

REVIK d.o.o. Sarajevo
Member of



Sarajevo, Branilaca Sarajeva 20
tel. / fax (387) (33) 200 – 383 i 226 – 289
E-mail: revik@bih.net.ba
Community Court Sarajevo:
065-0-Reg-13-003456, MBS 65-01-1066-09
Tax code: 01075138

Raiffeisen BANK d.d. BH Sarajevo
- 1610000001640087
UniCredit Bank d.d. Sarajevo
- 3383202250064583
Identification number: 4200002790002
VAT identification number: 200002790002

INDEPENDENT AUDITOR'S REPORT
State Electricity Regulatory Commission (SERC) Tuzla

1. We have audited the accompanying financial statements of State Electricity Regulatory Commission (SERC), Tuzla ("hereinafter SERC"), which comprise the balance sheet as at December 31, 2014, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.
2. The financial statements of SERC for the year ended December 31, 2013 were audited by audit firm Reviform d.o.o. Sarajevo whose report expressed an unmodified opinion on those financial statements.

Management's Responsibility for the Financial Statements

3. Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

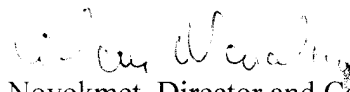
Auditor's Responsibility

4. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion, the financial statements present fairly, in all material respects, the financial position of the SERC as of December 31, 2014, and the results of its operations and its statement of changes in long term funds and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

REVIK d.o.o. Sarajevo


Milan Novokmet, Director and Certified Auditor



Sarajevo, 24 March 2015

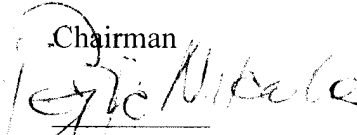
**State Electricity Regulatory Commission (SERC) Tuzla
(In KM)**

BALANCE SHEET

As at 31 December 2014

	Napomena	2014	2013
ASSETS			
Tangible assets	2	195,749	156,362
Intangible assets	3	1,492	9,431
Cash at bank and in hand	4	798,748	779,810
Customers and other receivables	5	34,313	1,894
Short term accruals	6	12,844	9,029
Total Assets		1,043,146	956,526
 LONG TERM FUNDS AND LIABILITIES			
Non-allocated surplus of revenues		899,729	787,139
Suppliers	7	15,450	12,355
Other liabilities	8	127,746	124,465
Short term accruals – accrued expenses		221	32,567
Total Long Term Funds and Liabilities		1,043,146	956,526

The financial statements were approved by the SERC, Tuzla on 24 March 2015

Chairman

 Nikola Pejić

The accompanying notes are an integral part of these financial statements

State Electricity Regulatory Commission (SERC) Tuzla
(In KM)

INCOME STATEMENT

For the period ended 31 December 2014

	Napomena	2014	2013
REVENUES			
Income from fees	9	2,169,612	2,163,303
Other income	10	15,889	12,443
Total Revenues		2,185,501	2,175,746
EXPENDITURES			
Material and energy		48,731	52,058
Services	11	349,576	404,032
Salaries and other compensations	12	1,391,693	1,404,803
Depreciation		55,648	65,938
Business travelling		89,276	90,450
Humanitarian expenditures	13	106,718	-
Other expenditures		31,269	43,849
Total Expenditures		2,072,911	2,061,130
Surplus of revenues		112,590	114,616

The accompanying notes are an integral part of these financial statements