

**Independent Auditors' Report  
issued on the  
2012 Special Purpose Financial Information  
of Robert Burns International Foundation**

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## **Independent Auditors' Report on special purpose financial information**

To the Foundation's Curatorium and donors,

We have audited the accompanying special purpose financial information of Robert Burns International Foundation which comprises the balance sheet as at December 31, 2012, and the statement of financial activities for the year then ended and related notes. The special purpose financial information has been prepared by management based on the accounting policies disclosed in Note 3.

### **Management's Responsibility for the Special Purpose Financial Information**

Management is responsible for the preparation of this special purpose financial information in accordance with the accounting policies as described in Note 3, for determining the acceptability of the basis of accounting and for such internal control as management determines is necessary to enable the preparation of special purpose financial information that is free from material misstatement, whether due to fraud or error. This special purpose financial information has been prepared solely to provide summary financial information in a format which management believes will meet the needs of the Foundation's Curatorium and donors for reliable and useful financial information about the Robert Burns International Foundation.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on this special purpose financial information based on our audit. We conducted our audit in accordance with International Standards on Auditing. International Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial information. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and presentation of the special purpose financial information 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the special purpose financial information.

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





## **Opinion**

In our opinion, the accompanying special purpose financial information for Robert Burns International Foundation as of 31 December 2012 and for the year then ended has been prepared, in all material respects, in accordance with the accounting policies as described in Note 3.

## **Basis of Accounting**

Without modifying our opinion, we draw attention to Note 2, which describes the basis of accounting and explains that the special purpose financial information is not the statutory financial statements of Robert Burns International Foundation. The special purpose financial information is prepared to provide reliable and useful financial information to the Foundation's Curatorium and donors. As a result, the special purpose financial information may not be suitable for another purpose.

Budapest, 28 May 2013

A handwritten signature in blue ink that reads 'David Thompson'.

David Thompson  
*Partner*



# Robert Burns International Foundation

Financial statements as at and for the year ended 31 December 2012  
(Expressed in Thousands of Forint)

## Statement of financial activities for the year ended 31 December 2012


	Note	2012	2011
Voluntary income			
Donations received	4	18 081	12 124
Other income	5	17	19
<b>Total income</b>		<b>18 098</b>	<b>12 143</b>
Expenses	7	9 430	6 585
Donations to hospitals and others	9	15 704	4 538
<b>Net movement in funds for the year</b>		<b>-7 036</b>	<b>1 020</b>
Unrestricted funds at the beginning of the year		9 189	8 169
<b>Unrestricted funds at the end of the year</b>		<b>2 153</b>	<b>9 189</b>

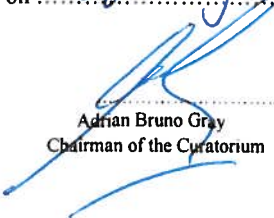
## Balance Sheet at 31 December 2012

	31 December 2012	31 December 2011
<b>Current assets</b>		
Receivables	173	392
Petty Cash	0	25
Cash at bank	3 859	9 874
Prepayments	608	0
<b>Total assets</b>	<b>4 640</b>	<b>10 291</b>
Less: Creditors and accruals	1 387	2
<b>Total assets less current liabilities</b>	<b>3 253</b>	<b>10 289</b>
<b>Founder's capital and reserves</b>		
Founder's Capital	1 100	1 100
Unrestricted funds	2 153	9 189
<b>Total Founder's Capital and unrestricted funds</b>	<b>3 253</b>	<b>10 289</b>

The accompanying notes on pages 2 to 7 form an integral part of these financial statements.

These financial statements were approved on 28 May 2013 and signed by:

  
Douglas Arnott  
Member of the Curatorium

  
Adnan Bruno Gray  
Chairman of the Curatorium

# **Robert Burns International Foundation**

## **Notes to the 2012 financial statements**

### **Note 1: Robert Burns International Foundation**

Robert Burns International Foundation (in Hungarian: Robert Burns Nemzetközi Alapítvány) (“The Foundation”) is a non-profit organisation domiciled in Hungary. Its registered address is Bajza u. 54 em I A, 1062 Budapest.

The founder of the Foundation is Mr Zoltán Magyar. The governing body is a Curatorium which is chaired by Mr Adrian Bruno Gray (until 26.07.2012 the Chairman of the Curatorium was Mr Christopher Jock Murdoch MacKenzie). The Foundation’s financial activities have consisted of raising donations, primarily through an annual supper in memory of the Scottish Poet Robert Burns, and the distribution of the surplus to hospitals and others, mainly in the form of cash grants for approved purposes.

### **Note 2: Financial Statements – Basis of preparation and presentation**

The Foundation is required under Act C of 2000 on Accounting and Act CLXXV of 2011 on Non-Profit Organizations to prepare statutory financial statements each year. The Foundation’s statutory financial statements which are not required to be audited under the Act on Accounting, will be published on the official website of the Foundation, [www.robert-burns-foundation.org](http://www.robert-burns-foundation.org), as prescribed by the Act on Non-Profit Organizations.

These financial statements have not been prepared in compliance with the Act and are not the Foundation’s statutory financial statements.

These financial statements have been prepared on the historical cost basis and in accordance with the accounting policies described in Note 3 for the purpose of presenting a summary of the financial activities undertaken by the Foundation during 2012 and its financial resources at 31 December 2012 in a format which management believes will meet the needs of members of the Curatorium and donors for reliable and useful financial information about the Foundation. A copy of these special purpose financial statements and the audit report thereon will be published on the Foundation website.

### **Note 3: Accounting Policies**

#### **Recognition of Income**

Donations to the Foundation are voluntary and are recognised only when received.

Other income is recognised when the Foundation is entitled to the amounts and there is certainty of receipt.

#### **Recognition of expenses**

Expenses are recognised when the liability is incurred.

# Robert Burns International Foundation

## Notes to the 2012 financial statements

### Recognition of donations to hospitals and foundations

Donations made by the Foundation are generally recognised when the donation is disbursed except where a donation is received for a specific purpose, in which case the corresponding use of funds is recognised at the time the donation is received. A liability is set up and any amount which has not yet been disbursed by the year end is recorded as a short time liability in the balance sheet.

### Short term liabilities and accruals

Short term liabilities are stated at cost. Accruals represent liabilities incurred for which invoices have not yet been received and are stated at estimated cost.

### Functional currency and foreign exchange

The functional currency of the Foundation is the Hungarian Forint (HUF) and all amounts are presented in Thousand of Forint (THUF). Transactions in other currencies, primarily the Euro, are translated at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in Euro at the balance sheet date are translated at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Financial Activities.

### Note 4: Donations received

a) Analysis of donations by type:

	<b>2012</b>	<b>2011</b>
	<b>THUF</b>	<b>THUF</b>
Burns Suppers		
Auctions	1,350	3,545
Suppers	4,646	2,265
Raffles	1,270	1,287
	<hr/> 7,266	<hr/> 7,097
Other donations	298	1,559
Paralympic Appeal 2012	4,097	0
BBC (for ESU public speaking competition)	2,125	1,544
1% of Personal Income Tax	250	1,398
Sahara run (for SOTE II.)	4,045	526
	<hr/>	<hr/>
<b>Total</b>	<b>18,081</b>	<b>12,124</b>
	<hr/> <hr/>	<hr/> <hr/>

Burns Suppers are held in late January. Donations for Burns Suppers include any donations received which relate to the supper to be held in the next year.

**Robert Burns International Foundation**  
**Notes to the 2012 financial statements**

b) The principal donors in each year were:

	<b>2012</b>	<b>2011</b>
	<b>THUF</b>	<b>THUF</b>
Individual donations of HUF 500,000 or more:		
BBC Public (for ESU public speaking competition)	2,125	1,544
Adam Toth	684	601
Andras Moldovan	0	580
Vodafone (Paralympic Appeal)	1,000	0
Vodafone (Sahara run for SOTE II)	3,500	0
BP Business Center (Paralympic Appeal)	1,500	0
Terry Tyler (auction items)	840	0
	<hr/> 9,649	<hr/> 3,251
Donations below 500 THUF for the Sahara run appeal	0	526
Donations below 500 THUF in aggregate	8,182	7,475
1% of Personal Income Tax	250	1,398
	<hr/>	<hr/>
<b>Total</b>	<b>18,081</b>	<b>12,124</b>
	<hr/>	<hr/>



**Robert Burns International Foundation**  
**Notes to the 2012 financial statements**

**Note 5: Other income**

	<b>2012</b>	<b>2011</b>
	<b>THUF</b>	<b>THUF</b>
Bank interest	11	8
Foreign exchange gain	6	11
<b>Total</b>	<b>17</b>	<b>19</b>

**Note 6: Business Income**

The Foundation had no business income in 2011 and 2012.

**Note 7: Expenses**

	<b>2012</b>	<b>2011</b>
	<b>THUF</b>	<b>THUF</b>
Burns Supper	5,413	3,478
ESU public speaking competition	2,125	1,544
Presentation in Manchester	1,282	1,329
Paralympic Appeal	112	0
Financial and other costs	202	119
Sundry	296	115
<b>Total</b>	<b>9,430</b>	<b>6,585</b>

**Note 8: Remuneration**

No member of the Curatorium received any remuneration from the Foundation in 2012 or 2011.

The expenses of the Founder and the then Chairman and General Secretary included in the amount of 1,282 THUF for the presentation in Manchester in 2012 (2011: 1,329 THUF), were paid by the Foundation.

**Note 9: Donations to hospitals and foundations**

**Robert Burns International Foundation**  
**Notes to the 2012 financial statements**

	2012	2011
	<u>THUF</u>	<u>THUF</u>
<b>Donations given to:</b>		
Hungarian Paralympic Committee	7,079	0
SOTE II, Tűzoltó St, Budapest (Sahara run appeal)	7,000	0
Mezőtúr Hospital	0	1,099
Kisvárdai Children's Hospital	0	1,040
Dr. Korill Ferenc Foundation, Salgótarján	0	1,000
SOS Children's Hospital	975	0
Egészségért Foundation, Kiskunfélegyháza	0	972
Fényszóró Foundation, Budapest	500	0
Balassa János Hospital, Szekszárd	0	427
Liszt Ferenc University, Budapest	150	0
<b>Total of donations given</b>	<b><u>15,704</u></b>	<b><u>4,538</u></b>

Donations were given in 2012 to Semmelweis University (SOTE II), Tűzoltó Street for reconstruction works in the Chirurgical Department; to the SOS Children's Hospital for the purchase of medical equipment; to the Hungarian Paralympic Committee for the purchase of a mini-bus; to the Fényszóró Foundation for an event for disabled children; and to the Liszt Academy of Music for tuition fees for two students.

The donations provided to hospitals and foundations in 2011 were given for the purchase of medical equipment.

**Robert Burns International Foundation**  
**Notes to the 2012 financial statements**

**Note 10: Cash at bank and petty cash**

	<b>2012</b>	<b>2011</b>
	<b>31 December</b>	<b>31 December</b>
	<b>THUF</b>	<b>THUF</b>
Raiffeisen HUF accounts	2,811	9,778
Raiffeisen EUR account	1,048	96
Petty cash	0	25
<b>Total</b>	<b>3,859</b>	<b>9,899</b>

The original currency amounts in the EUR account were: 3,597 EUR at 31 December 2012 and 307 EUR at 31 December 2011.

**Note 11: Contingencies**

The Foundation is exempt from taxation. The Hungarian tax authorities may inspect the books to ensure the conditions of this exemption have not been breached during the 6 years after the end of the related fiscal year.

It is the policy of the Foundation to retain a part of the unrestricted funds as a precaution against any differences of opinion that might arise in case of a tax inspection.