



Statutory auditor's report to the general meeting of the members of Caritas Europa AISBL on the annual accounts as of and for the year ended December 31, 2019.

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

In the context of the statutory audit of the annual accounts of Caritas Europa AISBL ("the Association"), we provide you with our statutory auditor's report. This includes our report on the annual accounts ended December 31, 2019, as well as other legal and regulatory requirements. Our report is one and indivisible.

We were appointed as statutory auditor by the general meeting of May 12, 2017, in accordance with the proposal of the board of directors. Our mandate will expire on the date of the general meeting deliberating on the annual accounts for the year ended December 31, 2019. We have performed the statutory audit of the annual accounts of Caritas Europa AISBL for 9 consecutive financial years.

Report on the annual accounts

Unqualified opinion

We have audited the annual accounts of the Association as of and for the year ended December 31, 2019, prepared in accordance with the financial reporting framework applicable in Belgium. These annual accounts comprise the balance sheet as at December 31, 2019, the income statement for the year then ended and notes. The balance sheet total amounts to EUR 6.242.060 and the income statement shows a positive result for the year of EUR 123.888.

In our opinion, the annual accounts give a true and fair view of the Association's equity and financial position as at December 31, 2019 and of its financial performance for the year then ended in accordance with the financial reporting framework applicable in Belgium.

Basis for our unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as adopted in Belgium. In addition, we have applied the ISAs as issued by the IAASB applicable for the current accounting year while these have not been adopted in Belgium yet. Our responsibilities under those standards are further described in the "Statutory auditors' responsibility for the audit of the annual accounts" section of our report. We have complied with the ethical requirements that are relevant to our audit of the annual accounts in Belgium, including the independence requirements.

We have obtained from the board of directors and the Association's officials 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 opinion.



Emphasis of matter - subsequent events - COVID-19

We draw attention to Note A-asbl 9 of the annual accounts, which describes the possible effects of the COVID-19 crisis on the operations and financial situation of the Association. Our opinion is not modified in respect of this matter.

Board of directors' responsibilities for the preparation of the annual accounts

The board of directors 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 board of directors determines, is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance as to whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 ISAs 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 the users taken on the basis of these annual accounts.

When performing our audit we comply with the legal, regulatory and professional requirements applicable to audits of the annual accounts in Belgium. The scope of the statutory audit of the annual accounts does not extend to providing assurance on the future viability of the Association nor on the efficiency or effectivity of how the board of directors has conducted or will conduct the business of the Association.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also perform the following procedures:

- identify and assess the risks of material misstatement of the annual accounts, 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 internal controls 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 Association's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by board of directors ;
- conclude on the appropriateness of board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the annual accounts 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 auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other legal and regulatory requirements

Responsibilities of the Board of directors

The board of directors 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 Law of June 27, 1921 on the not-for-profit associations, foundations, European political parties and European political foundations or, as from January 1, 2020, the Companies' and Associations' Code and the Association's articles of association.

Statutory auditor's responsibilities

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 requirements of the Law of June 27, 1921 on the not-for-profit associations, foundations, European political parties and European political foundations or, as from January 1, 2020, the Companies' and Associations' Code and the Association's articles of association and to report on these matters.



Information about the independence

- Our audit firm and our network have not performed any engagement which is incompatible with the statutory audit of the annual accounts and our audit firm remained independent of the Association during the term of our mandate.
- The fees for the additional engagements which are compatible with the statutory audit of the annual accounts referred to in article 37 of the Law of June 27, 1921 on the not-for-profit associations, foundations, European political parties and European political foundations which refers to article 134 of the Companies' Code were correctly stated and disclosed in the notes to the annual accounts.

Other aspects

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- We do not have to inform you of any 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 or, as from January 1, 2020, the Companies' and Associations' Code.
- Except for complying with the provisions of article 17 §6 of the law of June 27, 1921 with respect to the filing of the 2018 annual accounts within 30 days from their approval, we do not have to inform you of any other transaction undertaken or decision 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.

Ghent, April 27, 2020

KPMG Réviseurs d'Entreprises / Bedrijfsrevisoren
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