

# AUDIT REPORT

## Present members of the IBSSA Board of Auditors:

**Mr. John BOKOTEY** (Ukraine) – international financial expert, full member of IBSSA.

**Dr. Oliver L. ROZSA** (USA) – independent businessman, full member of IBSSA.

**Dr. László REINDL** (Hungary) – member of IIA (*Institute of International Audit*), experienced chief auditor in several national and international organisations. Full member of IBSSA.

The Auditing Committee was elected by the Executive Committee of IBSSA in order to control the IBSSA finances every year, from 1<sup>st</sup> January until the 31<sup>st</sup> December.

We did the audit as follows:

- Audit of the year 2015
- Audit of the year 2016
- Audit of the year 2017

The audit took place on the 21<sup>st</sup> February 2018 at the IBSSA International HQ with the presence of Miss Viktória HÄFNER, certified and official bookkeeper of the IBSSA since its foundation. Prof. George POPPER, the President of IBSSA also attended the meeting, gave a financial report and was pleased to answer all other questions.

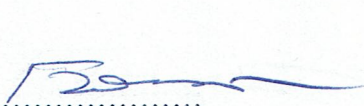
We, members of the Auditing Committee give our official statement on a separate page, but wish to underline two very important matters – after listening and accepting the financial report of the IBSSA President:

- a, IBSSA budget after 24 Years is still in deficit!
- b, The main reason of the deficit is that many members do not pay their obligations, the yearly membership fees

The reason for non-payment of the membership fees is the permanent economic crisis, when mass of companies goes bankrupt, and successful entrepreneurs, professionals become unemployed.

We still propose for the future that the Central Administration Office of IBSSA shall issue and send every beginning of the Year invoices about the due memberships to each member.

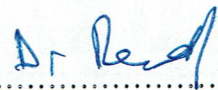
Budapest, 21<sup>st</sup> February 2018



Mr. John Bokotey



Dr. Oliver L. Rozsa



Dr. László Reindl



# AUDIT REPORT

## 2015 – 2016 – 2017

The audit was conducted in accordance with the International Standards of Auditing, requiring us to plan and perform the audit, so we can obtain an assurance about whether the financial statements are true and free of material misstatements.

The auditing included examination, on a test basis, all evidence supporting the amounts and disclosures in the financial statements, including the assessment of the accounting principles used as well as the evaluation of the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

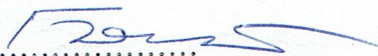
Compared to 2016 the deficit reduced nearly by half by the year 2017, but it is still too much. We wish to remark that the measure of the yearly deficit in 2015, 2016 and in 2017 still outnumber the regular rates, due to the following reasons:

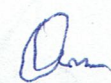
- membership fees and other incomes failed from the project
- the main reason for non-payment of the membership fees is the permanent economic crisis

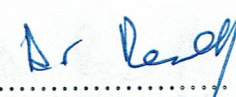
Proposal: in the future, the discipline of paying the membership fees has to be revised, and it is necessary to quest permanent sponsors and new revenue resources.

We are awfully convinced that the financial statements audited present fairly, in all material aspects, the financial position of the IBSSA as at 31<sup>st</sup> December 2017, and as a result of its operations for the year then ended, in conformity with generally accepted accounting principles.

Budapest, 21<sup>st</sup> February 2018

  
.....  
Mr. John Bokotey

  
.....  
Dr. Oliver L. Rozsa

  
.....  
Dr. László Reindl