

**HRVATSKE AUTOCESTE d.o.o.**  
**Širolina 4, Zagreb**

**Annual Consolidated Financial Statements  
and  
Independent Auditor's Report  
for the year ended 31 December 2015**

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Hrvatske autoceste d.o.o., Zagreb  
**CONSOLIDATED BALANCE SHEET**  
As at 31 December 2015 (continued)

DESCRIPTION	Note	The Company	Public good	Total	The Company	Public good	Total
		31 December 2015	31 December 2015	31 December 2015	31 December 2014	31 December 2014	31 December 2014
		HRK '000	HRK '000	HRK '000	HRK '000	HRK '000	HRK '000
<b>ASSETS</b>							
<b>Long-term assets</b>							
Intangible assets	15.	1,039	7,581	8,620	2,059	9,025	11,084
Property, plant and equipment	16.	56,554	43,156,379	43,212,933	59,211	44,067,696	44,126,907
Long-term financial assets	17	201,449	141,416	342,865	200,724	123,099	323,823
Receivables	18.	94	0	94	109	0	109
<b>Total long-term assets</b>		<b>259,136</b>	<b>43,305,376</b>	<b>43,564,512</b>	<b>262,103</b>	<b>44,199,820</b>	<b>44,461,923</b>
<b>Short-term assets</b>							
Inventories	19	2,462	842	3,304	1,316	842	2,158
Receivables from related companies	20	989	0	989	1,125	0	1,125
Trade payables	21.	51,938	2	51,940	42,042	2,010	44,052
Receivables from employees and company members		76	0	76	77	0	77
Receivables from State and other institutions	22.	592	69,431	70,023	3,417	46,506	49,923
Other receivables	23.	582	0	582	925	0	925
Short-term financial assets	24.	2,233	2,116	4,349	2,149	161,394	163,543
Cash and cash equivalents	25.	210,543	(23,178)	187,365	272,076	(16,615)	255,461
Prepayments and accrued income	26.	1,255	41	1,296	534	952	1,486
<b>Total short-term assets</b>		<b>270,670</b>	<b>49,254</b>	<b>319,923</b>	<b>323,661</b>	<b>195,089</b>	<b>518,750</b>
<b>TOTAL ASSETS</b>		<b>529,806</b>	<b>43,354,630</b>	<b>43,884,436</b>	<b>585,764</b>	<b>44,394,909</b>	<b>44,980,673</b>





Hrvatske autoceste d.o.o., Zagreb  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For the year ended 31 December 2015

DESCRIPTION	Subscribed stock capital	Public capital under manage- ment	Public capital from gas reimburse- ment	Public cap. from other financing sources	Legal reserves	Retained earnings	Profit for the period	TOTAL
	HRK '000	HRK '000	HRK '000	HRK '000	HRK '000	HRK '000	HRK '000	HRK '000
<b>Balance on 1 January 2014</b>	<b>131,140</b>	<b>19,582,712</b>	<b>16,929,783</b>	<b>(15,120,881)</b>	<b>568</b>	<b>10,783</b>	<b>0</b>	<b>21,534,406</b>
Public capital from gas reimbursement	0	0	436,490	0	0	0	0	436,490
Public capital - collection of guarantees	0	0	0	43,716	0	0	0	43,716
Public capital - deposit interests	0	0	0	2,756	0	0	0	2,756
Public capital - income from share portion in investment funds	0	0	0	29	0	0	0	29
Public capital - foreign exchange gains	0	0	0	269,387	0	0	0	269,387
Public capital - foreign exchange losses	0	0	0	(403,555)	0	0	0	(403,555)
Public capital - financing costs	0	0	0	(834,333)	0	0	0	(834,333)
Public capital - financing water management objects and ŽUC	0	0	0	(75)	0	0	0	(75)
Public capital - impairment of the public property under concession	0	0	0	(123,439)	0	0	0	(123,439)
Public capital - covering a part of depreciation	0	0	0	(422,539)	0	0	0	(422,539)
<b>Balance on 31 December 2014</b>	<b>131,140</b>	<b>19,582,712</b>	<b>17,366,273</b>	<b>(16,588,934)</b>	<b>568</b>	<b>10,783</b>	<b>0</b>	<b>20,502,843</b>
Public capital from gas reimbursement	0	0	469,766	0	0	0	0	469,766
Public capital - collection of guarantees	0	0	0	17	0	0	0	17
Public capital - deposit interests	0	0	0	173	0	0	0	173
Public capital - income from share portion in investment funds	0	0	0	81	0	0	0	81
Public capital - other financing sources	0	0	0	2,926	0	0	0	2,926
Public capital - foreign exchange gains	0	0	0	294,093	0	0	0	294,093
Public capital - foreign exchange losses	0	0	0	(267,802)	0	0	0	(267,802)
Public capital - financing costs	0	0	0	(850,879)	0	0	0	(850,879)
Public capital - impairment of the public property under concession	0	0	0	16,984	0	0	0	16,984
Public capital - impairment of the public property out of use	0	0	0	(195,499)	0	0	0	(195,499)
Public capital - covering a part of depreciation	0	0	0	(185,972)	0	0	0	(185,972)
Comprehensive profit for the period	0	0	0	0	0	0	2,856	2,856
<b>Balance on 31 December 2015</b>	<b>131,140</b>	<b>19,582,712</b>	<b>17,836,039</b>	<b>(17,774,812)</b>	<b>568</b>	<b>10,783</b>	<b>2,856</b>	<b>19,789,287</b>

The accompanying notes from 1 to 42, set out below, form an inseparable part of these consolidated financial statements.



























property value is causing an extended lifetime of assets, increased use capacity and increased quality of products. Assets for which replacement of individual parts is expected and which have different useful lives are separated for financial reporting purposes to the appropriate depreciation units for which it is determined useful life in accordance with the characteristics of these assets.

Long-term assets are measured at cost less accumulated depreciation and accumulated impairment losses.

Book value of an item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of property, plant and equipment included in the consolidated statement of comprehensive income for the period in which they are derecognized, and are classified as a gain or loss equal to the difference between the net amount receivable from the disposal and the carrying value of assets, and are recognized separately from operating income.

Internally-generated long-term tangible assets are stated at cost (actual value), if the cost doesn't exceed market value.

Roads, as public property that may not become an object of ownership, and which was given to the Company for managing, are recorded within the Company's long-term tangible assets and they are stated as public capital. Costs of designing, expropriation, construction, supervision and other costs related to construction of new roads, as well as investment and improvement maintenance costs, which relate to renovation and replacement of part of the road of limited duration of use, are all included in the value of the public property (roads).

Construction and renovation of public property (roads) is financed from the fees included in the oil derivatives, excess of own income, depreciation of public property (roads), loans and allotted donations.

#### **d) Intangible assets**

Intangible assets meet recognition conditions if acquired separately and if they arise from contractual or other legal rights. Intangible assets consist of rights, which use will produce economic benefits to the Group in a period longer than one year, and whose individual cost value can be reliably measured.

Depreciation of intangible assets is calculated according to the estimated useful life or the contractual term rights to use certain assets. In the case of intangible assets with indefinite useful life, special attention is paid to the impairment test to be conducted for any property before drawing up the annual consolidated financial statements.

Intangible assets are measured at cost less accumulated depreciation and accumulated impairment losses.

Carrying value of intangible assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of intangible assets included in the consolidated statement of comprehensive income for the period in which they are derecognized, and are classified as revenue in the amount of the difference between the net amount receivable from the disposal and the carrying value of assets.

#### **2.8. Liabilities**

Financial liabilities are measured at depreciated cost which includes all fees, premiums, discounts, etc. that are included in the calculation of effective interest rates through which these costs are included in the profit or loss for the period.











Hrvatske autoceste d.o.o., Zagreb  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended 31 December 2015

Tolls are charged pursuant to the Decision on the toll amount and system of toll collection for using motorways and Tunnel St. Ilija from 14 October and pursuant to the Decision on stimulation models of toll collection and prepaid toll collection dated 27 January 2015 which was approved by the Minister of Traffic in Article 87, Paragraph 2 of the Roads Act.

#### 4. MATERIAL EXPENSES

DESCRIPTION	2015	2014
	HRK '000	HRK '000
Raw material and material	5,902	6,390
Sold goods	1,680	7,355
Other external costs	569,286	566,674
<b>Total</b>	<b>576,868</b>	<b>580,419</b>

/i/ Raw material and material costs are shown as follows:

DESCRIPTION	2015	2014
	HRK '000	HRK '000
Used raw material and material	3,155	3,538
Used energy	2,673	2,620
Small inventory and car-tires write-offs	69	225
Other material expenses	5	7
<b>Total</b>	<b>5.902</b>	<b>6.390</b>

/ii/ Other external costs are shown as follows:

DESCRIPTION	2015	2014
	HRK '000	HRK '000
Transport services	397	305
PTT services	962	1,397
Maintenance services	542,364	533,860
Rental services	418	460
Advertising and propaganda	271	297
Research and development services	708	1,173
Utility services	655	832
Intellectual and agency services	14,011	18,192
Bank services and payment transaction services	1,506	1,517
Assets insurance premiums	3,940	4,303
Staff insurance premiums	29	43
Reimbursement of usage intellectual ownership rights	684	923
Utility fees	933	872
Data processing and software maintenance	1,735	1,929
Road fees and technical inspection of vehicles	51	60
Other services	622	511
<b>Total</b>	<b>569,286</b>	<b>566,674</b>











NOTES TO THE CONSOLIDATED BALANCE SHEET

15. INTANGIBLE ASSETS

DESCRIPTION	Development	Concessions, patents, licenses, trademarks and service marks, software and other rights	Intangible assets under construction	Total intangible assets
	HRK '000	HRK '000	HRK '000	HRK '000
<b>COST</b>				
<b>Balance on 1 January 2014</b>	<b>192</b>	<b>88,498</b>	<b>0</b>	<b>88,690</b>
Direct additions	0	0	9,602	9,602
Transfer to use	0	9,602	(9,602)	0
Disposals, write-off and shortages	0	(202)	0	(202)
<b>Balance on 31 December 2014</b>	<b>192</b>	<b>97,898</b>	<b>0</b>	<b>98,090</b>
Direct additions	0	0	1,018	1,018
Transfer to use	0	938	(938)	0
Transfer to other assets position	0	0	(80)	(80)
Disposals, write-off and shortages	0	(2,992)	0	(2,992)
<b>Balance on 31 December 2015</b>	<b>192</b>	<b>95,844</b>	<b>0</b>	<b>96,036</b>
<b>ACCUMULATED DEPRECIATION</b>				
<b>Balance on 1 January 2014</b>	<b>192</b>	<b>82,375</b>	<b>0</b>	<b>82,567</b>
Depreciation during the year	0	4,641	0	4,641
Disposals, write-off and shortages	0	(202)	0	(202)
<b>Balance on 31 December 2014</b>	<b>192</b>	<b>86,814</b>	<b>0</b>	<b>87,006</b>
Depreciation during the year	0	3,395	0	3,395
Disposals, write-off and shortages	0	(2,986)	0	(2,986)
<b>Balance on 31 December 2015</b>	<b>192</b>	<b>87,223</b>	<b>0</b>	<b>87,415</b>
<b>NET CARRYING VALUE</b>				
<b>Balance on 1 January 2014</b>	<b>0</b>	<b>6,123</b>	<b>0</b>	<b>6,123</b>
<b>Balance on 31 December 2014</b>	<b>0</b>	<b>11,084</b>	<b>0</b>	<b>11,084</b>
<b>Balance on 31 December 2015</b>	<b>0</b>	<b>8,620</b>	<b>0</b>	<b>8,620</b>





Hrvatske autoceste d.o.o., Zagreb  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 For the year ended 31 December 2015 - continued

Review of investments in progress is shown as follows:

DESCRIPTION	31	Increase	Decrease	31 December 2015
	December 2014			HRK '000
Investments in progress for lands – dispossession	623,039	12,010	(544,858)	90,191
Investments in progress for lands – conclusions	25,615	1,026	(16,467)	10,174
Investments in progress for lands – works	78,263	11,979	(36,201)	54,041
Investments – incomplete dispossession	19,889	362	(18,655)	1,596
<b>a) Total investment in land</b>	<b>746,806</b>	<b>25,377</b>	<b>(616,181)</b>	<b>156,002</b>
Construction objects - Motorways under construction - changes of installation	65,315	3,157	(46,382)	22,090
Construction objects - Motorways under construction - clearing of mines	14,399	0	(26)	14,373
Construction objects - Motorways under construction - projects	598,636	10,254	(342,574)	266,316
Construction objects - Motorways under construction - construction	3,061,497	312,425	(1,699,976)	1,673,946
Construction objects - Motorways under construction - supervision	77,878	10,839	(44,040)	44,677
<b>b) Total investments in construction objects</b>	<b>3,817,725</b>	<b>336,675</b>	<b>(2,132,998)</b>	<b>2,021,402</b>
<b>c) Construction objects - Motorways under construction - toll payment system and equipment</b>	<b>5,394</b>	<b>7,484</b>	<b>(7,570)</b>	<b>5,308</b>
<b>d) Investments in investment and improvement maintenance</b>	<b>39,564</b>	<b>52,910</b>	<b>(44,031)</b>	<b>48,443</b>
<b>Total (a + b + c + d)</b>	<b>4,609,489</b>	<b>422,446</b>	<b>(2,800,780)</b>	<b>2,231,155</b>



































#### **Price risk management**

The Croatian market is the largest market on which the Group provides its services. The Management Board determines the prices of its services with the approval of the Government of the Republic of Croatia.

#### **Interest rate risk**

Interest rate risk is the risk that the value of financial instruments will change due to changes in market interest rates in relation to interest rates applicable to financial instruments. Interest rate cash flow risk is the risk that interest costs on financial instruments will fluctuate over time.

The Company is exposed to interest rate risk as the Group uses loans with variable interest rates.

#### **Sensitivity analysis of interest rates**

Sensitivity analysis was performed only for the financial instruments with variable interest rates based on the exposure of the Group to interest rates at the end of the reporting period assuming that the outstanding amount at the end of the reporting period was unsettled during whole year.

If interest rates were 50 basis points higher, the balance of loan indebtedness as at 31 December 2015 would be influenced by the increase of the interest rate expense in the amount of HRK 116,632 thousand HRK on exposure to the interest rate risk, This is mainly attributable to the Company's exposure to interest rates on loans with variable interest rates.

#### **Credit risk management**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company, Financial assets that potentially expose the Company to credit risk consist mainly of cash, money equivalents and trade receivables, Trade receivables have been adjusted to allow for bad and doubtful accounts.

#### **Liquidity Risk Management**

Liquidity risk is the risk that the Group will not be able to settle its financial obligations to the other contracting party,

The ultimate responsibility for managing the credit risk lies with the management, who set up a quality framework for managing liquidity risk by the short, medium and long positions of the Group and define the requirements related to liquidity management.

The Group has, during the reporting period, settled its obligations to creditors, suppliers, employees and the country within the statutory deadlines. Although the Company receives substantial funds from gas derivatives and toll, in subsequent periods the Company's Management Board is planning additional debts in order to continue the smooth operations of the Company.

The amendment to the Roads Act (OG 148/13) from 11 December 2013, fee that is paid per litter of excise tax paid on energy to the account of the Company is reduced from the current HRK 0.60 per litter in the amount of HRK 0.20 per litre. This will affect the decrease in cash flows.

The Company manages its liquidity through continued monitoring of anticipated and actual cash flows and by adjusting maturity of financial assets and liabilities.



Republic of Croatia, Ministry of Health  
Public Health Institute of the Republic of Croatia  
Brijuni 2019

Announcement of the results of the competition for the position of the Director of the Institute for Health Protection of the Republic of Croatia

Rank	Name of the Candidate	Score
1	Dr. sc. med. Miroslav Babić	95,00
2	Dr. sc. med. Miroslav Babić	92,00
3	Dr. sc. med. Miroslav Babić	90,00
4	Dr. sc. med. Miroslav Babić	88,00
5	Dr. sc. med. Miroslav Babić	85,00
6	Dr. sc. med. Miroslav Babić	82,00
7	Dr. sc. med. Miroslav Babić	80,00

The results of the competition are published in the Official Gazette of the Republic of Croatia, No. 123/19, on 15.10.2019. The candidate who has achieved the highest score is Dr. sc. med. Miroslav Babić with a score of 95,00. The results of the competition are published in the Official Gazette of the Republic of Croatia, No. 123/19, on 15.10.2019.

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Director of the Institute for Health Protection of the Republic of Croatia

Signature of the Director

Official stamp of the Institute for Health Protection of the Republic of Croatia



Handwritten signature and initials on the right margin.