



Baker Tilly Re Opinion d.o.o.

Bulevar M Selimovića 81a

71000 Sarajevo

Bosna i Hercegovina

T: +387 (0) 33 525 226

info@bakertilly.ba

State of Bosnia and Herzegovina  
Ministry of Finance and Treasury  
Attn. of Minister of Finance and Treasury  
Trg Bosne i Hercegovine 1  
71000 Sarajevo  
Bosnia and Herzegovina  
29 April 2025

## MANAGEMENT LETTER

### On the audit on the project financial statements of the Water and Sanitation Services Modernization Project for the year ended 31 December 2024

To the Management,

In accordance with the Contract for Consultants' Services No: BA-MFT-AUDIT-WB-2023 dated 25 September 2023 and Annex No 3 dated 17 December 2024, all signed between, on the one hand, the Ministry of Finance and Treasury of Bosnia and Herzegovina and, on the other hand, Baker Tilly Re Opinion d.o.o. Sarajevo, we have performed an audit on the project financial statements of the Water and Sanitation Services Modernization Project in Republika Srpska (hereinafter the "Project") for the period ended 31 December 2024.

Our work has been carried out for the purpose of expressing an opinion on the Project Financial Statements, Statement of Expenditure, Designated Account and Financial Monitoring Reports of the Project. Consequently, our examination may have not covered all those areas where improvements could be made. The examination was set at a level which, in the given circumstances, was necessary for the audit's purposes.

We carried out our audit in accordance with International Auditing Standards (ISAs), and Disbursement Guidelines for Investment Project Financing, the Loan Handbook for World Bank Borrowers and the World Bank's Procurement Framework.. Those standards require that we obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

For this purpose, we also obtain an understanding of internal control, relevant to the audit 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 Project's Internal control

During our audit, we did not note matters involving internal control that we believe warrant Management's attention.

This letter is intended solely for the information and use of the Ministry of Finance and Treasury of Bosnia and Herzegovina and the Management of the Project.

Yours sincerely,

Baker Tilly Re Opinion d.o.o.  
Bulevar M. Selimovića 81a, 71000 Sarajevo

Jasmina Orućević, Director



Aldijana Gabela, Certified Auditor