



Statutory auditor's report to the management of the association Caritas Europa AISBL as of and for the year ended December 31, 2016

FREE TRANSLATION OF UNQUALIFIED STATUTORY AUDITOR'S REPORT ORIGINALLY PREPARED IN FRENCH

As required by law and the association's articles of association, we report to you in the context of our statutory auditor's mandate. This report includes our report on the annual accounts as of and for the year ended December 2016, as defined below, as well as our report on other legal and regulatory requirements.

Report on the annual accounts - Unqualified opinion

We have audited the annual accounts of Caritas Europa AISBL ("the Association") as of and for the year ended December 31 2016, prepared in accordance with the financial reporting framework applicable in Belgium (Royal Decree of December 19, 2003). These annual accounts comprise the balance sheet as at December 31 2016, the income statement for the year then ended and notes. The balance sheet total amounts to EUR 5.912.806 and the income statement shows a negative result for the year of EUR 97.857.

Manager's responsibility for the preparation of the annual accounts

The manager is responsible for the preparation of these annual accounts that give a true and fair view in accordance with the financial reporting framework applicable in Belgium, and for such internal control as the manager determines, is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs) as adopted in Belgium. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the Association's preparation and fair presentation of the annual accounts 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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the manager, as well as evaluating the overall presentation of the annual accounts.

We have obtained from the Association's officials and the manager the explanations and information necessary for performing our audit.



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

Unqualified opinion

In our opinion, the annual accounts give a true and fair view of the Association's equity and financial position as at December 31 2016 and of its financial performance for the year then ended in accordance with the financial reporting framework applicable in Belgium.

Emphasis of matter

Without qualifying our opinion, we draw attention to disclosure A-asbl 9 of the annual accounts, which indicates that the balance sheet and the profit and loss accounts reflect the effects of an inheritance accepted in May 2016 with specific conditions currently preventing the entity to dispose of it freely.

Report on other legal and regulatory requirements

The manager is responsible for maintaining the Association's accounting records in compliance with the applicable legal and regulatory requirements, as well as for the Association's compliance with the Law of June 27, 1921 on the not-for-profit associations, foundations, European political parties and European political foundations and the Association's articles of association.

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we provide the following additional statements which do not modify the scope of our opinion on the annual accounts:

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- There are no transactions undertaken or decisions taken in breach of the Association's articles of association or the Law of June 27, 1921 on the not-for-profit associations, foundations, European political parties and European political foundations that we have to report to you.

Ghent, May 2, 2017

KPMG Réviseurs d'Entreprises / Bedrijfsrevisoren
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