

**Report on the operations with the financial  
operations for the period 01/07/ - 31/12/  
2013**

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## **Report on the operations in 2013**

### **1.1 Background**

By the decision of the Assembly of Brcko District of BiH, at the proposal of Brcko District Government on August 8th, 2012, the Public Company "Putevi' Ltd Brcko" Brcko District of BiH was established with the aim of managing the road infrastructure in the area of Brcko District of BiH. The company is a legal entity that performs activities of public interest in accordance with the Law on Public Companies in Brcko District of Bosnia and Herzegovina.

### **1.2 ACTIVITIES OF THE COMPANY**

As part of the activities of public - general interest the Company performs the following tasks:

- Controls and manages public roads, road structures, and all other goods associated with them
- Manages and oversees the construction, reconstruction, maintenance and protection of road infrastructure
- Maintains green areas in the road area
- Performs technical regulation of traffic on public roads
- Manages public parking areas
- Defines and implements a development strategy, business and investment plan
- Regularly updates Act and reports to the bodies of executive and legislative authority in Brcko District of BiH
- Implements procurement procedures for all works and services in accordance with the applicable law, with the aim of carrying out activities of general interest.
- Performs other activities and tasks in accordance with the Law on Roads of Brcko District of BiH, as well as in accordance with other laws and regulations.

In the foreign trade, the Company may perform all the duties of registered activities.

In addition to these activities, the Company may perform other activities that serve the registered activities and those are business development, design, construction and maintenance of road infrastructure and facilities, information and scientific research in the field of road infrastructure; business of surveying , geological, geotechnical and hydrological studies, as well as other activities that contribute to the performance of registered activities, which are determined by the Statute of the Company .

The Company may perform activities that are not mentioned, and which serve to registered activities under conditions prescribed by law.

The objectives of the Company are to develop, manage, and maintain the infrastructure of general interest in a state that allows unobstructed activities of general interest entrusted to it, as well as to maintain the accuracy and functionality of objects that form an integral part of this infrastructure.

Infrastructure of general interest which the Company controls make all public roads: main, regional, local, unclassified roads and streets in residential areas, and all the goods associated with them, as well as surfaces for static traffic in District.

The mentioned infrastructure of general interest is the property of Brcko District of BiH.

### **1.3 GENERAL ACTS OF THE COMPANY**

- Statute
- Rules of Procedure
- Regulations
- Decision of the Board of Directors and the Director which in a general manner regulate the issues or relations in the Company e

The internal organization of the Company, job classification and job descriptions and tasks is regulated by the Rule Book on internal organization and job classification.

The company is managed by a Steering Board in accordance with the duties and responsibilities as prescribed in the Law on Public Companies and by the Statute of the Company.

The work of the Managing Board shall be governed by the Rules of Procedure of the Managing Board of the Company.

The company is managed, presented and represented by a Director of the Company.

The rights, duties and responsibilities of the director shall be specifically defined by the Statute of the Company and other general acts of the Company, and by the agreement between the Managing Board and Director.

## **2. ACTIVITIES IMPLEMENTED AND RESULTS ACHIEVED**

After foundation of the Company, the Founder has appointed an acting director who has conducted the procedure of registration of the Company in the court registry and other functions and duties of the Acting Director determined by the Decision on the appointment, in accordance with legal provisions that regulate the matter of the foundation and beginning of the work of the Company.

The Mayor has appointed the Managing Board, which passed, in accordance with authorities and duties as prescribed in the Law on Public Companies , passed and adopted implementing legislation necessary for the operation of the company.

The Managing Board has, with the consent of the founder, adopted the Statute of the Company , Business and financial plan for 2013 and the Book of Rules on internal organization and job classification.

In addition to these acts, the Managing Board also adopted the Rules of Procedure of the Managing Board, the Rules of Procedure on Employment, on salaries and other employee benefits, Code of Ethics, Rules on Disciplinary responsibility of employees, Regulations on the procedure of public procurement of goods and services, appointed the Director of the Company and Deputy directors, issued a Decision on implementing employment plan, as well as many other acts within its competences.

Director of the Company has continuously worked in a team for implementation the Brcko bypass project, because in the past, as an employee of the Brcko District Government, was involved in all the activities regarding this important project. At the same time he managed and represented the Company, as well as carried out the duties and tasks in accordance with the responsibilities and duties defined in the acts of the Company.

A project agreement was signed with the European Bank for Reconstruction and Development, which according to European standards of construction of roads defines the requirements of design, construction, supervision of maintenance and funding, as well as guidelines for the protection of the environment, health and cultural heritage.

The main project for construction of the Brcko bypass was designed. The revision process of project and supervisory bodies should be completed in mid-2014.

Bill of Quantity and general documentation for opening a public procurement procedure for construction of the Brcko bypass was prepared, in accordance with the rules of the European Bank for Reconstruction and Development.

New personnel was recruited, according to the Regulations on internal organization and job classification and Rules of procedure on employment. Four Bsc in Civil Engineering were hired, four technicians, an economist, a lawyer and one economic technician. By the decision of the Mayor, one civil engineer and one technician have been deployed from the Department of Public Affairs to the Company. In that way personnel prerequisites for a modern approach to business management and performance of activities entrusted to the Company were created.

Public procurement procedures for necessary computer equipment were carried out, as well as for office furniture and material, thus achieving technical requirements for operation of the company and the implementation of tasks defined in the Business Plan. Optimal work conditions are provided for all employees are provided.

A framework contract was also signed for winter road maintenance in the area for three years, based on performance (PBMC contract). The introduction of PBMC contract in Brcko is a provision of the Loan Support Agreement with the EBRD (the Agreement between District and the EBRD). This type of agreement reduces the incidence of public procurement process; the process is self-monitored by the contractor, and provides the efficiency of investment and better quality in providing public services.

Contractual obligations were taken over for the winter maintenance of roads in the zone of the city and the area West from the Department of Public Affairs, which were realized in the winter season early next year.

In this way the basic conditions necessary for carrying out activities defined by the Decision on the establishment of companies, Articles of Association and the Business Plan of the company were provided.

### **3. FINANCIAL OPERATIONS FOR THE PERIOD FROM 01/07/ TILL 31/12/ 2013**

#### **3.1. FINANCING OF THE COMPANY**

The company has been financed from the following sources:

- Income from fees in accordance with the law
- Budget of Brcko District
- Income from the Company activities
- Other legally permitted sources

The Company is entitled in legal transactions to conclude contracts and perform other activities within the legal ability of the Company and is required to comply with laws and other regulations.

The company is bookkeeping and preparing accounting statements in accordance with the law and international accounting and auditing standards.

Business books of the Company are subject to external audit.

The Company submits work report to the Mayor and the Assembly of Brcko District of BiH twice a year.

3.2. Table of salaries projections

LABOUR	Number of employees	Projection (KM)		
	19	Monthly gross wages	Number of months	By the end of 2013
Director	1	4,819	6	28,914
Deputy director	2	2,995	5	29,950
Project manager	1	2,436	6	14,616
Project manager	2	2,436	4	19,488
Senior Associate for roads	3	2,026	4	24,310
Senior Associate for traffic	2	2,026	4	16,207
Officer for roads	3	1,395	4	16,740
Officer for roads and parking	1	1,302	4	5,208
Independent Expert for financing and accounting	1	2,436	4	9,746
Independent Officer for Legal, Human Resources and General Affairs	1	2,436	4	9,746
Associate for public procurement and technical documentation	1	1,395	6	8,370
Administrative Secretary	1	1,175	4	4,700
Contributions paid by the employer	cca 4%			7,520
<b>TOTAL LABOUR COSTS</b>				<b>195,514</b>
compensation to members of the Managing Board				66,275
<b>TOTAL LABOUR COSTS AND FEES</b>				<b>261,789</b>

Explanation: The Business Plan envisaged that for labor costs and compensation to members of the Managing Board is to be allocated 261,789.00 KM.

The Company has, concluded on Decemebr 31<sup>st</sup>, 2013, spent on gross salaries of employees 78,448.44 BAM and for compensation for the Managing Board members in the gross amount of 61,637.15 BAM.

Conclusion: The Company is left with funds planned for the cost of labor in the amount of 117,065.56 BAM and funds provided for compensation to Managing Board members in the amount of 4. 637.85 BAM, which can be seen from the presented balance sheets.

**Table 2: Projection of material and other costs for the period 01/07/ – 31/12/2013**

<b>MATERIAL AND OTHER COSTS</b>	<b>Projection</b>
	<b>01/07/- 31/12/13</b>
Lease of office space	30,000
Energy costs	4,000
Utility services	3,000
Procurement of materials and small inventory	9,000
Expenses for transportation services and fuel	3,863
Travel expenses	3,000
Insurance, banking services and payroll costs	1,500
Contracted services	3,392
<b>TOTAL MATERIAL AND OTHER COSTS</b>	<b>57,755</b>



**Table 3. Income in the period 01/07/2013-31/12/2013**

ACCOUNT	NAME	INCOME
65000000	INCOME FROM SUBVENTIONS - BRCKO DISTRICT GOVERNMENT	350.544,00
65000001	INCOME FROM GRANTS - CAPITAL GRANTS OF THE GOVERNMENT	10.000,00
61120000	INCOME FROM SERVICES	556,06
	<b>TOTAL INCOME</b>	<b>361.100,06</b>

<b>OPERATING INCOMES AOP 201</b>	<b>361.100,06</b>
AOP 206 travel consents	556,06
AOP 215 Government subvention capital grant	360.554,00
<b>OPERATING EXPENSES AOP216 (218+219+222+224+226)</b>	<b>169.250,51</b>
<b>AOP 218- Material costs</b>	<b>8.702,55</b>
Office supplies costs	942,28
Costs of professional literature	459,65
Consumables	525,81
Cost of small tools and inventory	6.565,08
Inventory costs- laptop bag	120,00
Inventory costs- wireless mouse 3 pieces	89,73
<b>AOP 219- gross wages and wage allowances s</b>	<b>140.745,00</b>
Gross wages and wage allowances costs	78.448,00
Compensations forManaging Board	62.297,00
<b>AOP 222 PRODUCTION SERVICES COSTS</b>	<b>9.323,00</b>

Postal costs	915,65
Rental costs	3.015,38
Costs of making of advertising and promotional material	5.041,53
Other services costs	350,00
<b>DEPRECIATION AOP 223</b>	<b>209,00</b>
<b>INTANGIBLE COSTS AOP 226</b>	<b>10.271,00</b>
Bookkeeping costs	1.200,00
Radio and TV advertising costs	900,00
Documentation translation costs	489,00
Costs of installation and software maintenance	852,35
Lawyer services	600,00
Business travels costs	2.162,73
Presentation costs	1.979,80
Insurance costs	75,78
Payment transactions costs	513,31
Tax fees costs	646,70
Other office intangible costs	14,00
Other intangible costs for seminars	260,69
Other intangible costs-packages	529,83

**Tabel 4. Expenditures in the period 01/07/2013-31/12/2013**

ACCOUNT	NAME	EXPENDITURES (KM)
51200000	OFFICE SUPPLIES COSTS	942,28
51200001	PROFESSIONAL LITERATURE COSTS	459,65
51201000	CONSUMABLES	525,81
51201000	COSTS OF SMALL TOOLS AND INVENTORY	6.565,08
51254000	COSTS OF OTHER SMALL INVENTORY	209,73
51400000	COSTS OF GROSS WAGES	78.448,44
52010000	COSTS GROSS- COMPENSATIONS FOR MANAGING BOARD	61.637,15
52200000	POSTAL COSTS	915,65
53120000	RENTAL COSTS	3.015,38
53220000	COSTS OF ADVERTISING MATERIALS	5.041,53
53500000	OTHER SERVICES COSTS	350,00
53900000	COSTS OF DEPRECIATION OF FIXED ASSETS	208,63
55000000	BOOKKEEPING SERVICES	1.200,00
55000001	RADIO AND TV ADVERTISING COSTS	900,00
55000002	DOCUMENTATION TRANSLATION COSTS	484,00
55000003	COSTS OF INSTALLATION AND SOFTWARE MAINTENANCE	852,35
55000004	LAWYER SERVICES	600,00
55000005	BUSINESS TRAVEL COSTS	2.162,73
55100000	PRESENTATION COSTS	1.979,80
55200000	INSURANCE COSTS	75,78
55300000	PAYMENT TRANSACTIONS COSTS	515,31

55930000	TAX FEES COSTS	646,70
55990000	OTHER INTANGIBLE COSTS FOR OFFICES	14,00
55990001	OTHER INTANGIBLE COSTS- SEMINARS	260,69
55932000	PENALTIES COSTS	50,00
55990002	OTHER INTANGIBLE COSTS	1.189,63
	<b>EXPENDITURES TOTAL:</b>	<b>169.250,52</b>

The Company is bookkeeping and preparing accounting statements in accordance with the law and international accounting and auditing standards.

By the programe of utilization of funds in capital grants and subventions the Public Company 'Putevi Brcko', Ltd, in 2013 had at their disposal:

- Subventions to public companies	350,544.00
- Capital grants to individuals, non-profit organizations	10,000.00
- Payments for travel approval	556.06.

The business of the Company is presented through the balance sheets for 2013, which are attached.

<b>Balance sheet</b>						
<b>On 31/12/2013</b>						
Account group, account	POSITION	Mark for AOP	Amount on the day of the balance of the current year			Amount on the day of the balance of the previous year
			Gross	Value correction	Net (4-5)	
1	2	3	4	5	6	7
	<b>ASSETS</b>					
	<b>A. FIXED ASSETS(002+008+015+021+030)</b>	<b>001</b>	<b>5.007</b>	<b>209</b>	<b>4.798</b>	<b>0</b>
	<b>I INTANGIBLE INVESTMENTS (003 - 007)</b>	<b>002</b>			<b>0</b>	
1	1. Investments into development	<b>003</b>			<b>0</b>	
10	2. Concessions, patents, licenses and other rights	<b>004</b>			0	
11	3. Goodwill	<b>005</b>			0	
12	4. Other intangible assets	<b>006</b>			0	
14	5. Advances and intangible assets in preparation	<b>007</b>			0	
015 and 016	<b>II REAL PROPERTY, PLANTS, EQUIPMENT AND REAL ESTATE INVESTMENT (009 - 014)</b>	<b>008</b>	<b>5.007</b>	<b>209</b>	<b>4.798</b>	
2	1. Land	<b>009</b>			<b>0</b>	
20	2. Buildings	<b>010</b>			0	
21	3. Plants and equipment	<b>011</b>	5.007	209	4.798	
22	4. Real estate investment	<b>012</b>				
23	5. Advances and real property, plants, equipment and real estate investment in preparation	<b>013</b>			0	
027 and 028	6. Investment in someone else's real estate, plants and equipment	<b>014</b>			0	
29	<b>III NATURAL ASSETS AND AGRICULTURAL ASSETS (016 -020)</b>	<b>015</b>			0	
3	1. Forests	<b>016</b>		<b>0</b>	<b>0</b>	<b>0</b>
30	2. Perennial plantations	<b>017</b>			0	
31	3. Basic herd	<b>018</b>			0	
32	4. Agricultural assets	<b>019</b>			0	
33	5. Advances and natural assets and agricultural produce in preparation	<b>020</b>			0	

038 and 039	<b>IV LONG TERM FINANCIAL INVESTMENTS (022 - 029)</b>	<b>021</b>	<b>0</b>		<b>0</b>	<b>0</b>
4	1. Investment in capital of subsidiaries	<b>022</b>			<b>0</b>	
040, part of 049	2. Investment in capital of other legal entities	<b>023</b>			0	
041, part of 049	3. Long-term loans to other associated legal entities	<b>024</b>			0	
042, part of 049	4. Long-term domestic loans	<b>025</b>			0	
043, dio 049	5. Long-term foreign loans	<b>026</b>			0	
044, part of 049	6. Financial assets available for sale	<b>027</b>			0	
045, dio 049	7. Financial assets held to maturity	<b>028</b>			0	
046, part of 049	8. Other long-term financial investments	<b>029</b>			0	
048, part of 049	<b>V DEFERRED TAX ASSETS</b>	<b>030</b>			0	
50	<b>I INTANGIBLE INVESTMENTS (003 - 007)</b>	<b>030</b>			<b>0</b>	
	<b>B. CURRENT ASSETS (032+039+060)</b>	<b>031</b>	<b>189.051</b>	<b>0</b>	<b>189.051</b>	<b>0</b>
10 - 15	<b>I INVENTORIES, FIXED ASSETS AND ASSETS OF DISCONTINUED OPERATIONS AVAILABLE FOR SALE (033 - 038)</b>	<b>032</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
100 - 109	1. Inventories of materials	<b>033</b>	0		0	
110 - 112	2. Inventories of work in progress, semi products and services in progress	<b>034</b>			0	
120	3. Inventories of finished products	<b>035</b>			0	
130 - 139	4. Inventories of goods	<b>036</b>			0	
140 - 149	5. Fixed assets and assets of discontinued operations held for sale	<b>037</b>			0	
150 - 159	6. Advances paid	<b>038</b>			0	
	<b>II SHORT-TERM RECEIVABLES, INVESTMENTS AND CASH (040+046+055+058+059)</b>	<b>039</b>	<b>189.051</b>		<b>189.051</b>	
20, 21, 22	1. Short-term receivables (041 -045)	<b>040</b>	30		30	
200, dio 209	a) Buyers-associated legal entities	<b>041</b>			0	
201, part of 209	b) Trade receivables – domestic	<b>042</b>	30		30	
202,	v) Trade receivables- foreign	<b>043</b>			0	

part of 209						
210 part of 219	g) Receivables from specific business operations	044			0	
220 - 229	d) Other short-term receivables	045			0	
23	2. Short-term financial investments (047 - 054)	046	0	0	0	0
230, part of 239	a) Short-term loans to other associated legal entities	047			0	
231, part of 239	b) Short-term loans- domestic	048			0	
232, part of 239	v) Short-term loans -foreign	049			0	
233 and 234	g) Current portion of long-term investment due within one year	050			0	
235, part of 239	d) Financial assets at fair value through income statement meant for trading	051			0	
236, part of 239	đ) Financial assets marked at fair value through income statement	052			0	
237	e) Own shares bought up and own portions purchased meant for sale or cancellation	053			0	
238, part of 239	ž) Other short-term financial investments	054			0	
24	3. Cash and cash equivalents (056+057)	055	186.033	0	186.033	0
240	a) Cash equivalents – securities	056			0	
241 - 249	b) Cash	057	186.033		186.033	
270 - 279	4. Value added tax	058	2.988		2.988	
280 - 289, except 288	5. Accruals	059			0	

288	<b>III DEFERRED TAX ASSETS</b>		<b>060</b>			<b>0</b>	
29	<b>V. LOSS OVER CAPITAL</b>		<b>061</b>			<b>0</b>	
	<b>G. OPERATING ASSETS (001+031+061)</b>		<b>062</b>	<b>194.058</b>	<b>209</b>	<b>193.849</b>	<b>0</b>
880 - 888	<b>D. OFF-BALANCE SHEET ASSETS</b>		<b>063</b>			<b>0</b>	
	<b>Đ. TOTAL ASSETS (062+063)</b>		<b>064</b>	<b>194.058</b>	<b>209</b>	<b>193.849</b>	<b>0</b>
	LIABILITIES			<b>Amonut on the day of the balance of the current year</b>		<b>Amonut on the day of the balance of the previous year</b>	
	<b>A. CAPITAL (102-109+110+111+114+115-116+117-122)</b>		<b>101</b>	<b>177.354</b>			
30	<b>I BASIC CAPITAL (103 - 108)</b>		<b>102</b>	<b>2.000</b>			
300	1. Share capital		<b>103</b>				
302	2. Stakes of limited liability companies		<b>104</b>				
303	3. Stakes of co-operatives		<b>105</b>				
304	4. Participating interest		<b>106</b>	2.000			
305	5. State owned capital		<b>107</b>				
306	6. Other basic capital		<b>108</b>				
31	<b>II UNPAID SUBSCRIBED CAPITAL</b>		<b>109</b>				
320	<b>III SHARE ISSUING PREMIUM</b>		<b>110</b>				
Part of 32	<b>IV RESERVES (112+113)</b>		<b>111</b>				
321	1. Legal reserves		<b>112</b>				
322	2. Statutory reserves		<b>113</b>				
330, 331 and 334	<b>V EFFECT OF RESTATEMENT OF CAPITAL</b>		<b>114</b>				
332	<b>VI UNREALIZED GAINS ON FINANCIAL ASSETS AVAILABLE FOR SALE</b>		<b>115</b>				
333	<b>VII UNREALIZED LOSSES ON FINANCIAL ASSETS AVAILABLE FOR SALE</b>		<b>116</b>				
34	<b>VIII NON-ALLOCATED PROFIT (118 - 121)</b>		<b>117</b>	<b>175.354</b>			
340	1. Non-allocated profit from previous years		<b>118</b>				
341	2. Current year non-allocated profit		<b>119</b>	175.354			
342	3. Non-allocated surplus of income over expenditures		<b>120</b>				
343	4. Net income from self-employment		<b>121</b>				
35	<b>IX LOSS TO THE CAPITAL (123+124)</b>		<b>122</b>				
350	1. Loss in previous years		<b>123</b>				
351	2. Loss in the current year		<b>124</b>				
40	<b>B. LONG-TERM PROVISIONS (126 -131)</b>		<b>125</b>				
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401	2. Provision for recovery of natural resources		<b>127</b>				
402	3. Provisions for retained deposits and caution money I		<b>128</b>				



403	4. Provisions for restructuring costs	<b>129</b>		
404	5. Provision for compensations and benefits of employees	<b>130</b>		
405	6. Other long-term provisions	<b>131</b>		
	<b>V. LIABILITIES (133+142)</b>	<b>132</b>	<b>16.495</b>	
41, 418	<b>I LONG-TERM LIABILITIES (134 - 141)</b>	<b>133</b>		
410	1.Liabilities which can be converted into capital	<b>134</b>		
411	2. Liabilities to associated legal companies	<b>135</b>		
412	3. Liabilities for long-term securities	<b>136</b>		
413 and 414	4. Long-term loans	<b>137</b>		
415 and 416	5. Long-term liabilities for financial lease	<b>138</b>		
417	6. Long-term liabilities at fair value through income statement	<b>139</b>		
418	7. Deferred tax liabilities	<b>140</b>		
419	8. Other long-term liabilities	<b>141</b>		
42 - 48	<b>II SHORT-TERM LIABILITIES (143+148+153+154+155+156+157+158+159+160)</b>	<b>142</b>	<b>16.495</b>	
42	1. Short-term financial liabilities (144 - 147)	<b>143</b>		
420 - 423	a) Short-term loans and liabilities for short-term securities	<b>144</b>		
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426	v) Short-term liabilities at fair value through income statement	<b>146</b>		
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43	2. Liabilities from business operations (149 -152)	<b>148</b>		
430	a) Received advances, deposits and caution money	<b>149</b>		
431	b) Suppliers – associated legal companies	<b>150</b>		
432 and 433	v) Other suppliers	<b>151</b>		
439	g) Other liabilities from business operations	<b>152</b>		
440 - 449	3. Liabilities from specific business operations	<b>153</b>		
450 - 458	4. Liabilities or salaries and fringe benefits	<b>154</b>		
460 - 469	5. Other liabilities	<b>155</b>		

470 - 479	6. Value added tax	<b>156</b>		
48 except 481	7. Liabilities for other taxes, contributions and other duties	<b>157</b>	72	
481	8. Liabilities for income tax	<b>158</b>	16.423	
49, except 495	9. Accruals	<b>159</b>		
495	10. Deferred tax liabilities	<b>160</b>		
	<b>G. OPERATING LIABILITIES (101+125+132)</b>	<b>161</b>	<b>193.849</b>	
890 do 898	<b>D. OUT OF BALANCE LIABILITIES</b>	<b>162</b>		
	<b>∅. TOTAL LIABILITIES (161+162)</b>	<b>163</b>	<b>193.849</b>	

<b>Income Statement</b>				
<b>In the period from 01/01/2013 till 31/12/2013.</b>				
Account group, account	POSITION	Mark for AOP	Amount	
			Current year	Previous year
1	2	3	4	5
	<b>A. OPERATING INCOME AND EXPENDITURES</b>			
	<b>I OPERATING INCOME (202+206+210+211-212+213-214+215)</b>	201	361.100	
60	1. Income from sales of goods (203 - 205)	202		
600	a) Income from sales of goods to associated legal parties	203		
601	b) Income from sales of goods in the domestic market	204		
602	v) Income from sales of goods at foreign markets	205		
61	2. Income from sale of products, services and merchandise (207 - 209)	206	556	
610	a) Income from sale of products, services and merchandise to associated legal parties	207		
611	b) Income from sale of products, services and merchandise in the domestic market	208	556	
612	v) Income from sale of products, services and merchandise at foreign markets	209		
62	3. Income from the own use or consumption of goods, services and finished products	210		
630	4. Increase in value of inventories of goods, services and finished products	211		

631	5. Decrease in value of goods, services and finished products	212		
640 and 641	6. Increase in value of investment properties and natural assets that are not subject to depreciation	213		
642 and 643	7. Decrease in value of investment properties and natural assets that are not subject to depreciation	214		
650 – 659	8. Other operating income	215	360.544	
	<b>II OPERATING EXPENDITURES (217+218+219+222+223+226+227+228)</b>	216	169.250	
500 - 502	1. Purchase value of merchandise sold	217		
510 - 513	2. Costs of material	218	8.702	
52	3. Costs of salaries, fringe benefits and other personal expenses (220+221)	219	140.745	
520 and 521	a) Costs of gross salaries and fringe benefits	220	78.448	
522 and 529	b) Other personal expenses	221	62.297	
530 - 539	4. Costs of production services	222	9.323	
54	5. Costs of depreciation and provisions (224+225)	223	209	
540	a) Depreciation cost	224	209	
541 - 549	b) Provisions costs	225		
55 except 555 and 556	6. Non-production costs (taxes and contributions excluded )	226	10.271	
555	7. Tax costs	227		
556	8. Contribution costs	228		
	<b>B. PROFIT (201-216)</b>	229	191.850	0
	<b>V. OPERATING LOSS (216-201)</b>	230	0	0
	<b>G. FINANCIAL INCOME AND EXPENDITURES</b>			
66	<b>I FINANCIAL INCOME(232 - 237)</b>	231		
660	1. Financial income incurred from associated legal entities	232		
661	2. Interest income	233		
662	3. Foreign exchange gains	234		
663	4. Income from currency clause effects	235		
664	5. Income from participation in joint venture profit	236		
669	6. Other financial income	237		
56	<b>II FINANCIAL EXPENDITURES (239 -243)</b>	238		
560	1. Finance expenditures incurred with other associated legal companies	239		
561	2. Interest expenditures	240		
562	3. Exchange rate losses	241		
563	4. Losses from currency clause	242		
564	5. Other financial expenditures	243		

	<b>D. INCOME FROM REGULAR ACTIVITIES (229+231-238)</b>	244	191.850	0
	<b>Đ. LOSS ON REGULAR ACTIVITIES (230+238-231)</b>	245	0	0
	<b>E. OTHER INCOME AND EXPENDITURES</b>			
67	<b>I OTHER INCOME (247 - 256)</b>	246		
670	1. Income from sale of intangible assets, property, plants and equipment	247		
671	2. Income from sale of investment property	248		
672	3. Income from sale of natural assets	249		
673	4. Income from sale of discontinued operations	250		
674	5. Income from disposals of long-term investment and securities	251		
675	6. Income from sale of row material	252		
676	7. Surpluses, excluding surpluses of inventories of goods, services and finished products	253		
677	8. Billed write-offs	254		
678	9. Income from positive hedging effects, which is not eligible to be included in the revaluation reserves	255		
679	10. Income from reduction of liabilities, abolishing of unused long-term provisions and other income	256		
57	<b>II OTHER EXPENDITURES (258- 267)</b>	257		
570	1. Losses on writing- offs and disposals of intangible assets, property, plant and equipment	258		
571	2. Losses on writing-offs and disposals of investment property	259		
572	3. Losses on writing-offs and disposals of natural assets	260		
573	4. Losses on disposals of discontinued operations	261		
574	5. Losses on disposals of long-term investments and securities	262		
575	6. Losses on disposals of row material	263		
576	7. Deficits, excluding deficits in inventories of work, services and finished products	264		
577	8. Costs from negative hedging effects	265		
578	9. Impairment costs and writing-offs receivables	266		
579	10. Losses on writing-offs of inventories of material and goods and other losses	267		
	<b>Ž. GAIN FROM OTHER INCOME AND EXPENDITURES (246-257)</b>	268	0	0
	<b>Z. LOSS FROM OTHER INCOME AND EXPENDITURE (257-246)</b>	269	0	0
	<b>I. INCOME AND EXPENSES FROM ASSETS VALUATION ADJUSTMENTS</b>			
68	<b>I INCOME FROM ASSETS VALUATION ADJUSTMENTS (271 do 279)</b>	270	0	0
680	1. Income from valuation adjustments of intangible assets	271		
681	2. Income from valuation adjustments of property, plant and equipment	272		
682	3. Income from valuation adjustments of investment property which is subject to depreciation	273		

683	4. Income from valuation adjustments of natural assets which are subject to depreciation	274		
684	5. Income from valuation adjustments of long-term investments and financial assets available for sale	275		
685	6. Income from valuation adjustments of inventories of material and goods	276		
686	7. Income from valuation adjustments of short-term financial investments	277		
687	8. Income from valuation adjustments of capital	278		
689	9. Income from valuation adjustments of other assets	279		
58	<b>II EXPENDITURES FROM VALUATION ADJUSTMENT OF ASSETS (281 - 288)</b>	280	0	0
580	1. Impairment of intangible assets	281		
581	2. Impairment of real property, plant and equipment	282		
582	3. Impairment of investment property which is subject to depreciation	283		
583	4. Impairment of natural assets which are subject to depreciation	284		
584	5. Impairment of long-term investments and financial assets available for sale	285		
585	6. Impairment of material and goods inventories	286		
586	7. Impairment of short-term financial investments	287		
589	8. Impairment of other assets	288		
	<b>J. INCOME FROM ASSETS VALUATION ADJUSTMENTS (270-280)</b>	289	0	0
	<b>K. LOSS ON ASSETS VALUATION ADJUSTMENTS (280-270)</b>	290	0	0
690 i 691	<b>L. INCOME FROM CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS FROM PREVIOUS YEARS</b>	291		
590 i 591	<b>LJ. LOSSES ON CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS FROM PREVIOUS YEARS</b>	292		
	<b>M. PROFIT AND LOSS BEFORE TAXATION</b>			
	1. Profit before taxation (244+268+289+291-292)	293	191.850	0
	2. Loss before taxation (245+269+290+292-291)	294	0	0
	<b>N. CURRENT AND DEFERRED PROFIT TAX</b>			
721	1. Tax expenses for the period	295	16.496	
Part of 722	2. Deferred tax expenses for the period	296		
Part of 722	3. Deferred tax income for the period	297		
	<b>NJ. NET PROFIT AND NET LOSS FOR THE PERIOD</b>			
	1. Net profit for the current year (293-294-295-296+297)	298	175.354	0
	2. Net loss for the current year (294-293+295+296-297)	299	0	0
	<b>TOTAL INCOME (201+231+246+270+291)</b>	300	361.100	
	<b>TOTAL EXPENSES (216+238+257+280+292)</b>	301	169.250	0

723	<b>O. INTERMEDIATE DIVIDENDS AND OTHER FORMS OF NET INCOME DISTRIBUTION DURING THE PERIOD</b>	302		
	Share of net income / loss attributable to majority shareholders	303		
	Share of net income / loss attributable to minority shareholders	304		
	Basic earnings per share	305		
	Diluted earnings per share	306		
	The average number of employees based on labour hours	307	6	
	The average number of employees based on the situation at the end of the month	308	15	

<b>Cash Flow Statement</b>				
<b>In the period from 01/01/2013 till 31/12/2013</b>				
				in KM
POSITION	Mark for AOP	Amount		
		Current year	Previous year	
1	2	3	4	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>I CASH FLOW FROM OPERATING ACTIVITIES (302 - 304)</b>	<b>301</b>	<b>361.164</b>	<b>0</b>	
1. Inflows from customers and advances received	<b>302</b>	620		
2. Inflows from premiums, subventions, grants, etc.	<b>303</b>	360.544		
3. Other inflows from operating activities	<b>304</b>			
<b>II Cash outflow from operating activities (306 -310)</b>	<b>305</b>	<b>177.131</b>	<b>0</b>	
1. Payments to suppliers and advances paid	<b>306</b>	30.550		
2. Payments for employee wages, fringe benefits and other employee benefits	<b>307</b>	140.745		
3. Payment of interest outflow	<b>308</b>			
4. Payment of income taxes	<b>309</b>			
5. Other outflows from operating activities	<b>310</b>	5.836		
<b>III Net cash inflow from operating activities (301-305)</b>	<b>311</b>	<b>184.033</b>	<b>0</b>	
<b>IV Net cash outflow from operating activities (305-301)</b>	<b>312</b>	<b>0</b>	<b>0</b>	
<b>B. CASH INFLOWS FROM INVESTING ACTIVITIES</b>				
<b>I CASH INFLOWS FROM INVESTING ACTIVITIES (314 - 319)</b>	<b>313</b>	<b>0</b>	<b>0</b>	
1. Inflows from short-term financial investments	<b>314</b>			
2. Inflows from the sale of stocks and shares	<b>315</b>			
3. Inflows from sale of intangible assets, property, plants, equipment, investment property and natural assets	<b>316</b>			
4. Inflows from interests	<b>317</b>			
5. Inflows from dividends and participation in profit	<b>318</b>			
6. Inflow from other long-term investments	<b>319</b>			

<b>II Cash outflows from investing activities (321 - 324)</b>	<b>320</b>	<b>0</b>	<b>0</b>
1. Outflows from short-term financial investments	321		
2. Outflows from purchase of stock and shares	322		
3. Outflows from purchase of intangible assets, property, plants, equipment, investment property and natural assets	323		
4. Outflows from other long-term investments	324		
<b>III Net cash inflow from investing activities (313-320)</b>	<b>325</b>	<b>0</b>	<b>0</b>
<b>IV Net cash outflow from investing activities (320-313)</b>	<b>326</b>	<b>0</b>	<b>0</b>
<b>V. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>I Cash inflow from financing activities (328 - 331)</b>	<b>327</b>	<b>2.000</b>	<b>0</b>
1. Inflows from increase in basic capital	328	2.000	
2. Inflows from long-term loans	329		
3. Inflows from short-term loans	330		
4. Inflow from other long-term and short-term liabilities	331		
<b>II Cash outflows from financing activities (333 - 338)</b>	<b>332</b>	<b>0</b>	<b>0</b>
1. Outflow from redemption of own its stock and shares	333		
2. Outflows from long-term loans	334		
3. Outflows from short-term loans	335		
4. Outflows from financial leasing	336		
5. Outflows from dividends	337		
6. Outflows from other long-term and short-term liabilities	338		
<b>III Net cash inflow from financing activities (327-332)</b>	<b>339</b>	<b>2.000</b>	<b>0</b>
<b>IV Net cash outflow from financing activities (332-327)</b>	<b>340</b>	<b>0</b>	<b>0</b>
<b>G. TOTAL CASH INFLOW (301+313+327)</b>	<b>341</b>	<b>363.164</b>	<b>0</b>
<b>D. TOTAL CASH OUTFLOW (305+320+332)</b>	<b>342</b>	<b>177.131</b>	<b>0</b>
<b>Đ. NET CASH INFLOW (341-342)</b>	<b>343</b>	<b>186.033</b>	<b>0</b>
<b>E. NET CASH OUTFLOW (342-341)</b>	<b>344</b>	<b>0</b>	<b>0</b>
<b>Ž. CASH AT THE BEGINNING OF THE ACCOUNTING PERIOD</b>	<b>345</b>		
<b>Z. FOREIGN EXCHANGE GAINS FROM TRANSLATION OF CASH</b>	<b>346</b>		
<b>I. FOREIGN EXCHANGE LOSSES FROM TRANSLATION OF CASH</b>	<b>347</b>		
<b>J. CASH AT THE END OF THE ACCOUNTING PERIOD (345+343-344+346-347)</b>	<b>348</b>	<b>186.033</b>	<b>0</b>
Software: UNITRADE SOFT Brcko District BiH			
		In	Brcko
		On	10/02/2014
		Licensed person	TOŠIĆ GORDANA
		Director	

<b>REPORT on other gains and losses</b>				
In the period from 01/01/2013 till 31/12/2013				
Position mark	POSITION	AOP Mark	Amount	
			Current year	Previous year
1	2	3	4	5
A	NET PROFIT OR NET LOSS OF THE PERIOD	400	175.354	

I	GAINS DETERMINED DIRECTLY IN CAPITAL (402+407)	401		
1.	Gains from decreasing revaluation reserves for fixed assets, except securities available for sale.	402		
2.	Gains on the basis of changes in the fair value of securities available for sale	403		
3.	Gains on the basis of translation of financial statements of foreign operations	404		
4.	Actuarial gains on defined benefit plans	405		
5.	Effective part of the gain on cash flows hedging	406		
6.	Other gains determined directly in capital	407		
II	LOSSES DETERMINED DIRECTLY IN CAPITAL (409+413)	408		
1.	Losses from changes in fair value of securities available for sale	409		
2.	Losses arising from translation of financial statements of foreign operations	410		
3.	Actuarial losses on defined benefit plans	411		
4.	The effective portion of the loss on cash flow hedging	412		
5.	Other losses recognized directly in capital	413		
<b>B.</b>	<b>OTHER GAINS OR LOSSES OF THE PERIOD (401-408) or (408-401)</b>	414		
<b>V.</b>	<b>INCOME TAXES RELATING TO THE OTHER GAINS AND LOSSES</b>	415		
<b>G.</b>	<b>NET RESULT FROM OTHER INCOMES AND LOSSES OF THE PERIOD (414 - 415)</b>	416		
<b>D.</b>	<b>TOTAL NET RESULT FOR THE ACCOUNTING PERIOD</b>	417	175.354	
<b>I.</b>	<b>TOTAL NET PROFIT FOR THE ACCOUNTING PERIOD (400-416)</b>	417	175.354	
Software: UNITRADE SOFT Brcko District BiH				
		<b>In</b>	<b>Brcko</b>	
		<b>On</b>	<b>10/02/2014</b>	
		<b>Licensed person</b>	<b>TOŠIĆ GORDANA</b>	
		<b>Director</b>		



## Statement of changes in capital

For the period ending on 31.12.2013

N u m b e r	Type of change in capital	Capital that belongs to the owners of parent company							Mi nor ity int ere st	TOTAL CAPITAL
		Mark for AOP	Shar e capit al and shar es in a limit ed liabil ity com pany	Rev alu ati on res erv es (M RS 16, MR S 21 and MR S 38)	Unr eali zed gai ns / loss es on fina nci al ass ets ava ilab le for sale	Oth er res erv es (iss uan ce pre mi um , leg al and stat uto ry res erv es, cas h flo w pro tec tio n)	Accumul ated non- allocat ed earnings / uncover ed loss	Tot al		
1	2	3	4	5	6	7	8	9	10	
1	<b>Balance on 31/12/2013</b>	<b>901</b>								
2	The effects of changes in accounting policies	<b>902</b>								
3	Effects of error correction	<b>903</b>								
	<b>New balance on 31/12/2013</b>	<b>904</b>								

	<b>(901 ± 902 ± 903)</b>								
4	The effects of revaluation of tangible and intangible assets	<b>905</b>							
5	Unrealized gains / losses on financial assets available for sale	<b>906</b>							
6	Foreign currency differences arising from translation of financial statements in other functional currency	<b>907</b>							
7	Net profit / loss for the period reported in balance statement	<b>908</b>				175.354			175.354
8	Net gains / losses of the period acknowledged directly in capital	<b>909</b>							
9	Declared dividends and other ways of distributions of profit and loss coverage	<b>910</b>							
10	Emission of share capital and other forms of increase or decrease of basic capital	<b>911</b>	2.000						2.000
11	<b>Balance on 31/12/2013/ 01/01/2014/ (904 ± 905 ± 906 ± 907 ± 908 ± 909 - 910 + 911)</b>	<b>912</b>	<b>2.000</b>			<b>175.354</b>			<b>177.354</b>
12	The effects of changes in accounting policies	<b>913</b>							
13	Effects of error correction	<b>914</b>							
14	<b>New balance on 01/01/2014 (912 ± 913 ± 914)</b>	<b>915</b>							
15	The effects of revaluation of tangible and intangible assets	<b>916</b>							
16	Unrealized gains / losses on financial assets available for sale	<b>917</b>							
17	Foreign currency differences arising from translation of financial statements in other functional currency	<b>918</b>							
18	Net profit / loss for the period reported in the balance statement	<b>919</b>							

19	Net gains / losses of the period acknowledged directly in capital	920							
20	Declared dividends and other ways of distributions of profit and loss coverage	921							
21	Emission of share capital and other forms of increase or decrease of basic capital	922							
22	<b>Balance on 31/12/2013</b> <b>(915 ± 916 ± 917 ± 918 ± 919 ± 920 - 921 + 922)</b>	<b>923</b>	<b>2.00</b> <b>0</b>				<b>175.354</b>		<b>177.354</b>
							<b>In</b>	<b>Brcko</b>	

<b>ANNEX - Additional Accounting Report</b>				
<b>For the period from 01/01/2013 till 31/12/2013</b>				
<b>Invoice group</b>	<b>DESCRIPTION</b>	<b>AOP Marking</b>	<b>Amount</b>	
			<b>Current year</b>	<b>Previous year</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
61	INCOME FROM SALE OF OWN GOODS AND SERVICES (602+605)	601	556	
part 61	A) Income from sales of goods	602		
part 612	Of which: income from sales of products in foreign markets	603		
part 611	Income from sales in the other entity or Brcko District of BiH	604		
part 61	b) Income from services	605	556	
part 612	Of which: income from sales (providing) services on foreign market	606		
part 611	Income from sale of (provision) services in the other entity or Brcko District of BiH	607		
65	OTHER OPERATING INCOME (609+6012+613+614+615+616+617)	608	360.544	
650	a) Income from premiums, subventions, grants, reimbursements, compensation	609	360.554	
part 650	Of which: Income based on subventions on products (subventions that can be displayed per unit volume, for example: a ticket, flour, bread, milk, etc.)	610		
part 650	Income on the basis of subventions on production (on employment, wages, interest rates, to reduce pollution, etc.)	611		
651	b) Rental income	612		
652	v) Income from donations	613		

653	g) Income from membership fees	614		
654	d) Income from tantiems and licensing rights	615		
655	đ) Income from the earmarked funding sources (from the budget, funds, etc.)	616		
659	e) Other operating income on other grounds	617		
66+67	FINANCIAL AND OTHER INCOME	618		
part 660	Of which: Income from participation in profits (dividends)	619		
part 670	Gains on sale of property, plant and equipment	620		
678	Income on the basis of agreed hedging effects	621		
51	COST OF MATERIALS	622	8.702	
513	Of which: fuel costs and energy	623		
52	COST OF SALARIES, FRINGE BENEFITS AND OTHER PERSONAL EXPENSES	624	140.745	
522	Of which: Costs of gross compensation for members of the Management and Supervisory Board	625	61.637	
part 529	Daily allowance on a business trip	626	2.163	
part 529	The costs of accommodation, food and transport on a business trip	627		
53	PRODUCTION EXPENSES (629+630+631+632+633+634+635+636)	628	5.250	
530	a) Cost of services used in production and processing of outputs	629		
531	b) Transportation costs	630	916	
part 532	v) The costs of the services of regular maintenance of fixed assets	631		
part 532	g) The costs of the services of investment maintenance of fixed assets	632		
533	d)Cost of leases	633	3.015	
534+535	đ) The costs of fairs, advertising and propaganda	634	5.041	
536+537	e) Research and development costs that are not capitalized	635		
539	ž) Cost of other services	636	350	
Part 539	Of which: production services per contract on temporary and part -time jobs	637		
part 539	Compensation for copyright works that make production services	638		
55	NON-MATERIAL COSTS (640+642+643+644+645+646+647+648)	639	4.072	
550	Non production costs	640		
part 550	Of which: Costs of professional education and training of employees	641		
551	Costs of presentation	642	1.980	
552	Insurance premiums costs	643	76	
553	Payment transactions costs	644	515	

554	Membership fee costs	645		
part 555	Tax expenses on products, customs, tourist tax, tax on lotteries and similar	646		
part 555	Costs of taxes on production, on land property, water usage of water and forests, fire protection, etc	647		
559	Other intangible costs	648	1.501	
	LIABILITIES AND CLAIMS			
47, except 479	Accrued (invoiced) value added tax (cumulative turnover of account)	649	94	
27, except 279	Input value added tax (cumulative turnover of account)	650	3.008	
479	Liabilities for VAT on the difference between the calculated and advanced VAT (account balance)	651		
279	Claims based on the difference between the advanced and calculated and VAT tax (account balance)	652	2.988	
271	Value added tax paid on importation (cumulative turnover of account)	653	75	

Director

Dragan Marinkovic, Grad.Civ.Eng.