

AUDIT REPORT

Present members of the IBSSA Board of Auditors:

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

Dr. László REINDL (Hungary) – Hungarian member of IIA (Institute of International Audit), experienced 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 2010
- Audit of the year 2011
- Audit of the year 2012

The audit took place on the 24th July 2013 at the IBSSA International HQ with the presence of Miss Viktória HÄFNER, the certified and official bookkeeper of the IBSSA since its foundation. Prof. George POPPER, the President of IBSSA also attended the meeting and was pleased to answer all questions.

We, members of the Auditing Committee give our official statement on a separate page, but wish to underline two very important matters:

- a. IBSSA budget after 19 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.

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, 24th July 2013


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Dr. Oliver L. Rozsa


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Dr. László Reindl

AUDIT REPORT

2010 – 2011 – 2012

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.

We wish to remark that the measure of the yearly deficit in 2010, 2011 and in 2012 still outnumbered 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

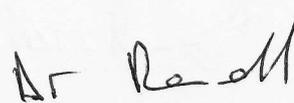
Proposal: in the future the discipline of paying the membership fees has to be revised, and it is necessary to quest permanent sponsors and new revenue resources.

We are awfully convinced that the financial statements audited present fairly, in all material aspects, the financial position of the IBSSA as at 31st December 2012, and as a result of its operations for the year then ended, in conformity with generally accepted accounting principles.

Budapest, 24th July 2013



Dr. Oliver L. Rozsa



Dr. László Reindl