

AUDIT REPORT

Present members of the IBSSA Board of Auditors:

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

Dr. László REINDL (Hungary) – member of IIA (*Institute of Internal Auditors*), 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 1st January until the 31st December.

We did the audit as follows: - Audit of the year 2021
 - Audit of the year 2022

The audit took place on the 2nd February 2023 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 underline the following important matters – after listening and accepting the financial report of the IBSSA President:

- a, IBSSA Budget after 29 Years is still in deficit!
 - b, the main reason of the deficit is that many members do not pay or unable to pay their obligations, the yearly membership fees, which is mainly due to the impact of the pandemic on many workplaces and lives, besides the lack of international events caused by the lockdown
- The reason for non-payment of the membership fees is the permanent economic crisis (especially the COVID-19), 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, 2nd February 2023

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Mr. John Bokotey

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Dr. László Reindl

AUDIT REPORT

2021 – 2022

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 2021 the deficit increased by 1/3 by the year 2022. We wish to remark that the measure of the yearly deficit in 2021 and 2022 still outnumbers 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, especially the one caused by the COVID-19 pandemic

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 convinced that the financial statements audited present fairly, in all material aspects, the financial position of the IBSSA as at 31st December 2022, and as a result of its operations for the year then ended, in conformity with generally accepted accounting principles.

Budapest, 2nd February 2023



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Mr. John Bokotey



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Dr. László Reindl