



ANNUAL TRANSPARENCY REPORT FOR 2015



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1. DESCRIPTION OF AN ORGANISATION AND OWNERSHIP STRUCTURE

PricewaterhouseCoopers d.o.o. (hereinafter: „the Company“) is a company certified for audit of financial statements.

The Company prepares this Transparency report in accordance with Article 24a of the Law on Accounting and Auditing of the Republic of Srpska (Official Gazette of RS, No. 36/09 and 52/11; hereinafter: „the Law“).

PricewaterhouseCoopers d.o.o. was founded on 02 December 2003, when it was registered with the court registry of the Cantonal court in Sarajevo. The Company provides audit and consulting services.

The Company performs audits of financial statements based on a Certificate on issuing work permit (a Licence) issued by Ministry of Finance of the Republic of Srpska No. 06.15/020-50-23/10 from 15 January 2010, in accordance with the Law.

Founding capital of PricewaterhouseCoopers d.o.o. amounts to BAM 6,000. Ownership structure is published in Registry of audit companies, available on the web page of the Ministry of Finance of RS.

The Company's registered seat is in Sarajevo, Fra Andjela Zvizdovica street No. 1.

The Company does not have other branches (offices) in the Federation of BiH or abroad. The Company performs its activities independently, and it is not part of any domestic or foreign audit company.

2. MANAGEMENT STRUCTURE

Director of the Company is Jasmina Hodzic, who has Masters in Economy (Corporate finance).

Director is responsible for all management functions and Company representation.



3. INTERNAL CONTROLS

Internal controls within the Company include monitoring of quality of services the Company delivers.

Prior to issuing an Auditor's report, all reports are reviewed by the Director or other employee with relevant professional qualifications and experience.

This review includes review of report on conducted audit and review of financial statements, or other information used for preparation of Auditor's report, and review of certain documents, and working papers.

Director discusses all issues relevant to the audit of each client with the auditor in charge for this client. Depending on estimated engagement risks, further reviews can be conducted.

Final audit report is issued only when internal review confirms that the audit team performed all engagement activities in accordance with the International Standards on Auditing.

Declaration of Management on efficiency of functioning of System of internal controls

The Company's Management confirms that the above mentioned internal controls are appropriate for the purpose of obtaining reasonable assurance that the Company and its employees shall act in accordance with the current Code of ethics for professional accountants, the International Standards on Auditing and legal regulations.

4. INFORMATION ON QUALITY REVIEW

The Company was subject to regular monitoring by the Ministry of finance of Republic of Srpska, in period from 03 February to 06 March 2012.



5. SUMMARY OF PERFORMED AUDITS FOR PIEs OPERATING IN REPUBLIC OF SRPSKA

In 2015, we conducted audits of the following companies in Republic of Srpska:

No.	Company name	Registered seat
1.	Nokia Solutions and Networks d.o.o.	Banja Luka
2.	NIS-Petrol d.o.o.	Banja Luka
3.	Grand Prom d.o.o.	Glavičice, Bijeljina
4.	Mahle Letrika Laktaši d.o.o.	Laktaši

6. INDEPENDENCE OF THE AUDIT COMPANY

The Company performs regular control of applying independence rules and ethical standards of all Company's employees. Independence principles used by the Company are formed in accordance with the IFAC standards, further expanded in order to fulfil requirements of laws and by-laws in Republic of Srpska and Bosnia and Herzegovina.

Rules of independence are applicable to the Company, all employees with professional qualifications and their relatives.

Each employee of the Company signs a statement of independence.

7. EDUCATION OF STAFF

Continuous professional education of employees is of great importance for Company's business operations.

All employees, with professional qualifications, regularly attend seminars and lectures organised by the Association of Accountants and Auditors of FBiH, within the CPE.

Also, our employees attended other seminars and presentations organised on relevant topics from this area.

New employees are being stimulated and directed towards acquiring professional licences.

All employees (with professional licences and candidates for acquiring those licences) have access to literature on accounting, auditing and finances in general.

All employees also have full access to a broadband internet connection.



8. FINANCIAL INFORMATION

Breakdown of income from audit services and other income in 2015 is given in a table below:

Description	Amount	In BAM
Income from statutory audits		958,551
Income from other services		633,471
Total operating income		1,592,022

9. DATA OF BASIS FOR PAYMENTS TO CERTIFIED AUDITORS

In 2015, the Company had two certified auditors with full-time contracts:

- ALida Selimović (until 31.08.2015)
- Anesa Ustavdić (since 01.09.2015)
- Izmira Hasanbašić Brajković

Basis for payments to certified auditors is determined in their employment contracts. Certified auditors have contracted monthly salaries which do not depend on scope of work, or number of conducted audits.

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