end of the accounting period</b>	<b>354,355</b>	<b>330,236</b>

Prepared on 16 March 2021



Name and signature of the statutory body:  
Ing. Jiří Tkáč, General Director

# Statement of Equity Changes

POVODÍ ODŘY, state-owned enterprise  
Varenská 3101/49, Moravská Ostrava  
702 00 Ostrava  
Organisation ID No.: 70890021  
Registered in the Commercial Register of the  
Regional Court in Ostrava, File Ref. AXIV584

as at 31 December 2020  
(in thousands of CZK)

Item	2018				2019				2020			
	Balance as at 1/1	In-crease (+)	De-crease (-)	Balance as at 31/12	Balance as at 1/1	In-crease (+)	De-crease (-)	Balance as at 31/12	Balance as at 1/1	In-crease (+)	De-crease (-)	Balance as at 31/12
Registered capital – ordinary stock (account 411)	1,519,186	46,258	0	1,565,444	1,565,444	0	0	1,565,444	1,565,444	0	0	1,565,444
Capital funds (account 413)	2,668,743	720	67	2,669,396	2,669,396	20,072	1,247	2,688,221	2,688,221	1,652	622	2,689,251
Reserve funds, other funds from profit	245,887	22,782	60,541	208,128	208,128	53,447	14,997	246,578	246,578	112,321	19,190	339,709
Statutory reserve fund (account 421)	151,919	0	0	151,919	151,919	19,303	0	171,222	171,222	98,045	0	269,267
Total statutory and other funds, of which:	93,968	22,782	60,541	56,209	56,209	34,144	14,997	75,356	75,356	14,276	19,190	70,442
Investment fund (account 427 AE)	46,258	0	46,258	0	0	0	0	0	0	0	0	0
Cultural and social welfare fund (account 423)	23,828	12,602	6,800	29,630	29,630	16,494	7,016	39,108	39,108	8,653	10,980	36,781
Bonus fund (account 427 AE)	23,092	9,970	7,333	25,729	25,729	17,500	7,731	35,498	35,498	5,373	7,900	32,971
Social fund (account 427 AE)	790	210	150	850	850	150	250	750	750	250	310	690
Profit/Loss from previous years					98,045	0	0	98,045	98,045	0	98,045	0
Profit/Loss for the current accounting period	22,291	53,053	22,291	53,053	53,053	9,503	53,053	9,503	9,503	14,826	9,503	14,826
<b>TOTAL EQUITY</b>	<b>4,456,107</b>	<b>122,813</b>	<b>82,899</b>	<b>4,496,021</b>	<b>4,594,066</b>	<b>83,022</b>	<b>69,297</b>	<b>4,607,791</b>	<b>4,607,791</b>	<b>128,799</b>	<b>127,360</b>	<b>4,609,230</b>

Prepared on 16 March 2021



Name and signature of the statutory body:  
Ing. Jiří Tkáč, General Director



# Notes on the Financial Statements

as at 31 December 2020

## 1. COMPANY PROFILE

**Business Name:** Povodí Odry, státní podnik

**Corporate Office:** Varenská 3101/49, Moravská Ostrava, 702 00 Ostrava, delivery number: 701 26

**Legal status:** state enterprise

**Identification number (Company Registration Number):** 70 89 00 21

### **Main line of business:**

Management of river basins, which means management of significant watercourses and designated small watercourses, activities related to the determination and evaluation of the condition of surface and ground water in the territorial powers of the state-owned company Povodí Odry, and other activities performed by river basin managers pursuant to Act No. 254/2001 Coll., on waters, and on amendment of certain acts (the Water Act), as amended, Act No. 305/2000 Coll., on river basins, and related legal regulations.

### **Other business activities related to the main line of business:**

Generation of electricity, building project design, building construction, modification and demolition, road motor transport, production, trade and services not specified in Annexes 1 to 3 of the Trade Licensing Act.

**Establishment of the Company:** under Act No. 305/2000 Coll., on river basins.

**Date of establishment of the Company (effective date of Act No. 305/2000 Coll.):** 1 January 2001

**Founder:** Ministry of Agriculture

**Legal predecessor of the state-owned company:** Povodí Odry, joint stock company

### **Changes and amendments to the Commercial Register made during the accounting period:**

In 2020, the following entries were made by the Commercial Register department of the Regional Court in Ostrava, concerning the amendment to the Memorandum of Association:

- On 6 January 2020, a resolution was issued regarding the registration of members of the Supervisory Board Ing. Aleš Kendík and Ing. Peter Suchý – the resolution took legal force on 23 January 2020,
- On 6 August 2020, a resolution was issued regarding the deletion of the registration of investment director Mgr. Miroslav Janoviak LL.M. (3rd statutory deputy) – the resolution took legal force on 25 August 2020.

### **Statutory body of the state-owned enterprise (as at 31 December 2020):**

Ing. Jiří Tkáč, General Director

### **Deputies of the statutory body of the state-owned company – General Director:**

- First Deputy: Ing. Břetislav Tureček, Technical Director,

- Second Deputy: Ing. Petr Kučera, Finance Director.

### **Supervisory Board (as at 31 December 2020):**

Ing. Aleš Kendík

Ing. Pavel Schneider

Ing. Michal Sirko

Ing. Jiří Duda

Ing. Jan Kocián

Ing. Peter Suchý

Ing. Ivana Mojžíšková

Ing. Radek Pekař

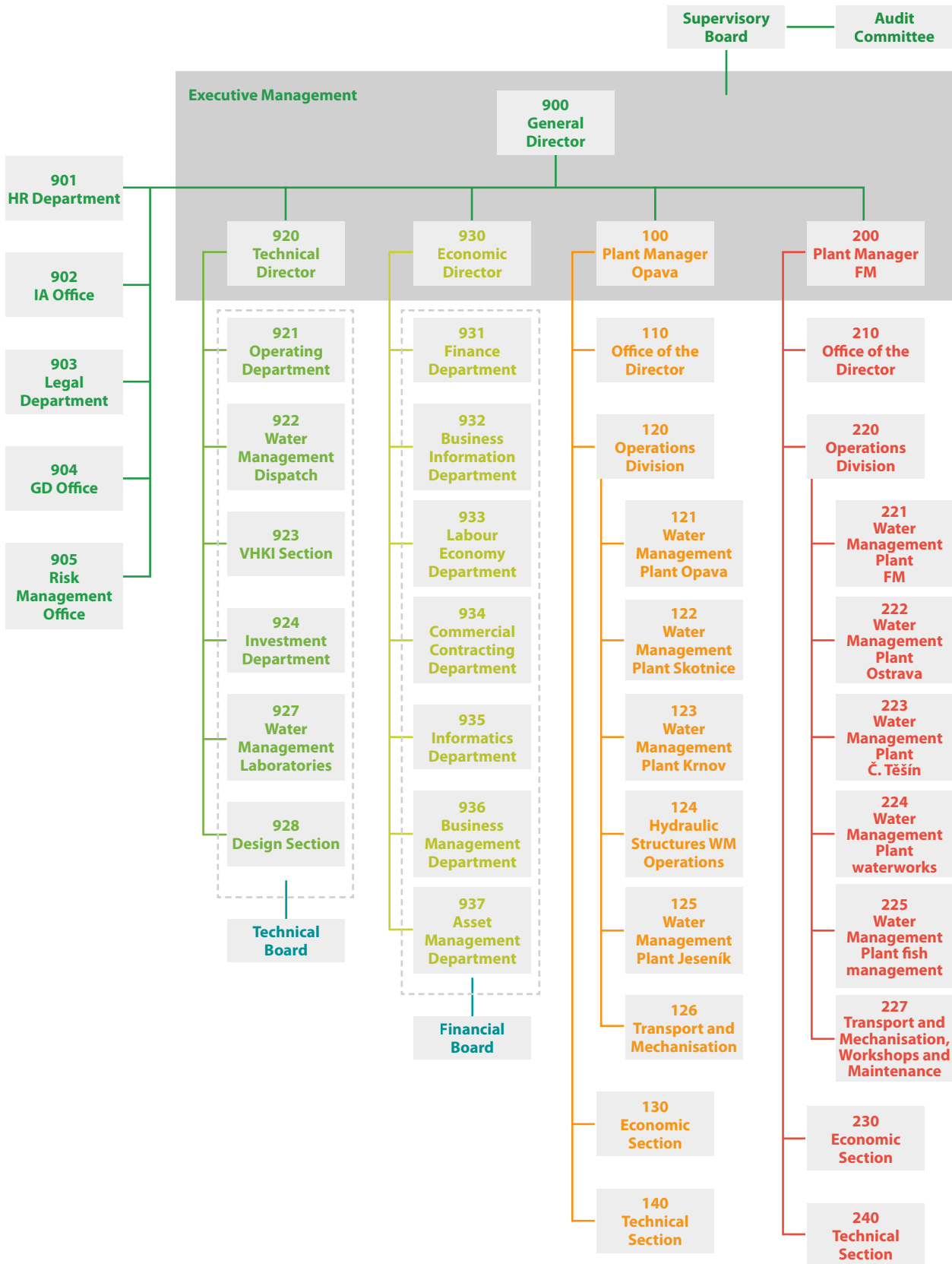
Ing. Dalibor Kratochvíl

### **Changes in the organisational structure during the accounting period:**

From 1 January 2020, the design department was transferred from the investment director's section to the technical director's section.

From 12 June 2020, the position of investment director was cancelled and the investment department was transferred from the investment director's section to the technical director's section and the property department to the economic director's section.

# ORGANISATIONAL CHART



## 2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

**Balance sheet date:** 31 December 2020

**Date of preparation of the financial statements:** 16 March 2021

### Legal framework for keeping accounts and preparation of financial statements

The financial statements have been prepared in compliance with Act No. 563/1991 Coll., on accounting, as amended, and Decree No. 500/2002 Coll., implementing certain provisions of Act No. 563/1991 Coll., on accounting, for accounting units – entrepreneurs keeping their accounts using the double-entry bookkeeping system. The state-owned company Povodí Odry keeps accounts in compliance with the Czech Accounting Standards.

The state-owned company Povodí Odry is a large accounting unit and since 2016 it has been included in the partial consolidation unit of the Czech Republic.

## 3. GENERAL ACCOUNTING PRINCIPLES AND METHODS

When applying the accounting and reporting methods, the main specifics of the line of business are taken into account, where the state-owned company manages a large volume of fixed assets of a hydraulic structural nature and adjustments on watercourses. These waterworks assets are subject to a significant risk of incidental climatic events, such as floods and droughts, thus generating a considerable risk of increased costs and uncertainty of future realised profits.

### Valuation methods:

- purchased fixed assets – acquisition prices,
- fixed assets of own production (capitalisation) – own expenses,
- fixed assets acquired without consideration – replacement cost,
- fixed assets acquired without consideration from state-owned organisations – book prices,
- purchased inventory – acquisition prices,
- inventory created by own activities (including increases in fish volumes) – own costs,
- decline in inventory (apart from fish) – FIFO,
- decline in fish volumes – weighted arithmetic average method,
- cash, valuables – nominal value,
- receivables, payables – nominal value.

### FIXED ASSETS

Intangible fixed assets particularly include intangible results of research and development, software and other intangible assets (studies, audiovisual works, plans in the area of water basins) valued over CZK 60,000. Assets with a lower value are accounted as cost and, from the value of CZK 2,000, the assets are recorded in off-balance sheet accounts.

Tangible fixed assets primarily comprise buildings, land, perennial crops, other tangible fixed assets (rights of users), and tangible movables and sets of movables worth more than CZK 40,000. Tangible movables worth up to CZK 40,000 are accounted as costs and, from the value of CZK 2,000, the items are recorded in off-balance sheet accounts.

The value of fixed assets is lowered by the value of grants received for acquisition of fixed assets, which are credited to the account Fixed assets in progress. The value of the grants is given in the note in the fixed asset card. Fully subsidised assets are recorded in off-balance sheet accounts.

### DEPRECIATION PLANS – METHOD OF COMPILATION AND DEPRECIATION METHODS APPLIED

The method of depreciation of fixed assets is determined by the internal depreciation schedule. Tangible fixed assets are depreciated at annual rates stipulated for the individual asset groups based on their estimated useful life. Intangible fixed assets are depreciated at an annual depreciation rate of 25%.

The book depreciation of tangible and intangible fixed assets is applied from the first month of their activation.

The state-owned enterprise does not apply the component depreciation method.

### INVENTORY

Inventory consists of material in stock, and young and other animals, especially fish.

## SHORT-TERM FINANCIAL ASSETS AND CASH

This item includes cash in hand, valuables and cash in bank accounts. The funds to cover reserves are earmarked in separate bank accounts. The overview of changes in the cash flow in the 2020 accounting period is contained in a separate Cash Flow Statement.

## METHOD APPLIED TO CONVERSION OF FOREIGN CURRENCY FIGURES TO CZECH CROWNS

For conversion of foreign currency, the daily exchange rates announced by the Czech National Bank applicable to the transaction date are applied.

## SHORT-TERM RECEIVABLES

This item particularly includes trade receivables, namely receivables from sales of surface water and electricity.

## ADJUSTING ENTRIES

Adjusting entries are created as of the balance sheet date based on the results of inventories in cases of temporary impairment of the value of assets, namely:

- **to depreciated tangible assets** – created in addition to depreciation in cases where the actual physical condition of the asset does not correspond to its valuation in the accounts and the utility value of the asset is lower than its book value,
- **to inventory** – created to slow-moving, outdated or otherwise temporarily degraded inventory on the basis on individual assessment,
- **to receivables** – created to difficult-to-recover receivables on the basis of individual assessment of the respective debtors and the age structure of the receivables. Statutory adjusting entries are created pursuant to Act No. 586/1992 Coll., on income taxes, as amended, and Act No. 593/1992 Coll., on provisions for determining the tax base, as amended. The accounting adjusting entries are created above their framework.

## EQUITY

**Registered capital** is reported in the amount stipulated in the Memorandum of Association filed in the collection of documents of the Commercial Register, or in the amount set by the founder in the event that the change was not made in the Commercial Register by the balance sheet date.

As regards **other capital funds**, subsidies for capital equipment from previous periods and gratuitous transfers of the right to manage the state property of the Czech Republic are recorded.

As regards **funds from profit**, a reserve fund, a cultural and social welfare fund, a remuneration fund, and a social fund are reported as at the balance sheet date. Allocation to the funds takes place based on the founder's decision on the distribution of profit for the current accounting period or, as appropriate, profit/loss from previous years. The creation and use of funds is governed by internal regulations and, in the case of the cultural and social welfare fund, by the collective agreement.

The breakdown of changes in equity for the 2020 accounting period is presented in a separate Statement of Equity Changes.

## RESERVES

The state-owned company uses reserves to express and cover risks arising out of the Company's specific subject of business activity. The reserves are intended to cover liabilities or costs the nature of which are clearly defined and which will probably or certainly occur by the balance sheet date, but the amount or moment of occurrence of which is not certain. As at the balance sheet date, the reserve represents the best estimate of future probable costs. In compliance with these conditions, the following reserves are recognised in the state-owned company as at the balance sheet date:

- reserve for flood risk,
- reserve for repairs of fixed assets,
- reserve for the medium-term component of wages, litigation and other risks.

The reserves are created in accordance with the founder's unified methodology set for the creation and drawing of accounting reserves of the River Basin Authority state-owned enterprises.

## LONG-TERM LIABILITIES

The item particularly includes bank guarantees received from construction contractors for the duration of the warranty period and deferred tax liability.

### Deferred tax liability

Deferred tax liability reflects the tax impact of temporary differences between the values of assets and/or liabilities in terms of accounting and determination of the income tax base while taking into account the time of payment. Further, assessment is done according to the principle of conservatism in relation to Section 26(3) of Act No. 563/1991 Coll., on accounting, and if it is not clear

that an adequate tax base will be achieved, the items relating to deferred tax claims are not included in the calculation. This is based on the implementation of the principle that, in accordance with the principle of prudence, the realised profit is not reported if it is not adequately and demonstrably ascertained that such profit has been earned.

The major title for the deferred tax obligation is the temporary difference between the book and tax value of the fixed assets.

The major title for the deferred tax claim comprises tax losses and reserves. With regard to the fundamental specifics of the subject of the state-owned company's business activity, there is no assurance of achieving future profits in an adequate amount for the application of these items by reason of potential future losses that cannot be influenced. For this reason, these items are not included in the deferred tax calculation.

#### **SHORT-TERM LIABILITIES**

The item primarily includes trade payables arising from unfinished construction projects of investment and operational nature.

#### **GRANTS**

Grants are posted to the accounts upon receipt or unquestionable entitlement to receipt. Based on the experience with administration of the subsidy agenda, the state-owned company adopted the assumption that the conditions of unquestionable entitlement are fulfilled at the moment of accounting for the liability (after approval of correctness in rem and compliance of the claim with the conditions for award of the grant), which is to be covered by the grant unless stipulated otherwise in a specific case.

A grant received to cover costs is posted to operational or financial revenues. A grant received for acquisition of fixed assets, including technical improvements and a grant for the payment of interest included in the acquisition price of the assets, reduces the acquisition price or the Company's own acquisition costs.

#### **REVENUES AND COSTS**

The decisive part of the revenues is generated by surface water sales, which are subject to price regulation. The calculation of the regulated prices of surface water is prepared in accordance with Act No. 526/1990 Coll., on prices, and the relevant price assessment stated in the Price Bulletin valid for the given year. It is possible to only include the economically justified costs and reasonable profit in the calculation, while the specified unrecognisable costs are excluded.

Revenues and expenses are recognised on an accrual basis.

#### **SUBSEQUENT EVENTS**

The impact of events that occurred between the balance sheet date and the date of the financial statements is to be reflected in the financial statements if such events provide additional information about the facts that existed at the balance sheet date. If any significant events occurred in the period between the balance sheet date and the date of the financial statements, which affect the facts that occurred after the balance sheet date, the consequences of such facts are recorded in the Notes to the Financial Statements.

#### **MUTUAL SETTLEMENTS**

They do not occur in the 2020 accounting period.

#### **CHANGES TO ACCOUNTING METHODS AS COMPARED TO THE PRECEDING REPORTING PERIOD**

##### **Deviations from the accounting methods**

They do not occur in the 2020 accounting period.

##### **Correction of errors from previous years**

They do not occur in the 2020 accounting period.

## 4. ADDITIONAL INFORMATION TO THE ITEMS IN THE FINANCIAL STATEMENTS

### FIXED ASSETS

The list of fixed assets – acquisition values (in thousands of CZK)

Account group	Name	Balance as at 1/1/2020	Increase	Decrease	Balance as at 31/12/2020
01	Intangible fixed assets	144,045	3,359	0	147,404
02	Tangible fixed assets	7,560,062	88,310	16,094	7,632,278
03	Non-depreciated tangible fixed assets	510,479	34,716	25,411	519,784
04	Intangible and tangible fixed assets in progress	204,980	284,177	235,426	253,731
05	Advance payments for intangible and tangible fixed assets	179	31	165	45
<b>Total</b>		<b>8,419,745</b>	<b>410,593</b>	<b>277,096</b>	<b>8,553,242</b>

A significant item in the area of fixed assets is the completed reconstruction of the gradient drops on the Mohelnice River at km 0.000-2.600.

### Adjustments to fixed assets (in thousands of CZK)

Account group	Name	Balance as at 1/1/2020	Increase	Decrease	Balance as at 31/12/2020
07	Adjustments to intangible fixed assets	137,648	4,217	0	141,865
08	Adjustments to tangible fixed assets	3,770,068	144,825	16,087	3,898,806
<b>Total</b>		<b>3,907,716</b>	<b>149,042</b>	<b>16,087</b>	<b>4,040,671</b>

### Adjusting entries to tangible fixed assets (in thousands of CZK)

Account group	Name	Balance as at 1/1/2020	Increase	Decrease	Balance as at 31/12/2020
09	Adjusting entries to tangible fixed assets	214	0	214	0
<b>Total</b>		<b>214</b>	<b>0</b>	<b>214</b>	<b>0</b>

### The conditionality of the accounting records by legal force of the registration in the Land Register (in thousands of CZK)

Land	as at 31/12/2019	as at 31/12/2020
– classification submitted for registration in the Land Register (not registered as at 31 December)	47	742
– retirement submitted for registration in the Land Register (not registered at 31 December)	76	5

### Grant for acquisition of fixed assets (in thousands of CZK)

Purpose of grant / source	as at 31/12/2019	as at 31/12/2020
Flood prevention / state budget	28,626	122,532
Measures on the Upper Opava – acquisitions / state budget	5,526	0
Measures on small watercourses and small water reservoirs / state budget	4,202	10,991
Watercourse revitalisation / state budget	0	2,344
<b>Total</b>	<b>38,354</b>	<b>135,867</b>

### Assets acquired from grants for acquisition of fixed assets

The state-owned company records fixed assets acquired from grants for acquisition of fixed assets:

- in case of partially subsidised assets – by stating the value of the grant in the note on the asset record card,
- in case of fully subsidised assets – by stating the value of the grant on the given off-balance sheet account.

(in CZK thousand)

<b>Subsidised assets</b>	<b>as at 31/12/2019</b>	<b>as at 31/12/2020</b>
- partially subsidised assets	3,689,576	3,696,447
- fully subsidised assets	96,562	83,904

Povodí Odry, state-owned company, does not have pledged real estate or movables.

### CURRENT ASSETS

#### Inventory – acquisition values (in thousands of CZK)

<b>Account</b>	<b>Name</b>	<b>as at 31/12/2019</b>	<b>as at 31/12/2020</b>
112	Material in stock	2,837	2,609
124	Young and other animals	5,088	5,481
	of which: fish	5,064	5,457
<b>Total</b>	<b>Total inventories</b>	<b>7,925</b>	<b>8,090</b>

#### Adjustments to inventories (in thousands of CZK)

<b>Account group</b>	<b>Name</b>	<b>Balance as at 1/1/2020</b>	<b>Increase</b>	<b>Decrease</b>	<b>Balance as at 31/12/2020</b>
19	Adjustments to inventories	8	17	8	17
<b>Total</b>		<b>8</b>	<b>17</b>	<b>8</b>	<b>17</b>

#### Receivables – acquisition values (in thousands of CZK)

<b>Receivables (short-term and long-term)</b>	<b>as at 31/12/2019</b>	<b>as at 31/12/2020</b>
Overdue receivables	1,973	2,501
of which: Receivables that are more than 5 years overdue	762	796
Receivables with maturity longer than 5 years	-	-
Receivables covered by security in rem	-	-

#### Adjustments to receivables (in thousands of CZK)

<b>Account</b>	<b>Name</b>	<b>as at 31/12/2019</b>	<b>as at 31/12/2020</b>
391-1	Statutory adjusting entries for receivables	954	1,050
391-2	Accounting adjusting entries for receivables	317	491
<b>Total</b>		<b>1,271</b>	<b>1,541</b>

#### Amount of advances, deposits, loans and credits provided to members of managing, controlling and administrative bodies

The state-owned company did not provide any of the above deliveries to the management, controlling or administrative bodies.

## Profit/Loss and its distribution (in thousands of CZK)

	Distribution of the 2019 profit/loss	Proposal for distribution of the 2020 profit/loss
<b>Profit/Loss for the current period</b>	<b>9,503</b>	<b>14,826</b>
- allocation to the reserve fund	-	-
- allocation to the cultural and social welfare fund	3,879	6,516
- allocation to the bonus fund	5,374	8,000
- allocation to the social fund	250	310
<b>Other profit/loss from previous years</b>	<b>98,045</b>	<b>-</b>
- allocation to the reserve fund	98,045	-

## EXTERNAL RESOURCES

### Reserves

#### Other (accounting) reserves – Account 459 (in thousands of CZK)

Purpose	as at 31/12/2019	as at 31/12/2020
Reserve for floods	31,940	35,640
Reserves for major repairs to water management assets	-	7,000
Other reserves (medium-term component of wages, litigation, and other risks)	23,427	23,742
<b>Total</b>	<b>55,367</b>	<b>66,382</b>

#### Deferred tax liability – Account 481 (in thousands of CZK)

Item	as at 31/12/2019	as at 31/12/2020
Net book value of small assets (Book Value)	3,481,423	3,436,837
Tax residual value of small assets (Residual Value)	2,139,375	1,985,550
Difference between book and tax prices (Book Value – Residual Value)	1,342,048	1,451,287
19%	254,989	275,744
Unpaid interest on late payments	-	-
19%	-	-
<b>Total deferred tax liability</b>	<b>254,989</b>	<b>275,744</b>

Deferred tax liability	- balance of Account 481 at 31/12/2019	254,989
	<b>- balance of Account 481 at 31/12/2020</b>	<b>275,744</b>
	difference – Account 592 Debit	20,755

## Accounts payable (in thousands of CZK)

### Short-term liabilities

	as at 31/12/2019	as at 31/12/2020
Overdue liabilities	295	295
of which: - liabilities that are more than 5 years overdue	295	295
Liabilities with due period longer than 5 years	-	-
Liabilities covered by security in rem	-	-

Overdue liabilities are related to the former agenda of payments for pollution of surface water and off-take ground water for the State Environmental Fund and apply to the unpaid claims of the entities whose bankruptcy proceedings are not yet completed.



## Long-term liabilities

	as at 31/12/2019	as at 31/12/2020
Overdue liabilities	-	-
of which: - liabilities that are more than 5 years overdue	-	-
Liabilities with due period longer than 5 years	-	-
Liabilities covered by security in rem	-	-

## Schedule of other long-term liabilities – Account 479 (in thousands of CZK)

### Contents

	as at 31/12/2019	as at 31/12/2020
Guarantees received	8,230	6,831

The liabilities relate to the bank guarantees received from construction contractors for the period of the warranty period and the long-term refundable bonds to ensure the protection of leased assets.

Povodí Odry, state-owned company, does not have any bank loans and financial assistance.

The state-owned company does not have any liabilities that would not be recorded in the Balance Sheet.

## SELECTED ITEMS NOT REPORTED IN THE BALANCE SHEET BUT RECORDED IN THE OFF-BALANCE SHEET ACCOUNTS

Item	as at 31/12/2019	as at 31/12/2020
Fully subsidised assets	96,562	83,904
Low-value tangible and intangible assets	81,076	84,194
Documentary bank guarantees	188,806	113,101

## SELECTED COST AND REVENUE ITEMS

### HR costs

Item	as at 31/12/2019	as at 31/12/2020
Average number of employees (adjusted)	458.21	451.81
of which: - White-collar category	247.53	242.64
- Blue-collar category	210.68	209.17
Personnel costs incl. other personnel costs (in thousands of CZK)	196,164	202,579
Social security and health insurance costs (in thousands of CZK)	68,839	71,225
Remuneration for supervisory body members	1,989	2,192

### Auditing services (in thousands of CZK)

Purpose	as at 31/12/2019	as at 31/12/2020
Remuneration charged by auditors – statutory audit of the financial statements	188	178
Remuneration charged by auditors – other audit services	-	-

### Non-investment grants (in thousands of CZK)

Grant purpose / source	as at 31/12/2019	as at 31/12/2020
Measures on small watercourses and small water reservoirs / state budget	6,573	9,777
<b>Total</b>	<b>6,573</b>	<b>9,777</b>

**Revenues from sale of goods, products and services according to type of activities – Account Group 60**  
(in thousands of CZK)

<b>Type of activity</b>	<b>as at 31/12/2019</b>	<b>as at 31/12/2020</b>
Surface water sales	553,025	540,016
Electricity sales	79,630	89,112
Fish sales	11,300	13,527
Rent revenue	6,486	6,831
Revenues from laboratory work	2,659	2,838
Other revenues	5,121	4,212
<b>Total (all in the Czech market)</b>	<b>658,221</b>	<b>656,536</b>

The state-owned company does not report any expenses or revenues.

**THE GOING CONCERN PRINCIPLE**

The state-owned company Povodí Odry, on the basis of the annual plan approved by the founder for the following accounting period, the Business Development Strategy for the period until 2024 and other long-term concept targets, assumes the future continuation of its activities. The company management also considered the potential effects of the COVID-19 pandemic on its operation and activities and concluded that they did not have any significant impact on the assumption of the state-owned enterprise's continuity.

The financial statements of the state-owned company Povodí Odry as at 31 December 2020 were prepared assuming the future continuation of its operations and do not include any arrangements arising from uncertainty regarding the continuous existence of the accounting entity.

**CHANGES BETWEEN THE BALANCE SHEET DATE AND THE DATE OF PREPARATION OF THE FINANCIAL STATEMENTS**

There have been no significant events between the balance sheet date and the date of preparation of the financial statements of the state-owned company, which should be described in the notes to the financial statements.

The facts and data prescribed in the content specification of the Notes on the Financial Statements pursuant to Decree No. 500/2002 Coll., implementing some provisions of Act No. 563/1991 Coll., on accounting, for accounting entities that are entrepreneurs keeping accounts using the double-entry bookkeeping system, as amended, which do not occur in the accounting entity Povodí Odry, state-owned company, are not presented in these Notes.



Ing. Jiří Tkáč  
General Director

Ostrava, dated 16 March 2021



## POVODÍ ODRY, state-owned enterprise

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