



ANNUAL REPORT 2021



Povodí Odry
státní podnik

CONTENTS

Foreword by the General Director	2
Basic information about the Company	3
Company structure	4
Managed assets	6
Human resources	7
Provision of information	8
Water consumption	9
Electricity generation	11
Water quality control	12
Water purity failure in 2021	13
Floods 2021	16
Measures in Holasovice, protection of the right-bank area	19
Economic results for 2021	21
Auditor's report	24
Balance Sheet	28
Profit and Loss Statement	30
Cash flow statement	31
Statement of Equity Changes	32
Notes on the Financial Statements	33

FOREWORD BY THE GENERAL DIRECTOR

Improving the ecological function of watercourses and reservoirs has long been one of the priorities of the Povodí Odry state-owned company. With the gradual change of social relations, some hydraulic structures and stream training have lost their purpose, and it is possible to proceed to revitalisation or renaturation. Weirs and drop structures that continue to serve water supply or necessary stabilisation of urban reaches can be addressed by making them passable for aquatic life with fish passes. In 2021, a major project was completed to establish the Mohelnice Gill, a left-side tributary of the Morávka River, where 21 drop structures were made passable between 2015 and 2021.

With the onset of climate change, reservoirs take on another important dimension, namely mitigating the negative effects of climate change. This means that the reservoirs can serve as a local habitat.

The creation of littoral zones is being dealt with both in older reservoirs such as the small reservoirs Bílovec, Pocheň or Starý Jičín, but also in the construction of new reservoirs including the recently completed Jelení, Lichnov III and V and Loděnice dry reservoirs. This activity is often associated with the removal of mud from the reservoirs and the reconstruction of functional facilities. We are thus making the most of the potential of the areas designated for controlled flooding. In combination with the necessary engineering solutions, this results in constructions that are sensitively integrated into the surrounding landscape.

Within the scope of construction activities, the state-owned enterprise Povodí Odry successfully completed 8 major constructions in 2021. The most important is flood control measures on the Opava River in Holasovice, Branice in Polish territory downstream of Krnov and in the area of the Kunov weir. The reconstruction of the weir in Jablunkov on the Lomná Gill was also completed.

In the area of acquisition of fixed assets, investments totalled CZK 411,744 thousand in 2021. From the subsidies of the Ministry of Agriculture, CZK 201,756 thousand was used for flood control measures and CZK 12,315 for measures on small watercourses and small reservoirs. From the subsidies of the Environment Operational Programme, CZK 12,171 thousand was used for the revitalisation of watercourses. From the state enterprise's own resources, a total of CZK 181,968 thousand was spent on the acquisition of new fixed assets or their technical improvement, and by gratuitous transfers, assets amounting to CZK 3,534 thousand were acquired into the administration of the state enterprise.

The second year of the ongoing Covid-19 pandemic did not have a significant impact on our good economic situation, thanks also to all the employees of the Company who contributed to the 2021 plan and are to be thanked.

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 2021

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

01/01/2001 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

26/03/2001

LEGAL FORM

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

GOVERNING BODY AS AT 31 DECEMBER 2021

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

SUPERVISORY BOARD AS AT 31 DECEMBER 2021

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 2021

Ing. Jiří Tkáč, General Director
Ing. Břetislav Tureček, Technical Director
Ing. Michaela Bachoríková, Economic Director
Ing. Radek Pekař, Director of Plant 1 Opava
Ing. Dalibor Kratochvíl, Director of Plant 2 Frýdek-Místek

AUDIT COMMITTEE AS AT 31 DECEMBER 2021

Ing. Bc. Simona Székelyová, MBA, Chairperson
Ing. Peter Suchý
Ing. Jiří Duda

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 Economic 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. 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 and safety/security
- 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 ECONOMIC 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 in comparison with 2020 by CZK 107.74 million. As at 31 December 2021, the total value of the fixed tangible assets in acquisition costs was CZK 7,739.16 million.

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

Buildings	5.14%	CZK 397.75 million CZK
Reservoirs and fish ponds	44.15%	CZK 3,416.65 million CZK
Adaptation of watercourses	27.76%	CZK 2,148.46 million CZK
Weirs and stages	9.37%	CZK 725.39 million CZK
Other objects	4.53%	CZK 350.23 million CZK
Transport and working machinery	3.58%	CZK 277.04 million CZK
Energy machinery and equipment	2.74%	CZK 211.99 million CZK
Devices, special technical equipment, VT	2.60%	CZK 201.72 million CZK
Inventory	0.13%	CZK 9.93 million CZK
Total small tangible fixed assets	100.00%	CZK 7,739.16 million CZK



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Weirs and stages	9.37%
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Transport and working machinery	3.58%
Energy machinery and equipment	2.74%
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Inventory	0.13%

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	%
S.p. total	397.75	100.0	3,416.65	100.0	2,148.46	100.0	725.39	100.0	350.23	100.0
Facility Opava	129.01	32.44	2,295.03	67.2	1,151.77	53.6	188.88	26.0	186.97	53.4
Facility FM	133.04	33.45	1,121.62	32.8	996.69	46.4	536.51	74.0	147.44	42.1
Management of the state-owned company	135.70	34.12	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	%
S.p. total	277.04	100.0	211.99	100.0	201.72	100.0	9.93	100.0	7,739.16	100.00
Facility Opava	136.68	49.34	106.18	50.1	19.58	9.7	4.31	43.4	4,218.42	54.51
Facility FM	124.88	45.08	100.34	47.3	59.96	29.7	2.70	27.2	3,223.18	41.65
Management of the state-owned company	15.48	5.59	5.46	2.6	122.18	60.6	2.92	29.4	297.56	3.84

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:

Number of employees	2019	2020	2021
Number of full-time equivalent employees	458.21	451.81	446.11
Average number of natural person employees	463.50	456.49	452.15
of which: White collar employees	248.41	243.30	240.38
Blue collar employees	215.09	213.19	211.77
Management of the state-owned company	173.96	170.03	170.26
Opava Plant	126.50	125.64	122.53
Frýdek-Místek Plant	163.04	160.82	159.36

Employees according to working location

District	2019	2020	2021
Opava	62	61	60
Bruntál	32	31	28
Šumperk	1	1	1
Nový Jičín	29	29	27
Karviná	24	24	25
Frýdek-Místek	110	105	106
Ostrava – Město	190	191	189
Jeseník	13	12	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 2021 ARE SUMMARISED BELOW:

- **The number of filed requests for information and the number of issued decisions to reject requests** – In 2021, six requests for information were delivered to the state enterprise and no decisions to reject requests were issued.
- **Number of appeals against decisions** – No appeals were submitted in 2021.
- **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 2021.
- **List of provided exclusive licences** – No exclusive licences were provided in 2021.
- **Number of complaints filed under the provisions of Section 16a of Act No. 106/1999** – No complaints were filed in 2021.
- **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

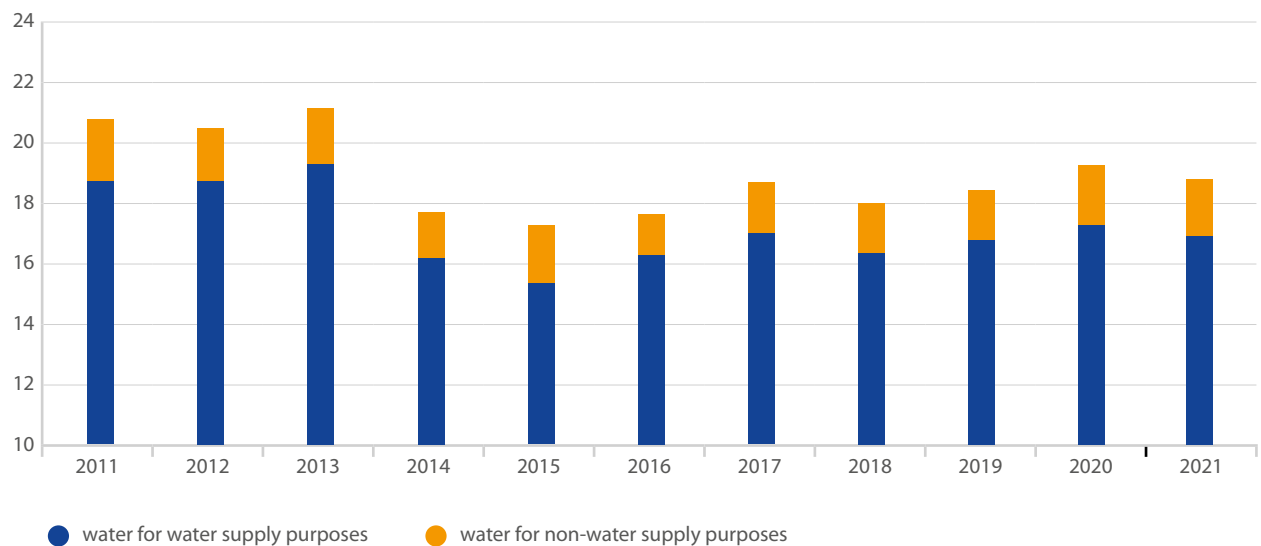
UNDERGROUND WATER OFF-TAKE

As regards groundwater abstraction, the year 2021 saw a year-on-year increase and the total take-off was 18.9 million cubic metres of water compared to 19.3 million cubic metres in 2020. The decrease in the total amount of groundwater abstracted was due to a decrease in abstractions for water supply purposes in the Upper Odra sub-basin, with a total abstraction of 17.0 million cubic metres, which is almost 4% less year-on-year. The largest consumer of groundwater in the sub-basin is Ostravské vodárny a kanalizace a.s. Ostrava, with an abstracted amount of 7 million cubic metres. The groundwater abstraction for non-water supply purposes slightly declined year-on-year reaching 1.9 million cubic metres compared to 1.7 million cubic metres in 2020.

Underground water consumption (millions of m³)

Years	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Water for water supply purposes	18.9	18.9	19.2	16.1	15.6	16.2	17.1	16.4	16.5	17.6	17.0
Water for non-water supply purposes	1.7	1.6	1.7	1.6	1.7	1.5	1.6	1.6	1.8	1.7	1.9
Total underground water	20.6	20.5	20.9	17.7	17.3	17.7	18.7	18.0	18.3	19.3	18.9

Underground water (in millions of m³ per year)



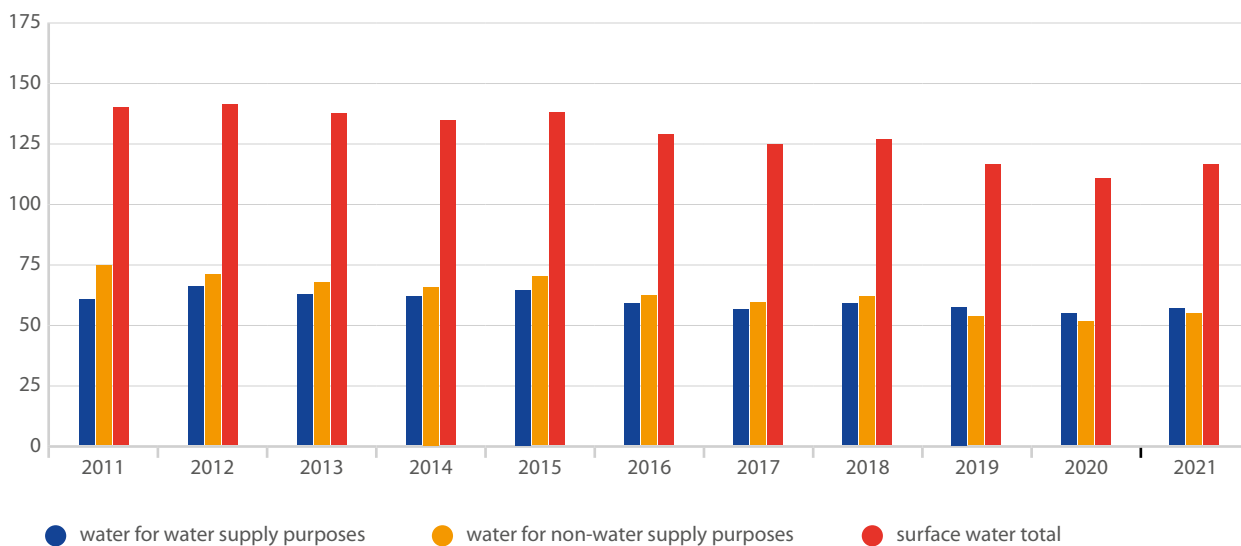
SURFACE WATER OFF-TAKE

The year 2021 was marked by a significant increase in surface water abstraction. In total, 112.9 million m³ of water was abstracted from the sources of the Povodí Odry state-owned company, which meant a year-on-year increase of 4.2 million m³ and almost 4%. The increase was mainly driven by industrial entities, which took 55.3 million m³ compared to 51.5 million m³ in 2020. The abstractions for drinking water supply remained almost at the same level (from 57.2 to 57.6 million m³).

Surface water off-take (mil. m³)

Years	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Water for water supply purposes	64.2	67.1	65.1	64.9	65.0	62.3	60.6	60.9	60.2	57.2	57.6
Water for non-water supply purposes	74.8	72.0	71.5	70.2	71.8	65.7	63.5	64.5	55.5	51.5	55.3
Surface water total	139.0	139.1	136.6	135.1	136.8	128.0	124.1	125.4	115.7	108.7	112.9

Surface water (millions of m³ per year)



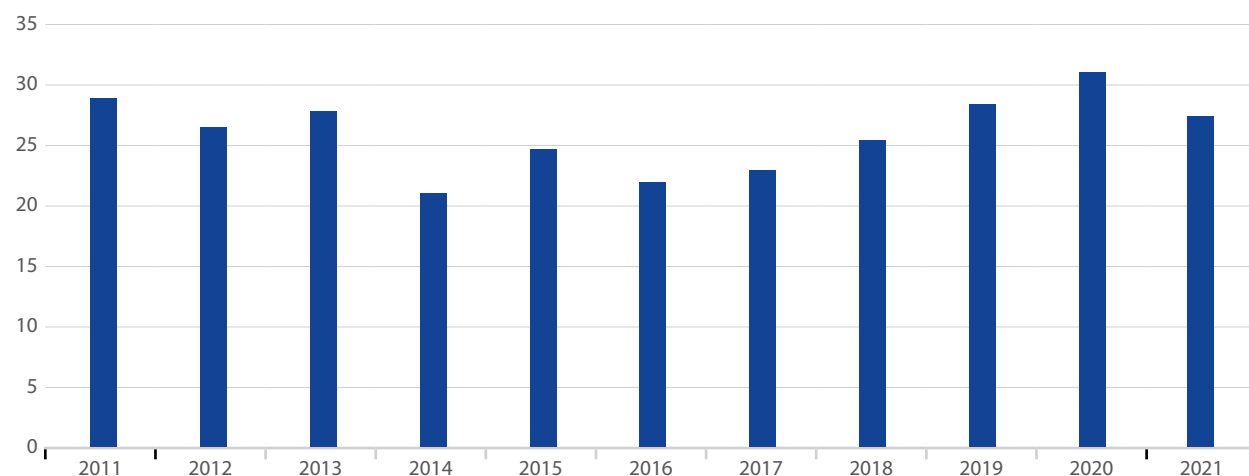
ELECTRICITY GENERATION

The unfavourable hydrological situation in 2021 caused a decrease in the total production in the hydroelectric power stations of the state enterprise Povodí Odry. The year 2021 was characterised by excellent hydrological conditions in its first half and significantly unfavourable conditions for the rest of the year. The Šance hydroelectric power station was also undergoing modernisation and production was interrupted from January 2021. A total of 26.8 million kWh of electricity was produced, of which almost 60% came from the largest hydroelectric power station at the Slezská Harta hydraulic structure on the Moravice River.

Production of electric power in millions of kWh

Years	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total	29.194	26.424	27.559	20.992	24.824	21.820	23.289	25.198	27.767	30.119	26.839

Annual production of electric power in millions of kWh



WATER QUALITY CONTROL

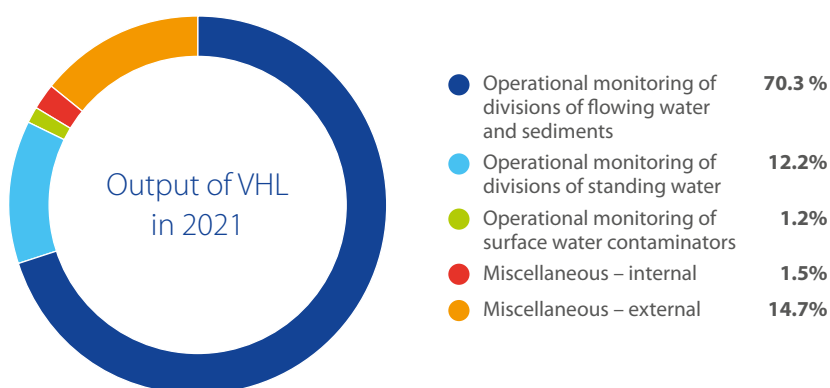
An important activity of our state enterprise under the Water Act is to ensure and evaluate the surface water level and quality. This is a long-term and systematic activity in the area of its monitoring and applies to both flowing water (rivers, brooks) and still water (water supply reservoirs and reservoirs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

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 major information for the communicative activities of the state-owned company, particularly the issue of opinions and communications of the Department of Water Management Concepts and Information on any handling of water because the managers of the basins create the professional base for the water 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 2021, the water quality care department handled about 2,700 thousand record items.

The water analyses carried out are evaluated annually and are further used both for state administration and for information of the professional and general public. They are the underlying basis for compiling the water balance and are also used for negotiations within bilateral agreements and for the activities of the International Commission for the Protection of the Odra River against Pollution.

The monitoring of water quality in 2021 was accomplished in compliance with the annual plan prepared according to the existing legislation and the needs of our state enterprise. As part of operational monitoring, 156 profiles were monitored by the Water Management Laboratories in flowing watercourses with a sampling frequency of 12 times per year, and 12 profiles with a sampling frequency of 6 times per year. 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 reservoirs and reservoirs used for recreation included the "mixed" and "zonal" abstractions in several verticals of the given reservoir (3 to 7, usually 5) with the frequency ranging from 3 to 12 abstractions per year. Basic monitoring was also done at the selected discharges of the contaminators of surface water.

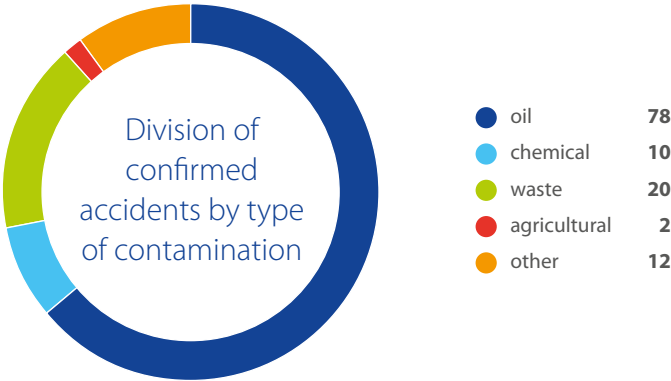
The total volume of the outputs of the water management laboratories in 2021 was approximately CZK 21.67 million. The percentage share of the individual types of analyses in the total outputs is given in the following graph:



WATER PURITY FAILURE IN 2021

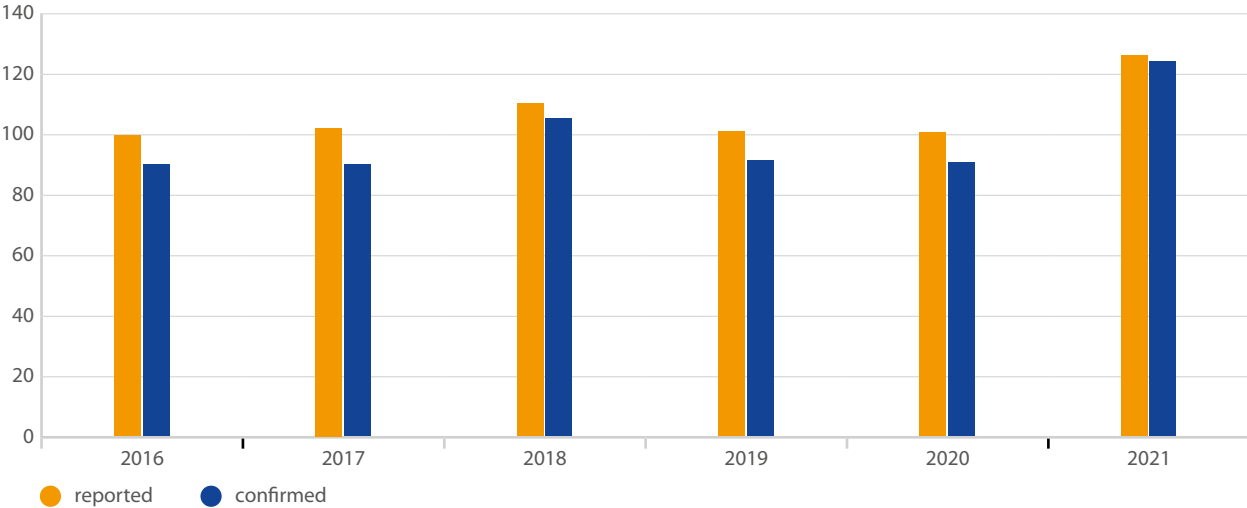
ACCIDENTS IN 2021

Reported accidents	126
Confirmed accidents	122
of which: reported after lapse of accident	4
of which: confirmed threat to the watercourse	67
Unconfirmed accidents	4



TREND OF REPORTED AND CONFIRMED ACCIDENTS IN THE 2016-2021 PERIOD

Year	2016	2017	2018	2019	2020	2021
reported	100	101	110	101	100	126
confirmed	91	91	107	92	91	122



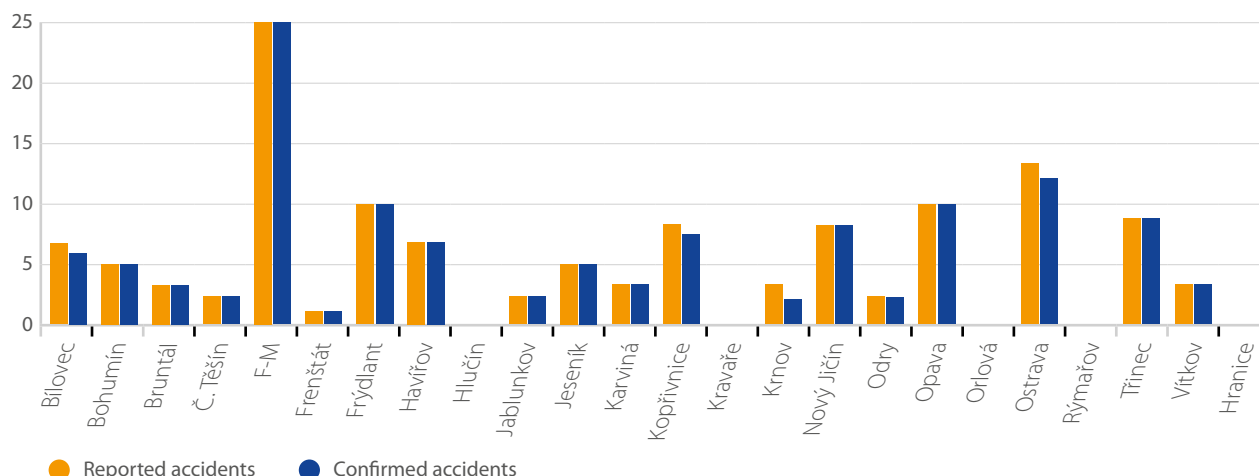
ACCIDENTS IN 2021 IN THE TERRITORIES OF THE INDIVIDUAL MUNICIPALITIES WITH EXTENDED POWERS

In 2021, a total of 122 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 64%.

ORP		Bílovec	Bohumín	Bruntál	Č. Těšín	F-M	Frenštát	Frýdlant	Havířov
Accidents	reported	7	5	3	2	25	1	10	7
	confirmed	6	5	3	2	25	1	10	7

ORP		Hlučín	Jablunkov	Jeseník	Karviná	Kopřivnice	Kravaře	Krnov	Nový Jičín
Accidents	reported	0	2	5	3	8	0	3	8
	confirmed	0	2	5	3	7	0	2	8

ORP		Odry	Opava	Orlová	Ostrava	Rýmařov	Třinec	Vítkov	Hranice
Accidents	reported	2	10	0	13	0	9	3	0
	confirmed	2	10	0	12	0	9	3	0



MORE SIGNIFICANT ACCIDENTS

30. 3. 2021 ŽIMROVICE – RACE – GREY TURBIDITY

A representative of the municipality with extended competence of Opava notified the water management (WM) control room of the Povodí Odry state-owned enterprise that grey turbid water is flowing from the outlet of the storm sewer in Žimrovice (near the Žimrovice WWTP) into a nameless watercourse. The nameless watercourse flows after about 300 m into the Moravice River. The sewer system is connected to the company Smurfit Kappa Czech, s. r. o. Professional fire-fighters of the Moravian-Silesian region were called to the site, who operate the scumboards that are permanently installed on the nameless stream. The pollution is odourless and no fish kills occur.

A local investigation of the accident in the presence of representatives of the municipality with extended competence of Opava, the emergency service of Povodí Odry, s.p., Kappa and the municipality of Žimrovice revealed that polluted water from Kappa's process sewer system was entering the storm sewer. Kappa conducted camera tests of the process sewer, identified the locations of damage and arranged for their repair.

Handling the emergency was overseen by the Water Law Authority of Ostrava City Hall's environmental protection department, which handled the emergency in accordance with the provisions of Sections 40 and 41 of Act No. 254/2001 Coll., on water and on amendments to some acts, as amended.

24 MAY 2021 ŠANCE – OIL ON THE ROAD

IBC informed the WM control room of the Povodí Odry state-owned enterprise about fire-fighters' response on the I/56 Road leading past the Šance hydraulic structure towards Samčanka. On about a 5 km stretch of road, hydraulic oil that has apparently been driven over is visible. Two fire engines are responding on the scene.

The investigation of the accident is being carried out in the presence of the municipality with extended competence of Frýdlant nad Ostravicí, the emergency service of the Povodí Odry state-owned enterprise and the Police of the Czech Republic. The pollution on the road was visible from the elevated road up to Samčanka, oil was only on the roadway. The firefighters covered the road with a sorbent and AVE CZ s. r. o. cleaned the most polluted parts of the road, called the company, Ekoaqu, ochrana vod, s. r. o., to finish the cleaning of the road. The emergency service of the Povodí Odry state-owned enterprise then conducted an inspection of the entire polluted stretch of road, the sorbent was cleaned up and the roadway was free of petroleum products.

Handling the emergency was overseen by the Water Authority of Ostrava City Hall's environmental protection department, which handled the emergency in accordance with the provisions of Sections 40 and 41 of Act No. 254/2001 Coll., on water and on amendments to some acts, as amended.

28 AUGUST 2021 HODOŇOVICE RACE – DEAD TROUT

On 28 August 2021 at 8:52 p.m., a local citizen reported to the WM control room of the Povodí Odry state-owned enterprise pollution a fish kill on the Hodoňovice race in Místek – district Bahno, near Pod Letištěm Street, directly under the construction of a new bridge of the Frýdek Místek bypass. A local investigation found a discharge of white coloured water from the bridge drainage and confirmed a fish kill.

The emergency service of the Povodí Odry state-owned enterprise, the Czech Fishermen's Association and the water authority of the Frýdek Místek Municipality, which managed handling of the accident, participated in the investigation of the accident. The surrounding soil and paved areas around the construction site were also contaminated. The emergency service of the Povodí Odry state-owned enterprise took samples of the water flowing out of the drainage system, which were analysed by the water management laboratory of the Povodí Odry state-owned company.

Laboratory analyses confirmed the leakage of alkaline water into the Hodoňovice race PORR a. s., Dubečská 3238/36, Strašnice, 100 00 Prague 10, was identified as the originator of the accident, stating that it was an accident pursuant to Section 40 of Water Act No. 254/2001 Coll.

4 OCTOBER 2021 BLUDOVICE NEAR NOVÝ JIČÍN – TANKER, LEAKAGE OF HYDROCHLORIC ACID

IBC informed the WM control room of the Povodí Odry state-owned enterprise that in Bludovice near Nový Jičín there had been a technical failure of a tanker (25 m³ capacity) carrying 31% hydrochloric acid. In the vicinity of the accident is the Zrzávka stream (the administrator of Zrzávka stream is LČR, s. p.). Approximately 1,500 litres of 31% acid leaked from the tank.

The emergency service of the Povodí Odry state-owned enterprise and the municipality with extended competence of Nový Jičín participated in the investigation of the accident. Firefighters evacuated several houses and plugged the tanker's drain and pumped out the remaining acid contents. The acid also reached the Zrzávka stream (the lowest pH value of 2.5 was measured), where dozens of small fish of about 5 cm in size died. Live fish and crayfish were also seen in the water at the same time. The firefighters neutralised the hydrochloric acid in the stream with sodium carbonate, which was dosed into the water at 15-minute intervals. Fire-fighters then flushed the stream with clean water from water tenders. The remediation of the contaminated soil was carried out by Ekoaqu, ochrana vod, s. r. o.

Handling the emergency was overseen the Water Authority of Ostrava City Hall's environmental protection department, which handled the emergency in accordance with the provisions of Sections 40 and 41 of Act No. 254/2001 Coll., on water and on amendments to some acts, as amended.



FLOODS 2021

METEOROLOGICAL CAUSES AND HYDROLOGICAL RESPONSE OF THE SPRING AND SUMMER 2021 FLOODS

Similarly as in 2020, the Upper Odra sub-basin was affected by several flood situations in 2021. However, these mostly reached smaller recurrence intervals of flood peaks, although locally they caused very significant flood damage. The first of the episodes took place in the first half of May and the last at the beginning of September. The cause of the flooding was both torrential precipitation during powerful thunderstorms and prolonged heavy rains.

The floods were preceded by a relatively cold and long winter with snow even at lower elevations and with above-average snow cover on the mountains in April and May. Moreover, the beginning of May was quite rainy, which caused saturation of the basin with water, more significantly in the Jeseník part of the basin.

In terms of the achieved return periods of flood peaks, this year's floods were most often around the value of Q_2 . The exceptions were the greater than 50-year discharge on the upper reaches of the Bělá River in Bělá pod Pradědem and the 20-year discharge on the Ludgeřovice Brook in Ludgeřovice. A significant peak was probably also reached on the upper Hvozdnice in Jakartovice.

SPRING FLOOD SITUATIONS

The first flood situation occurred in the second decade of May, when an undulating frontal boundary associated with a pressure low over Central Europe affected the Czech Republic. As it progressed to the north-east, it was accompanied by a noticeable temperature drop and storm activity accompanied by torrential rains, which began to fall in the evening hours of 12 May, especially in the Opava, Hlučín and Bohumín regions. The rain then spread in the following days to the Beskid part of the catchment area, where the Třinec and Jablunkov regions were most significantly affected. In the period from 12 to 14 May 2021, the most water fell in the eastern part of the Moravian-Silesian Beskids, in Nížký Jeseník, in the Opava hills and in the Ostrava basin, in places in the range of 50-80 mm of water.

Precipitation fell into an already significantly saturated area, whose watercourses therefore responded with sharp rises in their levels. The flood first appeared in the source area of the Opava River, where the Černá Opava in Mnichov peaked in the evening hours of 12 May at a higher than 2-year discharge, and then on the Opava itself in Krnov early the next morning (Q_1). During 13 May, when the third level of flood activity (SPA) was exceeded, the greatest return period of the flood peak of this episode was reached on the Ludgeřovice Brook in Ludgeřovice (Q_{20}), but without its water bursting out. In the upper part of this catchment area, the flood wave was transformed by its passage through the system of dry reservoirs in Markvartovice, which were at the same time clogged with mud deposits from the adjacent fields. In the adjacent catchment area, more than the 5-year discharge from the Hat' Reservoir flowed through the Bečva Brook. In the night hours, the upper reaches of the Hvozdnice Rivulet culminated, and it even overflowed its banks in Jakartovice. On its lower reaches in Otice, the flood peaked in the early morning hours of 14 May, exceeding the 5-year discharge, but with safe conveyance through the stream bed.

The flood also affected some unobserved small watercourses in the Opava and Hlučín regions. A dramatic situation occurred during the outflow of water from the Nový Dvůr small hydraulic reservoir on the Velká Brook, where the flood wave even spilled over the body of the dam and threatened to breach it. Water and mud flows from the surrounding fields repeatedly caused damage on 12 and 13 May 2021 in the village of Šilheřovice. Similarly affected were also the municipalities of Hat' and Píšť' and the Opava municipal districts of Zlatníky, Milostovice, Komárov and Suché Lazce.

Increased water discharges also occurred after persistent and heavy rains from 17 to 18 May 2021, when the middle and lower reaches of the Olše River were most affected by 1- and 2- year discharges.

SUMMER FLOOD SITUATIONS

At the very beginning of the summer, the Odra basin experienced strong storms with intense rainfall and hail. They mainly hit the area of Podbeskydí, on 21 and 24 June 2021. The water levels rose on the Lučina stream and on the Stonávka upstream of the Těrlicko hydraulic structure. The second of these episodes exceeded the 5-year discharge on the Lučina in Domaslavice and the second SPA on the Stonávka in Hradiště.

Intense precipitation also fell at the end of the first half of July, especially in the Odra basin itself. The reaction was particularly visible on the Polančice and the Ludgeřovice Brook, with exceedances of the 2nd SPA on 14 July.

In mid-July, a high-pressure area over the British Isles grew stronger and between it and a low-pressure area over Scandinavia, cooler moist air flowed into Central Europe from the north-west. During the passage of a cold front on the night of 17 to 18 July 2021, very strong thunderstorms accompanied by torrential rain occurred in the Jeseník region. The upper part of the Bělá basin was particularly affected, where 92 mm of water fell at the Bělá pod Pradědem – Červenohorské sedlo CHMI precipitation-gauging station between 9 pm and

3 am. Intense thundery precipitation also occurred in the area in the morning of the following day. In about 24 hours, a total of 150.6 mm of precipitation was measured at the above station.

The Bělá River reacted to the precipitation with a sharp rise in its level already in the night hours and with renewed rainfall activity again in the morning of 18 July, when it exceeded the 3rd SPA and 5-year discharge. However, a dramatic situation occurred on its upper reaches in the village of Bělá pod Pradědem, where it is assumed, based on the extent of the flooded area, that the peak could have had a longer return period than Q_{50} . In the uppermost part of the village, flooding of plots of land, gardens, cellars and ground floors of many houses, as well as damage to the stream bed, local damage to hydraulic structures occurred, and sediments deposited in stretches directly upstream of weirs and fish passes were buried.

Severe thunderstorms occurred at the end of the same month as well. They brought heavy rainfall, especially to the area of Nížký Jeseník, and also affected the Ludgeřovice Brook basin on 27 and 28 July 2021, where the second SPA was exceeded during the second of these episodes.

On 4 and 5 August 2021, cooler and humid air from the north to the north-west penetrated over the Czech Republic. Heavy and persistent rains affected the entire Odra basin, but the largest amount of water fell in the Beskids part of the basin. The highest precipitation totals were measured on Lysá hora (103.6 mm) and Biskupská kupa in Jeseníky (100.1 mm). In response to the rainfall and the previous strong saturation of the area with water, the Orlovská Stružka peaked at the 3rd SPA in Rychvald, with the Luha in Jeseník nad Odrou and the Stonávka in Hradiště peaking at the 2nd SPA in the night hours from 5 to 6 August. Their peaks were around the 5-year discharge. Water levels were also increased on the Ludgeřovice Brook in Ludgeřovice, on the Lučina in Domaslavice and also on the Ropičanka in Řeka.

At the end of August, a pressure low in the upper atmosphere persisted over central Europe. The prevailing north-westerly flow brought a temperature drop and heavy precipitation of a permanent nature, which affected the entire Odra basin, but most significantly the Moravian-Silesian Beskids, Podbeskydská Hills and the Zlaté Hory Highlands. In the top sections of the Beskid Mountains, the rainfall in the period from 30 August to 1 September 2021 was 90-160 mm of water.



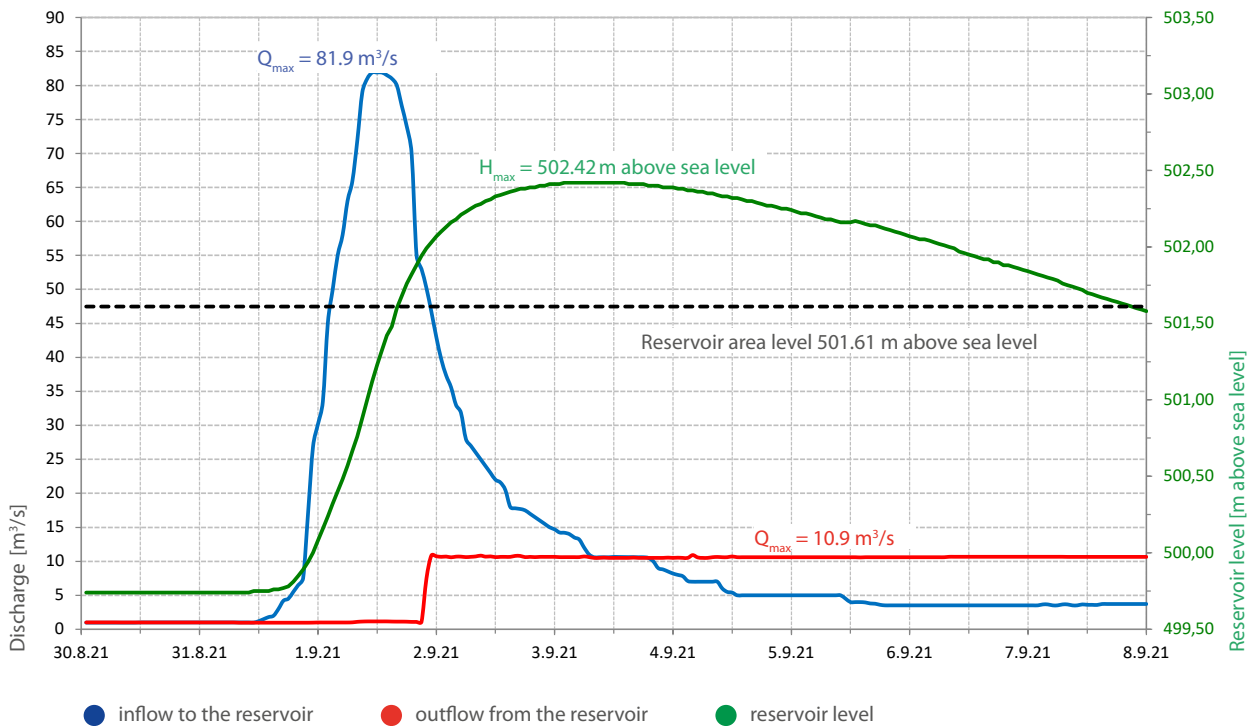
Distribution of precipitation totals for the period of 30 August – 1 September 2021



On the evening of 29 August, several streets in the Opavské Předměstí area of Krnov were flooded with water and mud from the adjacent fields. Watercourses responded to the rainfall with minor rises in water levels on the evening of 30 August and peaked during the night and morning of 1 September. The lower reaches of the Olše River reacted in the afternoon. During this flood event, flood peaks were around the 2-year discharge. The flood wave especially hit the Olše and upper Ostravice river basins and also affected the Lubina and Ondřejnice rivers. The 2nd SPA was reached on the Čeladenka River in Čeladná (Q_2 - Q_3) and on the Olše River in Český Těšín-Baliny ($<Q_3$) and in Dětmárovice ($>Q_2$).

During rainfall episodes, the valley reservoirs of the Odra River Basin Water Management System effectively buffered flood discharges. As an example, we present the reduction of the peak inflow of $81.9 \text{ m}^3\cdot\text{s}^{-1}$ to an outflow of $10.9 \text{ m}^3\cdot\text{s}^{-1}$ through the Šance valley reservoir on the Ostravice River during the August-September 2021 episode.

Transformation of the flood wave on 30 August – 8 September 2021 by the Šance Valley Reservoir



MEASURES IN HOLASOVICE, PROTECTION OF THE RIGHT-BANK AREA

In October 2021, the construction of flood control measures in the village of Holasovice was completed. The purpose of the construction in the 48.5 to 50.0 km of the Opava watercourse is to protect the inhabitants and built-up area of the aforementioned village to the level corresponding to the design 100-year flood discharge Q_{100} affected by the transformation of the Nové Heřminovy hydraulic structure, with a safety elevation of at least 0.60 m. This measure, combined with the damping effect of the Loděnice dry reservoir, will reduce the overflows due to flood discharges on the right bank of the Opava River.

The earth protective dyke is 1,486 m long, 3 m wide at the crown, and the elevation above the surrounding terrain is mostly 1.5 m. The route of the protective dyke is located between the bank edge and the existing development of single-family homes so that, with regard to its purpose, it does not deteriorate the existing flow conditions in the area and that the encroachment of private land is minimised. A reinforced-concrete rib is built at the crossing of the dam route with the road, where a temporary barrier will be installed in case of flood risk in cooperation with the Holasovice Volunteer Fire Brigade. The total length of the flood control measure, the dam and the temporary barrier, is 1,497 m.

To limit seepage and possible filtering deformations, underground sheet pile walls are constructed in several sections. On the landside, a drainage ditch is constructed along the protective dyke to divert water that has overflowed the dyke away from the development.

The construction of the dyke is supplemented by functional structures, i.e., dyke culverts, the outlet of the Lipinka Stream, sewer relocations, which will ensure the normal regime in the area of interest. Similarly, functional structures will enable water handling in case of flood conditions in the Opava River and the Lipinka Stream.

On the basis of mutual agreements with the municipality of Holasovice, staircases were built on the riverside and landside slopes of the dyke, benches were installed on the crown of the dyke, and a connection of the dyke to the footbridge over the Opava River was made to keep the citizens in contact with the river.

Construction costs of CZK 102 million were covered by the subsidy programme of the Ministry of Agriculture of the Czech Republic "Support for flood prevention IV". Other costs of the project amounting to CZK 4 million were covered from the own resources of the Povodí Odry state-owned company.





ECONOMIC RESULTS FOR 2021

Surprisingly, the year 2021 was quite successful for the Povodí Odry state-owned enterprise. We entered it with rather pessimistic assumptions, but the gradual recovery of the global economy with positive effects on the Czech market has also affected the production of regional companies linked to higher surface water abstractions. The year-on-year growth of revenues from surface water abstractions, as well as other performances, had a positive impact on the achieved result of the Povodí Odry state-owned company, namely a profit of CZK 17,224 thousand.

Revenues were realised in 2021 in the total amount of CZK 737,707 thousand. The largest share of total revenues was accounted for by revenues from surface water abstractions, which were realised in 2021 in the total amount of CZK 617,420 thousand. Revenues from power generation totalled CZK 77,183 thousand in 2021 and were significantly affected by the favourable hydrological situation during the calendar year. Year-on-year growth was also recorded in other revenues, such as revenues from fish sales, revenues from water laboratory services and others. The non-operating subsidies provided by the Ministry of Agriculture under the 129 390 programme 'Support for measures on small watercourses and small water reservoirs - 2nd stage' were used in the amount of CZK 3,003 thousand.

Costs were drawn in 2021 in a total amount of CZK 720,483 thousand after tax. A significant cost item was repairs and maintenance of water management assets in the total amount of CZK 143,472 thousand, 98% of which was covered from the own resources of the Povodí Odry state-owned company. Total expenditure on repairs and maintenance of water management assets was higher both year-on-year and against the annual financial plan, in an effort to ensure the best possible care of the assets entrusted to us.

In 2021, fixed assets were acquired in the total amount of CZK 411,744 thousand, of which CZK 226,242 thousand was paid from subsidy funds, CZK 181,968 thousand was from the state enterprise's own resources, and gratuitous transfers resulted in the acquisition of assets amounting to CZK 3,534 thousand. The subsidies were provided by the Ministry of Agriculture under Programme No. 129 360 "Support for Flood Prevention Stage IV" and Programme No. 129 390 "Support for Measures on Small Watercourses and Small Water Reservoirs – Stage 2" and subsidies were also used from the Operational Programme Environment.

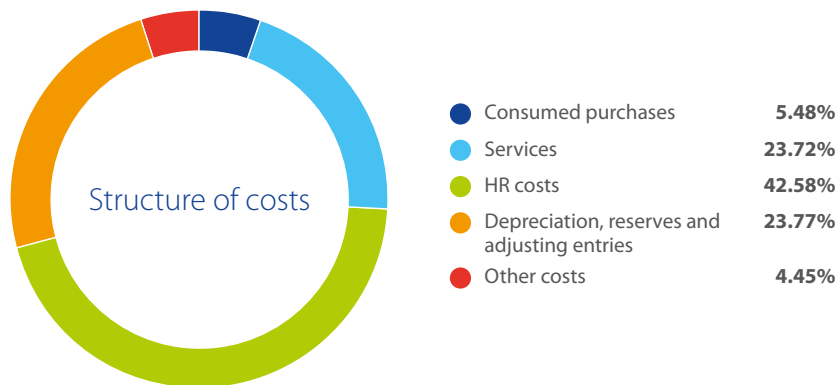
Due to the favourable economic conditions during 2021, a year-on-year improvement in the economic result was achieved despite an increase in the price of energy, construction materials and a higher volume of costs spent on repairs and maintenance of the entrusted water management assets. The year-on-year growth in investment expenditure on the implementation and reconstruction of water management assets also contributed to the fulfilment of the long-term task of the state enterprise administrating the Odra River basin. The state enterprise's financial performance is stable and the ending cash balance as at 31 December 2021 has created a solid base for the coming period.

EXPENSES (IN THOUSANDS OF CZK)

Consumed purchases	39,480
Purchased services	170,927
of which: Repairs and maintenance	143,472
Other services	27,455
HR costs	306,762
of which: Wage costs	210,816
Social security and health insurance	73,547
Other social costs	22,399
Taxes and fees	2,914
Other operating costs	11,659
Depreciation, reserves and adjusting entries	171,238
of which: Depreciation	147,863
Reserves and adjusting entries	23,375
Change to status of inventory and capitalisation	-628
Financial costs	227
Deferred tax	17,904
Total costs	720,483

STRUCTURE OF COSTS

Consumed purchases	5.48%	39,480
Services	23.72%	170,927
HR costs	42.58%	306,762
Depreciation, reserves and adjusting entries	23.77%	171,238
Other costs	4.45%	32,076
Total costs	100.00%	720,483

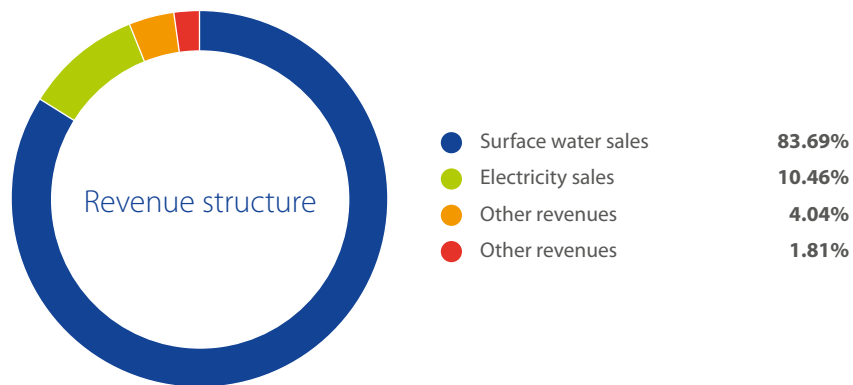


REVENUES (IN THOUSANDS OF CZK)

Sales	724,343
of which: For surface water	617,420
For electricity	77,183
For fish	14,757
For services	14,983
Other operating revenues	12,252
Financial revenues	1,112
Total revenues	737,707

REVENUE STRUCTURE

Surface water sales	83.69%	617,420
Electricity sales	10.46%	77,183
Other revenues	4.04%	29,740
Other revenues	1.81%	13,364
Total revenues	100.00%	737,707



AUDITOR'S REPORT



ZPRÁVA NEZÁVISLÉHO AUDITORA
pro zakladatele státního podniku
o ověření účetní závěrky a výroční zprávy za rok 2021

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. 2021, výkazu zisku a ztráty, za rok končící 31. 12. 2021, 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. 2021 a nákladů a výnosů a výsledku jejího hospodaření a peněžních toků za rok končící 31. 12. 2021 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 způsobitelné 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 obdržení 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.
Žernovnik 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

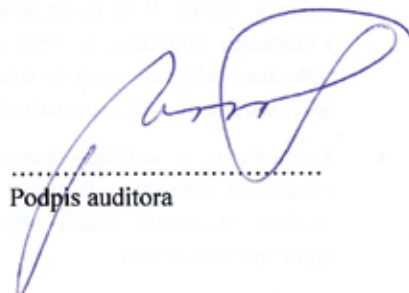
Ing. Roman Bartoš, auditor
Evidenční číslo oprávnění č. 2148

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

Datum zprávy auditora: 7. března 2022


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Podpis auditora




.....
Podpis auditora

HB AUDITING, s.r.o.
Dolní 1730 / 25
591 01 Žďár nad Sázavou
IČO: 60 11 32 19
DIČ: CZ60113219

BALANCE SHEET

In full format as at 31 December 2021 (in thousands of CZK)

Label	Item content	Current period			Prior period
		Gross	Correction	Net	
	TOTAL ASSETS	9,208,899	-4,171,823	5,037,076	4,992,401
B.	Fixed assets	8,715,903	-4,170,549	4,545,354	4,512,571
B.I.	Fixed intangible assets	170,472	-145,562	24,910	20,417
B.I.1.	Intangible results of research and development	13,948	-13,948	0	0
B.I.2.	Valuable rights	77,057	-63,287	13,770	2,829
B.I.2.1.	Software	77,057	-63,287	13,770	2,829
B.I.4.	Miscellaneous long-term intangible assets	69,572	-68,327	1,245	2,710
B.I.5.	Advance payments for intangible fixed assets and incomplete intangible fixed assets	9,895	0	9,895	14,878
B.I.5.2.	Incomplete intangible fixed assets	9,895	0	9,895	14,878
B.II.	Fixed tangible assets	8,545,431	-4,024,987	4,520,444	4,492,154
B.II.1.	Land and structures	7,567,229	-3,483,977	4,083,252	4,126,622
B.II.1.1.	Land	528,740	0	528,740	519,476
B.II.1.2.	Buildings and structures (constructions)	7,038,489	-3,483,977	3,554,512	3,607,146
B.II.2.	Tangible movables and sets thereof	700,680	-540,680	160,000	125,831
B.II.4.	Other tangible fixed assets	1,072	-330	742	803
B.II.4.1.	Perennial crops	87	-87	0	0
B.II.4.3.	Other tangible fixed assets	985	-243	742	803
B.II.5.	Advance payments for tangible fixed assets and tangible fixed assets under construction	276,450	0	276,450	238,898
B.II.5.1.	Provided advances for long-term tangible assets	22	0	22	45
B.II.5.2.	Incomplete tangible fixed assets	276,428	0	276,428	238,853
C.	Current assets	492,452	-1,274	491,178	479,169
C.I.	Inventory	8,564	0	8,564	8,073
C.I.1.	Materials	2,842	0	2,842	2,592
C.I.4.	Young and miscellaneous animals and groups thereof	5,625	0	5,625	5,481
C.I.5.	Advance payments for inventory	97	0	97	0
C.II.	Accounts receivable	135,185	-1,274	133,911	116,741
C.II.1.	Long term receivables	74	0	74	104
C.II.1.1.	Trade receivables	30	0	30	60
C.II.1.5.	Receivables – others	44	0	44	44
C.II.1.5.2.	Long-term provided advances	12	0	12	12
C.II.1.5.4.	Other receivables	32	0	32	32
C.II.2.	Short-term receivables	135,111	-1,274	133,837	116,637
C.II.2.1.	Trade receivables	128,543	-1,270	127,273	107,574
C.II.2.4.	Receivables – others	6,568	-4	6,564	9,063
C.II.2.4.3.	State – tax claims	0	0	0	1,061
C.II.2.4.4.	Short-term advance payments made	1,328	0	1,328	1,211
C.II.2.4.5.	Contingent assets	1,702	0	1,702	61
C.II.2.4.6.	Other receivables	3,538	-4	3,534	6,730
C.IV.	Monetary funds	348,703	0	348,703	354,355
C.IV.1.	Available cash	477	0	477	522
C.IV.2.	Funds in accounts	348,226	0	348,226	353,833
D.	Asset accruals and deferrals	544	0	544	661
D.1.	Costs for subsequent periods	542	0	542	661
D.3.	Accrued revenues	2	0	2	0

Label	Item content	Current period	Prior period
	TOTAL LIABILITIES	5,037,076	4,992,401
A.	Equity	4,612,389	4,609,230
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	2,689,670	2,689,251
A.II.2.	Capital funds	2,689,670	2,689,251
A.II.2.1.	Other capital funds	2,689,670	2,689,251
A.III.	Funds from profit	340,051	339,709
A.III.1.	Other reserve funds	269,267	269,267
A.III.2.	Statutory and miscellaneous funds	70,784	70,442
A.V.	Profit/Loss for the current accounting period	17,224	14,826
B. + C.	External resources	424,222	383,100
B.	Reserves	90,041	66,382
B.4.	Other reserves	90,041	66,382
C.	Liabilities	334,181	316,718
C.I.	Long-term liabilities	299,228	282,575
C.I.8.	Deferred tax liability	293,648	275,744
C.I.9.	Other liabilities	5,580	6,831
C.I.9.3.	Miscellaneous liabilities	5,580	6,831
C.II.	Short-term liabilities	34,953	34,143
C.II.3.	Short-term received advances	56	55
C.II.4.	Liabilities from business relationships	5,855	6,728
C.II.8.	Other liabilities	29,042	27,360
C.II.8.3.	Obligations towards employees	15,601	13,744
C.II.8.4.	Social security and health insurance dues	8,551	7,946
C.II.8.5.	State – tax liabilities and subsidies	2,133	2,484
C.II.8.6.	Contingent liabilities	927	792
C.II.8.7.	Miscellaneous liabilities	1,830	2,394
D.	Accrued liabilities	465	71
D.1.	Expenses for subsequent periods	6	7
D.2.	Revenues for subsequent periods	459	64



Prepared on 3 March 2022

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

PROFIT AND LOSS STATEMENT

classified by nature in full format for the period from 1 January 2021 to 31 December 2021 (in thousands of CZK)

Label	Item content	Current period	Prior period
I.	Revenues from sale of products and services	724,343	656,536
A.	Output consumption	210,408	170,837
A.2.	Consumption of materials and energy	39,480	35,494
A.3.	Services	170,927	135,343
B.	Change to balance of reserves from internal activities (+/-)	-149	-364
C.	Activation (-)	-478	-1,423
D.	HR costs	306,762	296,534
D.1.	Wage costs	210,817	204,433
D.2.	Social security, health insurance and miscellaneous costs	95,946	92,101
D.2.1.	Costs for social security and health insurance	73,562	71,125
D.2.2.	Other costs	22,384	20,976
E.	Value adjustments related to operations	147,579	149,081
E.1.	Adjustment of values of long-term intangible and tangible assets	147,863	148,802
E.1.1.	Adjustment of values of long-term intangible and tangible assets – permanent	147,863	149,016
E.1.2.	Adjustment of values of long-term intangible and tangible assets – temporary	0	-214
E.2.	Adjustment of inventory values	-17	9
E.3.	Adjustment of receivable values	-267	270
III.	Other operating income	12,252	15,035
III.1.	Revenues from the sale of long-term assets	4,738	2,355
III.3.	Other operating revenues	7,515	12,680
F.	Other operating costs	38,231	23,437
F.1.	Net book value of fixed assets sold	204	51
F.3.	Taxes and fees	2,914	3,008
F.4.	Position of operating reserves and complex accrued costs	23,659	11,016
F.5.	Other operating costs	11,455	9,362
*	Operating profit/loss (+/-)	34,242	33,469
VI.	Revenue interest and similar returns	1,111	2,324
VI.2.	Miscellaneous revenue interest and similar returns	1,111	2,324
VII	Other financial income	1	0
K.	Miscellaneous financial costs	227	212
*	Financial profit/loss (+/-)	885	2,112
**	Profit/Loss before taxation (+/-)	35,127	35,581
L.	Income tax	17,904	20,755
L.2.	Deferred income tax (+/-)	17,904	20,755
**	Economic result after taxation (+/-)	17,224	14,826
***	Profit/Loss for the accounting period (+/-)	17,224	14,826
*	Net turnover for the accounting period	737,707	673,894



Prepared on 3 March 2022

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

CASH FLOW STATEMENT

for the period ending on 31 December 2021 (in thousands of CZK)

	Current accounting period	Previous accounting period
P. Initial balance of cash and cash equivalents at the beginning of the accounting period	354,355	330,236
Cash flow from the main profitable activity (operations)		
Z. Profit/Loss before taxation (+/-)	35,127	35,582
A. 1. Adjustment by non-monetary operations	165,739	155,800
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 (+/-)"	149,003	148,947
A. 1. 2. Change in adjustments, reserves and contingent accounts	22,381	11,481
A. 1. 3. Profit (loss) from sale of fixed assets (-/+)	-4,534	-2,304
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 (-)	-1,111	-2,324
A. 1. 6. Potential adjustment by other non-monetary operations	0	0
A * Net cash flow from operations before tax and changes in working capital	200,866	191,382
A. 2. Change in the non-monetary elements of working capital	-14,461	-9,911
A. 2. 1. Changes in the position of receivables from operations (+/-)	-14,809	-12,496
A. 2. 2. Changes in the position of short-term receivables from operations (+/-)	821	2,750
A. 2. 3. Changes in inventory (+/-)	-473	-165
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
A ** Net cash flow from operations before tax	186,405	181,471
A. 3. Interest paid excluding interest included in fixed assets valuation (-)	0	0
A. 4. Interest received (+)	1,111	2,324
A. 5. Income tax paid and supplementary taxes for previous periods (-)	0	0
A. 7. Shares of profit received (+)	0	0
A *** Net cash flow from operations	187,516	183,795
Cash flows from investment activities		
B. 1. Expenses associated with acquisition of fixed assets	-181,968	-146,410
B. 2. Revenue from sale of fixed assets	4,738	2,355
B. 3. Change in investment advance payments, re-billing of investments	396	196
B *** Net cash flow related to investment activities	-176,834	-143,859
Cash flows from financial activity		
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	-1,850	-1,400
C. 2. Effect of equity changes on cash and its equivalents	-14,484	-14,417
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 (-)	-14,484	-14,417
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
C *** Net cash flow related to financial activities	-16,334	-15,817
F. Net increase/decrease of cash	-5,652	24,119
R. Balance of cash and cash equivalents at end of the accounting period	348,703	354,355

Prepared on 3 March 2022



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

STATEMENT OF EQUITY CHANGES

as at 31 December 2021 (in thousands of CZK)

Item	2019				2020				2021			
	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)	1,565,444	0	0	1,565,444	1,565,444	0	0	1,565,444	1,565,444	0	0	1,565,444
Capital funds (account 413)	2,669,396	20,072	1,247	2,688,221	2,688,221	1,652	622	2,689,251	2,689,251	3,240	2,821	2,689,670
Reserve funds, other funds from profit	208,128	53,447	14,997	246,578	246,578	112,321	19,190	339,709	339,709	15,211	14,869	340,051
Statutory reserve fund (account 421)	151,919	19,303	0	171,222	171,222	98,045	0	269,267	269,267	0	0	269,267
Total statutory and other funds, of which:	56,209	34,144	14,997	75,356	75,356	14,276	19,190	70,442	70,442	15,211	14,869	70,784
Cultural and social welfare fund (account 423)	29,630	16,494	7,016	39,108	39,108	8,653	10,980	36,781	36,781	6,901	6,538	37,144
Bonus fund (account 427 AE)	25,729	17,500	7,731	35,498	35,498	5,373	7,900	32,971	32,971	8,000	8,141	32,830
Social fund (account 427 AE)	850	150	250	750	750	250	310	690	690	310	190	810
Profit/Loss from previous years	98,045	0	0	98,045	98,045	0	98,045	0	0	0	0	0
Profit/Loss for the current accounting period	53,053	9,503	53,053	9,503	9,503	14,826	9,503	14,826	14,826	17,224	14,826	17,224
TOTAL EQUITY	4,594,066	83,022	69,297	4,607,791	4,607,791	128,799	127,360	4,609,230	4,609,230	35,675	32,516	4,612,389



Prepared on 3 March 2022

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

NOTES ON THE FINANCIAL STATEMENTS

As at 31 December 2021

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 1 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 2021, 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 18 February 2021, a resolution was issued regarding the change of the members of the Supervisory Board – registration of Ing. Dalibor Kratochvíl, deletion of Ing. Dagmar Šimková – the resolution took legal force on 6 March 2021.
- On 10 May 2021, a resolution was issued regarding the deletion of the Economic Director, Ing. Petr Kučera (2nd statutory representative) – the resolution came into force on 27 May 2021.
- On 28 July 2021, a resolution was issued regarding the registration of the Economic Director, Ing. Michaela Bachoríková (2nd statutory representative) – the resolution entered into force on 14 August 2021.

Governing body of the state-owned company (as at 31 December 2021):

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. Michaela Bachoríková, Economic Director.

Supervisory Board (as at 31 December 2021):

Ing. Aleš Kendík

Ing. Pavel Schneider

Ing. Michal Sirko

Ing. Jiří Duda

Ing. Jan Kocián

Ing. Peter Suchý

Ing. Ivana Mojžíšková

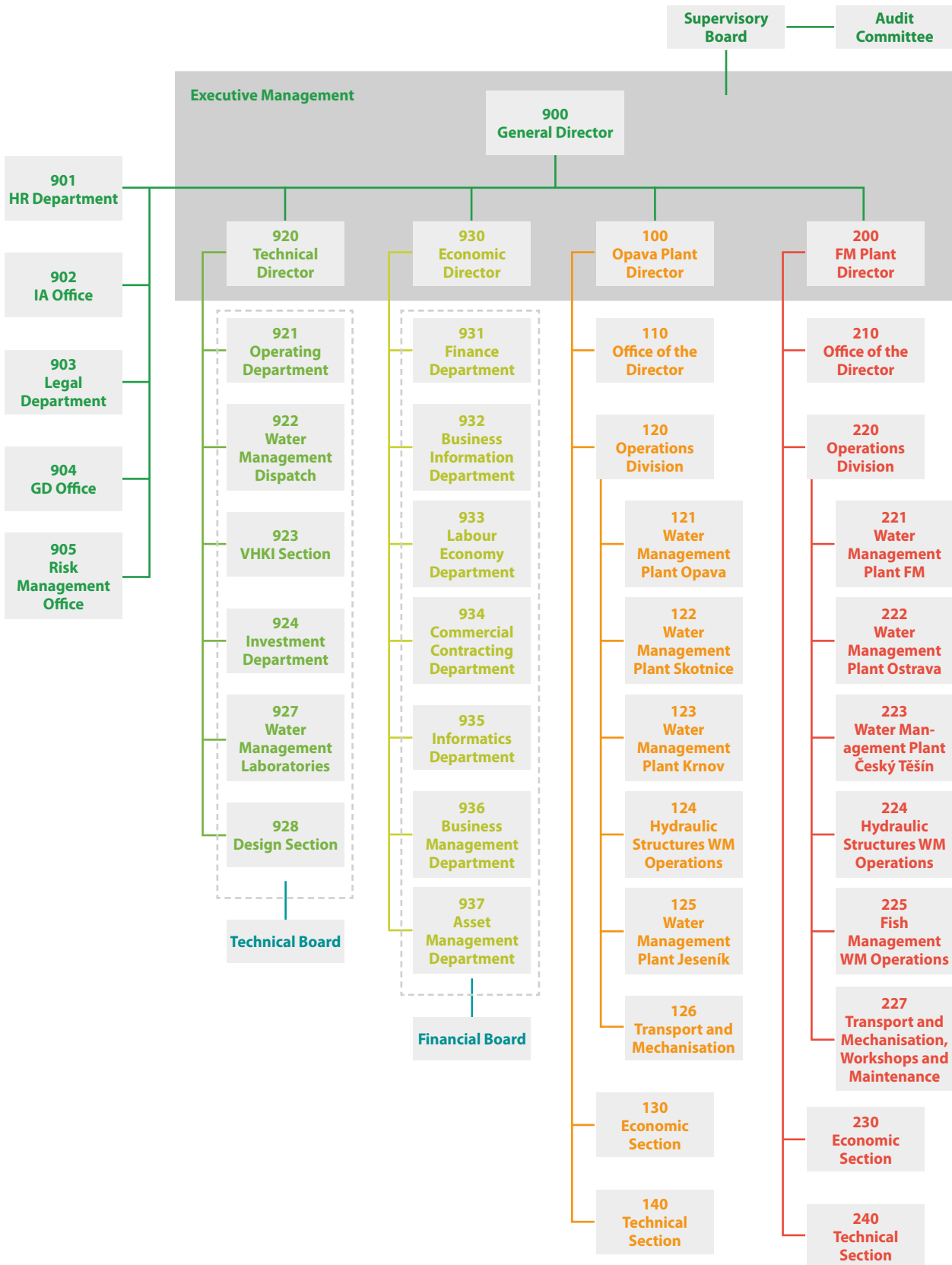
Ing. Radek Pekař

Ing. Dalibor Kratochvíl

Changes in the organisational structure during the accounting period:

In 2021, the Company's organisational structure did not change.

ORGANISATIONAL CHART



2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

Balance sheet date: 31 December 2021

Date of preparation of the financial statements: 3 March 2022

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 enterprise Povodí Odry keeps accounts in compliance with the Czech Accounting Standards.

The state-owned enterprise 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 – purchase price,
- 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, liabilities – nominal value.

LONG-TERM ASSETS

Fixed intangible 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 for as expenses 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 80,000. Tangible movables worth up to CZK 80,000 are accounted for as expenses 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 unfinished fixed assets account. 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 2021 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

Adjustments 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 fixed 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 net book value,
- to inventory – created to slow-moving, outdated or otherwise temporarily degraded inventory on the basis of 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 2021 accounting period is presented in a separate Statement of Equity Changes.

RESERVES

The state-owned enterprise 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 receivables 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 liabilities 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 enterprise 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 price of surface water is prepared in accordance with Act No. 526/1990 Coll., on prices, as amended, 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 2021 accounting period.

CHANGES TO ACCOUNTING METHODS AS COMPARED TO THE PRECEDING REPORTING PERIOD

Deviations from the accounting methods

They do not occur in the 2021 accounting period.

Correction of errors from previous years

They do not occur in the 2021 accounting period.

4. ADDITIONAL INFORMATION TO THE ITEMS IN THE FINANCIAL STATEMENTS

LONG-TERM ASSETS

List of fixed assets – acquisition value (in CZK thousands)

Account group	Name	Balance as at 1 January 2021	Increase	Decrease	Balance as at 31 December 2021
01	Fixed intangible assets	147,404	13,755	582	160,577
02	Fixed tangible assets	7,632,278	130,058	22,403	7,739,933
03	Non-depreciated tangible fixed assets	519,784	43,592	34,328	529,048
04	Unfinished intangible and tangible fixed assets	253,731	411,744	379,152	286,323
05	Advance payments for intangible and tangible fixed assets	45	0	23	22
Total		8,553,242	599,149	436,488	8,715,903

A significant item in the area of fixed assets is the completed reconstruction of the boulder chute on the Ostravice watercourse at 26.117 km.

Accumulated depreciation – fixed assets (in thousands of CZK)

Account group	Name	Balance as at 1 January 2021	Increase	Decrease	Balance as at 31 December 2021
07	Accumulated depreciation to intangible fixed assets	141,865	4,279	582	145,562
08	Accumulated depreciation to tangible fixed assets	3,898,806	143,584	17,403	4,024,987
Total		4,040,671	147,863	17,985	4,170,549

Adjustments to fixed assets (in thousands of CZK)

For 2021, they are not created as the physical stocktaking done has verified that there are no grounds for temporary impairment of the assets.

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

Land	as at 31 December 2020	as at 31 December 2021
– classification submitted for registration in the Land Register (not registered as at 31 December)	742	908
– discharge submitted for registration in the Land Register (not registered as at 31 December)	5	1

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

Purpose of grant / source	as at 31 December 2020	as at 31 December 2021
Flood prevention / state budget	122,532	201,756
Measures on small watercourses and small water reservoirs / state budget	10,991	12,315
Watercourse revitalisation / state budget	2,344	12,171
Total	135,867	226,242

Assets acquired from grants for acquisition of fixed assets

The state-owned enterprise 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 thousands of CZK)

Subsidised assets	as at 31 December 2020	as at 31 December 2021
- partially subsidised assets	3,696,447	3,675,748
- fully subsidised assets	83,904	49,943

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

CURRENT ASSETS

Inventory – acquisition values (in thousands of CZK)

Account	Name	as at 31 December 2020	as at 31 December 2021
112	Material in stock	2,609	2,842
124	Young and other animals	5,481	5,625
	- of which: fish	5,457	5,606
151	Advance payments for inventory	-	97
Total	Total inventories	8,090	8,564

Adjustments to inventory (in thousands of CZK)

Account group	Name	Balance as at 1 January 2021	Increase	Decrease	Balance as at 31 December 2021
19	Adjustments to inventories	17	-	17	-
Total		17	-	17	-

For 2021, they are not created as the physical stocktaking made has verified that there are no grounds for temporary impairment of inventory. Adjustments made in previous periods were reversed due to the disposal of inventories.

Receivables – acquisition values (in thousands of CZK)

Receivables (short-term and long-term)	as at 31 December 2020	as at 31 December 2021
Overdue receivables	2,501	2,172
of which: Receivables that are more than 5 years overdue	796	1,477
Receivables with maturity longer than 5 years	-	-
Receivables covered by security in rem	-	-

Adjustments to receivables (in thousands of CZK)

Account	Name	as at 31 December 2020	as at 31 December 2021
391-1	Statutory adjusting entries for receivables	1,050	1,001
391-2	Accounting adjusting entries for receivables	491	273
Total		1,541	1,274

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

The state-owned enterprise 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 2020 profit/loss	Proposal for distribution of the 2021 profit/loss
Profit/Loss for the current period	14,826	17,224
- allocation to the cultural and social welfare fund	6,516	8,534
- allocation to the bonus fund	8,000	8,500
- allocation to the social fund	310	190

EXTERNAL RESOURCES

Reserves

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

Purpose	as at 31 December 2020	as at 31 December 2021
Reserve for floods	35,640	37,000
Reserves for major repairs to water management assets	7,000	24,000
Other reserves (medium-term component of wages, litigation, and other risks)	23,742	29,041
Total	66,382	90,041

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

Item	as at 31 December 2020	as at 31 December 2021
Net book value of small assets (NBV)	3,436,837	3,445,128
Tax residual value of small assets (TRV)	1,985,550	1,899,611
Difference between book and tax prices (NBV – TRV)	1,451,287	1,545,517
19 %	275,744	293,648
Unpaid interest on late payments	-	-
19 %	-	-
Total deferred tax liability	275,744	293,648

Deferred tax liability	- balance of Account 481 as at 31 December 2020	275,744
	- balance of Account 481 as at 31 December 2021	293,648
	difference – Account 592 Debit	17,904

Payables (in thousands of CZK)

Short-term liabilities	as at 31 December 2020	as at 31 December 2021
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 December 2020	as at 31 December 2021
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 payables – Account 479 (in thousands of CZK)

Contents	as at 31 December 2020	as at 31 December 2021
Guarantees received	6,831	5,580

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 enterprise, does not have any bank loans and financial assistance.

The state-owned enterprise 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 December 2020	as at 31 December 2021
Fully subsidised assets	83,904	49,943
Low-value tangible and intangible assets	84,194	85,899
Documentary bank guarantees	113,101	128,301

SELECTED COST AND REVENUE ITEMS

HR costs

Item	as at 31 December 2020	as at 31 December 2021
Average number of employees (adjusted)	451.81	446.11
of which: - White-collar category	242.64	239.69
- Blue-collar category	209.17	206.42
Personnel costs incl. other personnel costs (in CZK thousands) CZK	202,579	208,657
Social security and health insurance costs (in CZK thousands)	71,225	73,547
Remuneration for supervisory body members	2,192	2,159

Auditing services (in thousands of CZK)

Purpose	2020	2021
Mandatory audit of financial statements	178	173
Other auditing services	-	-

Non-investment grants (in thousands of CZK)

Grant purpose / source	as at 31 December 2020	as at 31 December 2021
Measures on small watercourses and small water reservoirs / state budget	9,777	3,003
Total	9,777	3,003

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

Type of activity	as at 31 December 2020	as at 31 December 2021
Surface water sales	540,016	617,420
Electricity sales	89,112	77,183
Fish sales	13,527	14,757
Rent revenue	6,831	7,035
Revenues from laboratory work	2,838	3,196
Other revenues	4,212	4,752
Total (all in the Czech market)	656,536	724,343

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

THE GOING CONCERN PRINCIPLE

The Povodí Odry state-owned enterprise, 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 financial statements of the Povodí Odry state-owned company as at 31 December 2021 were prepared assuming the future continuation of its activities 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 enterprise, 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 enterprise, are not presented in these Notes.



Ing. Jiří Tkáč

General Director

Ostrava, dated 3 March 2022

POVODÍ ODRY, state-owned enterprise

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