

Temporary Instruction I_04_2007 on Regulatory Reporting of District Heating Enterprises

Annex No.2

Template for auditor's regulatory report

[Insert report date]

To the Chairman of the Board, Energy Regulatory Office

Regulatory Statements for the period ended [insert period end date]

We have audited the Regulatory Statements submitted by [insert name of licensee – district heating enterprise] along with this Regulatory Report. These represent a special purpose financial report which is required to be prepared in accordance with condition [insert number] of the License held by the Licensee and issued by the Energy Regulatory Office (“the Office”).

Respective responsibilities of Directors and auditors

The district heating enterprise's Directors are responsible for the preparation of the Regulatory Statements. It is our responsibility, to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

This report has been prepared solely for the purposes of fulfilling the requirements of the Office, as set out in the Instruction on Regulatory Reporting issued by the Office. It is prepared solely for the use of the Office and the district heating enterprise and is not to be used for any other purpose than those specified herein. We disclaim any assumption of responsibility for any reliance on this report, or on the Regulatory Statements, by any person or for any purpose other than those for whom and which it was prepared.

Basis of opinion

We conducted our audit in accordance with Kosovan Auditing Standards. An audit includes examination, on the test basis, of evidence relevant to the amounts and disclosures in the Regulatory Financial Statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the Regulatory Statements, and of whether the accounting policies applied are appropriate to the district heating enterprise's circumstances, consistently applied and adequately disclosed.

We have read the other information contained in the Annual Report and financial statements of the Licensee and considered the implications for our report of any apparent misstatements or material inconsistencies between these Regulatory Statements and the Statutory Financial Statements of the district heating enterprise.

Opinion

In our opinion, the Regulatory Statements and other information contain the information for the period ended [*insert period end date*] required to be prepared and submitted to you by the licensee – district heating enterprise, to comply with condition [*insert number*] of the License held by the Licensee.

In respect of this information, we report that in our opinion:

- a) Proper accounting records have been/have not been [*delete as appropriate*] kept by the Licensee – district heating enterprise.
- b) The information is/is not [*delete as appropriate*] in agreement with the Licensee’s – district heating enterprise’s accounting records and has/has not [*delete as appropriate*] been properly prepared in accordance with the Instruction on Regulatory Reporting issued by the Office.
- c) The Regulatory Accounts give [*subject to the qualifications listed below*] a true and fair view of the revenues, costs, assets and liabilities of the Licensee – district heating enterprise in accordance with the accounting principles and policies set out in the Instruction on Regulatory Reporting.

[Where the auditor is unable to give a qualified opinion, then a statement should be provided listing qualifications regarding accounting records, the agreement between the accounting records and the Regulatory Statements and on the basis of preparation of the Regulatory Statements and any other issues that might give rise to a significant difference between the Regulatory Statements and a true and fair view of the Licensee’s – district heating enterprise’s financial position]

Yours faithfully,

[*insert name of auditor*]

[*insert name of signatory*]