

This is a non-attested translation of the Hungarian Report

In all cases the Hungarian Report shall prevail

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of **Gyökerek és Szárnyak Alapítvány**

Opinion

We have audited the accompanying abbreviated financial statements of **Gyökerek és Szárnyak Alapítvány** ("the Foundation"), which comprises the balance sheet as at **31 December 2017** - in which the **balance sheet total is 52,003 THUF**, the **result of core activity is a loss of 40 THUF**,- and the related profit and loss account for the financial year then ended.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31. December 2017 and of the results of its operations for the year then ended in accordance with the provisions of Act C of 2000 on Accounting ("Accounting Act"), in force in Hungary.

Basis for opinion

We conducted our audit in accordance with the Hungarian National Standards on Auditing, and with applicable laws and regulations in force. A detailed description of our responsibilities to comply with the standards is included in section "The auditor's responsibility for the audit of the financial statements".

In accordance with the relevant legislation in force in Hungary and in accordance with the "Rules of Conduct (ethics) rules and the disciplinary action of the audit profession" of the Chamber of Hungarian Auditors and, with regard to the issues not settled in the abovementioned, in accordance with the Handbook of the Code of Ethics for Professional Accountants (IESBA Code) issued by the International „Ethics Standards Board for Accountants" we are independent of the Foundation and we comply with the additional ethical principles laid down in the standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information: Public-benefit status reports

Other information includes the 2017 public-benefit status reports of **Gyökerek és Szárnyak Alapítvány** Management is responsible for the preparation of the public-benefit status reports in accordance with the provisions of Government Decree 350/2011 (XII.30.). The section of "Opinion" of our independent audit report of the abbreviated financial statements shall not

apply to the public-benefit status reports and we do not issue any form of conclusions to provide reasonable assurance on the the public-benefit status reports.

In relation to the audit of the abbreviated annual financial statements, it is our responsibility to read the public-benefit status reports and to assess whether the public-benefit status reports are consistent with the abbreviated annual financial statements and the audit evidence obtained during our audit or otherwise appear to be materially misstated. If, on the basis of our work we conclude that the public-benefit status reports are materially misstated we have the obligation to report on this and the nature of the misstatement. In this respect, we have nothing to report.

Responsibilities of management and those charged with governance for the abbreviated annual financial statements

Management is responsible for the preparation of the abbreviated annual financial statements that give a true and fair view in accordance with Act C of 2000 on Accounting applicable in Hungary, and for such internal control as management determines to be necessary to enable the preparation of abbreviated annual financial statements that are free from material misstatement, whether due to fraud or error.

Preparing the abbreviated annual financial statements it is the responsibility of the management to assess the Foundation's ability to continue as a going concern as well as to disclose matters related to going concern and the management is responsible for the preparation of the going concern basis abbreviated annual financial statements. The management is to apply the going concern principle unless the implementation of this principle is prevented by other provisions, factors or circumstances.

Those charged with governance are responsible for overseeing the financial reporting process of the Foundation.

Auditor's Responsibilities for the audit of the abbreviated annual financial statements

The objective of our audit is to obtain reasonable assurance about whether the abbreviated annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HNSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these abbreviated annual financial statements.

In accordance with the Hungarian National Auditing Standard, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and evaluate the risks of material misstatement of the abbreviated annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of the 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 Foundation's internal control.
- evaluate the appropriateness of accounting policies applied and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of preparation of the abbreviated annual financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the abbreviated annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the abbreviated annual financial statements, including the disclosures in the additional Annex, and whether the abbreviated annual financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control, if any, that we identify during our audit.

Budapest, November 30, 2018.

Killik László
on behalf of BPO-AUDIT Könyvvizsgáló és
Vezetési Tanácsadó Kft.
Registration No.: 002331

Miszori Ildikó
Auditor,
member of the Chamber of Hungarian Auditors
Registration No.: 003327