

# 2017

## FINANCIAL REPORT

In 2017 MAGNA Social mission costs were **1 606 227 €** (97,1 %). Costs for fundraising general management and administration reached **47 823€** (2,9 %). At the time of its foundation, MAGNA made the commitment to spend at least 80 % of its funding on projects and only 20 % on fundraising and management of the organization.

## **FINANCIAL STATEMENTS**

MAGNA is pleased to present its audited Financial Statement, which provide a view of MAGNA's work and is a mean of transparency and accountability.

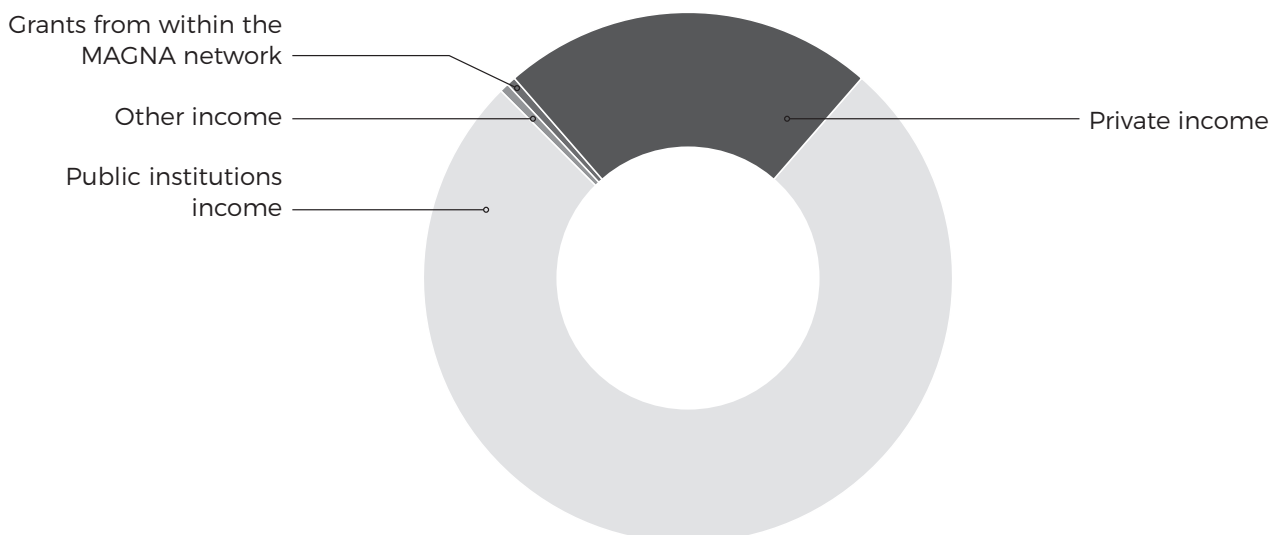
# RATIOS

## OPERATIONAL RATIOS (%)

	2017	2016
Operations	96,7	93,6
Awareness-raising	0,4	1,0
<b>Social mission</b>	<b>97,1</b>	<b>94,6</b>
Fundraising	2,1	4,4
Management and general administration	0,8	1,0
<b>Other expenses</b>	<b>2,9</b>	<b>5,4</b>
<b>Expenditure</b>	<b>100,0</b>	<b>100</b>

## FINANCIAL INDEPENDENCE (%)

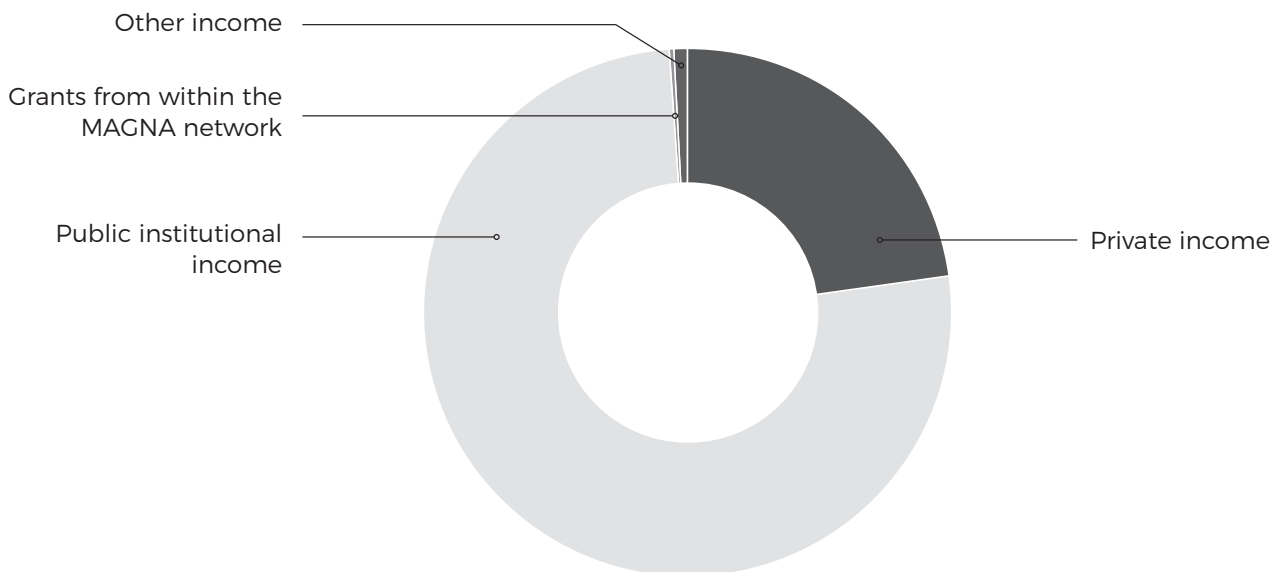
	2017	2016
Private income	22,9	38,4
Public institutions income	76,1	47,4
Other income	0,6	1,8
Grants from within the MAGNA network	0,4	12
<b>Income</b>	<b>100</b>	<b>100</b>



## INCOME (iN €)

2017 saw a increase in income for MAGNA compared with 2016. Total incoming resources of **2 002 553 €** for 2017 were **136 949 €** more than in 2016. 2017's higher income was due mainly to the higher public donations income received. More than 83 000 individual donations and private institutions provided 23 % of MAGNA's income in 2017.

	2017	2016
Private income	459 512	716 796
Public institutional income	1 523 359	883 481
Grants from within the MAGNA network	8 467	232 202
Other income	11 214	33 125
<b>Total Income</b>	<b>2 002 553</b>	<b>1 865 604</b>



## IN-KIND DONATIONS AND SERVICES

Occasionally, MAGNA receives donations in kind, primarily in the form of the free use of goods or services (drugs and medical equipments in the eld, and consultancies and travel miles in headquarters). These contributions in kind are not stated in the operating account, but an estimation of the value of these goods is presented below. The contributions are valued on the basis of the donation certificate or the contract entered into with the donor. The act of volunteering to work in MAGNA humanitarian projects is not recorded in the accounts. This contribution represents one of the bases of the MAGNA Charter and principles.

The total value of the goods and services received in 2017 is estimated as:

	2017
Headquarter	45 758
Field Programme expenses	195 220
<b>Total In-kind donations and services</b>	<b>240 978</b>

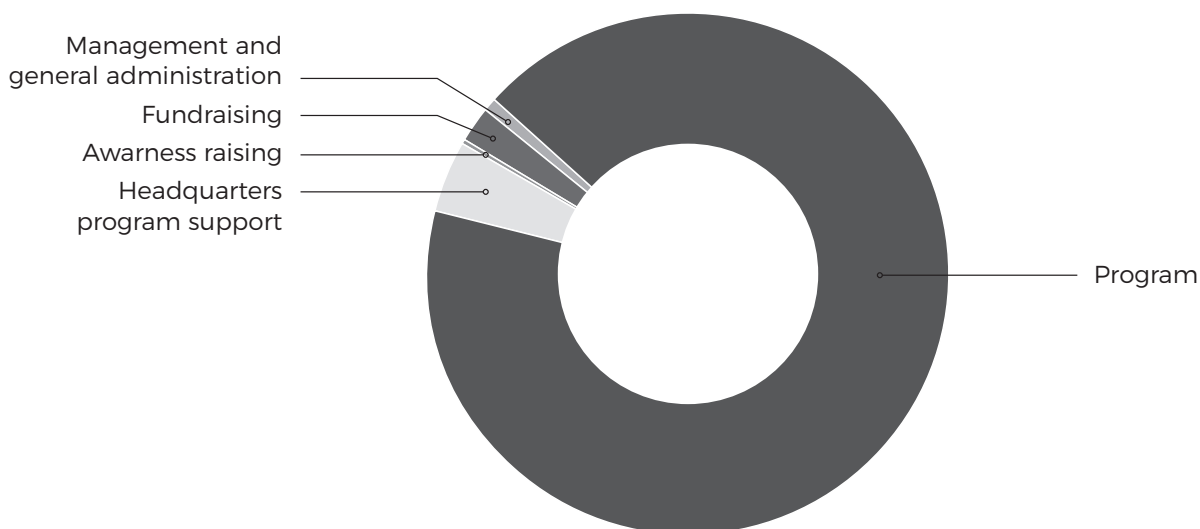
## EXPENDITURE (iN €)

Total expenditure in 2017 was **1 654 061 €**, which is an increase of **46 846 €** over 2016.

This expenditure can be broken down into two main categories: social mission and other expenses. The table below breaks down these categories still further.

	2017	2016
Program	1 528 117	1 410 657
Headquarters program support	72 156	110 906
Awareness raising	5 954	12 506
<b>Total social mission</b>	<b>1 606 227</b>	<b>1 534 069</b>
Fundraising	34 148	49 367
Management and general administration	13 685	23 761
<b>Total other expenses</b>	<b>47 833</b>	<b>73 128</b>
<b>Total</b>	<b>1 654 061</b>	<b>1 607 197</b>

The result of the above is that, in 2017, **97,1 %** of MAGNA's total expenditure was spent on social mission and **2,9 %** on other expenses.



# Explanation Statement of Income and Expenditure in 2017

## INCOME

### Private Income (in €)

Income from individuals includes:

	2017
Individual donations	433 276
<b>Income from individuals</b>	<b>433 276</b>

Income from private institutions comes from the following sources:

	2017
Companies	0
Trusts and foundations	3 000
2 percents from the tax	23 236
Other private institutions	0
<b>Income from private institutions</b>	<b>26 236</b>

As part of our effort to guarantee independence, we have striven to maintain an efficient level of private income. Funds coming from private sources represented 23 % of MAGNA total income in 2017. More than 19 thousand individual contributors made this possible.

Income breakdown from individual, private companies and trusts and foundations (in €):

	2017
Donations in general	372 188
Donations through SMS donation	52 995
Donations from public appeals	8 093
<b>Income from individuals</b>	<b>433 276</b>

	2017
Markiza Foundation Slovakia	3 000
Income from Trust and Foundations	3 000

## Public Institutional Income (in €)

The table below presents the breakdown of donations and grants awarded by public institutional

	2017
European Commission	5 910
<b>ECHO and EU institutions</b>	<b>5 910</b>
Swiss Embassy DR Congo	4 446
SlovakAid	671 485
<b>Ministry of Foreign Affairs Czech Republic</b>	<b>470 684</b>
<b>EU governments</b>	<b>1 146 614</b>
UNICEF in South Sudan	79 712
<b>UNICEF in DRC</b>	<b>291 123</b>
<b>UN institutions</b>	<b>370 835</b>
<b>Public institutional income (see also note restricted funds)</b>	<b>1 523 359</b>

## Grants From Within Magna Network (in €)

The table below presents the breakdown of grants from within MAGNA network bodies:

	2017
MAGNA Czech Republic: projects in Syria, South Sudan, Cambodia and Iraq	8 467
<b>Grants from within the MAGNA network</b>	<b>8 467</b>

## Other Income (in €)

	2017	2016
Interest/investment income	0	214
Other revenues	11 214	32 911
<b>Other income</b>	<b>11 214</b>	<b>33 125</b>

# EXPENDITURE

## Functional Expenses (in €)

Nature of expenses	SOCIAL MISSION			
	Programmes	Programme support	Awareness-raising	Total social mission
A.Personnel costs	837 395	29 482		866 878
B.Travel and transportation	145 944	7 624		153 568
C.Medical and Nutrition	290 905	146		291 051
D.Logistics and Sanitation	16 142	124		16 265
E.Communication	25 848	3 714		29 562
F.Office and Administrative costs	183 320	14 848		198 168
G.Professional services	27 803	9 273		37 076
H.Publications	0	0		0
I.Publicity and Communication	761	0	5 954	6 715
J.Financial expenses	0	3 361		3 361
K.Depreciation and Amortisation	0	3 520		3 520
L.Taxes	0	0		0
M.Others	0	63		63
<b>TOTAL</b>	<b>1 528 117</b>	<b>72 156</b>	<b>5 954</b>	<b>1 606 227</b>

**Personnel expenses** – Expenditure comprises all costs related to locally hired and international staff (including plane tickets, insurance, accommodation, etc).

**Travel and Transportation** – Delivery of medical and nutrition supplies and services, domestic/international travel.

**Medical & Nutrition** – The medical and nutrition category includes drugs and medical equipment, vaccines, hospitalisation fees, therapeutic food, training and education of health staff, building materials and equipment for health centres, hygiene, relief items and medical facilities rental and charges. The delivery of these supplies and services is included in the category of Travel and Transportation.

**Communication** – Expenditures comprise all communication related costs - satellite, mobile/fix, internet and radios and computer costs.

**Office and Administrative costs** – Expenditure comprises all costs related to MAGNA offices and administration (including offices rentals and charges, office supplies, postal costs), bank fees).

**Professional services** – Expenditures related to medical (medical survey, consultant & specialist costs) and non-medical services (tax advice, accounting, audit, IT, public relation, advertising etc).

**Publicity and Communication** – Expenditures related to publicity, public and private donors communication, raising funds etc.

**Social mission** – Social mission includes all costs related to operations in the field as well as all the medical and operational support from the headquarters directly allocated to the field and awareness-raising activities.

**Other expenses** – Other expenses comprises costs associated with raising funds from all possible sources, the expenditures incurred in the management and administration of the organisation, as well as income tax paid on commercial activities.

**Programme** – Programme expenses represent expenses incurred in the field or by headquarters on behalf of the field.

**Programme support** – Programme support relates to expenses incurred at headquarters in order to carry out MAGNA humanitarian operations (e.g. project design, monitoring and evaluation, recruitment of international staff, activities designed to improve the quality and effectiveness of MAGNA operations).

**Fundraising** – Fundraising expenses represent the costs incurred for raising funds from all possible sources of income, be they private or public institutional.

**Management and General Administration** – Management and general administration consists primarily of expenses associated with executive management, headquarters nance and human resources management, internal communication and the associative life of the organisation.



OTHER EXPENSES			SOCIAL MISSION AND OTHER EXPENSES TOTAL	
Fundraising	Management and general administration	Total other expenses	2017	2016
8 857	5 905	14 762	881 640	692 391
4 405	2 937	7 342	160 910	20 613
0	0	0	291 051	513 526
0	0	0	16 265	132 333
103	69	172	29 734	30 376
2 218	1 479	3 697	201 865	19 245
2 927	1 951	4 879	41 955	0
0	0	0	0	24 049
13 621	0	13 621	20 336	148 339
2 017	1 345	3 361	6 723	0
0	0	0	3 520	9 354
0	0	0	0	0
0	0	0	63	16 971
34 148	13 685	47 833	1 654 061	0

### Restricted funds (in €)

The table below presents restricted funds contain donations that have been earmarked by donors for a special purpose and which have not yet been spent. It gives an indication of the volume of earmarked monies that were received and spent during the year.

	Received in 2017	Expenditures in 2017	Not spent in 2017
SlovakAid	671 485	-310 454	361 031
UNICEF South Sudan	79 712	-54 389	25 323
UNICEF DR Congo	291 123	-291 123	0
<b>Restricted funds Total</b>	<b>1 042 320</b>	<b>-655 966</b>	<b>386 354</b>

## Program Expenditures By Nature and Continents (in €)

Type of expenditures	ASIA	MIDDLE EAST	AFRICA	EUROPE	2017
Personnel costs	227 282	161 400	444 436	4 277	837 395
Travel and transportation	29 366	42 955	72 897	726	145 944
Medical and Nutrition	79 538	96 631	114 735	0	290 905
Logistics and Sanitation	317	3 020	12 805	0	16 142
Communication	4 465	4 591	16 792	0	25 848
Office and Administrative costs	51 183	12 688	119 287	162	183 320
Professional services	0	0	24 763	3 040	27 803
Publications	0	0	0	0	0
Publicity and Communication	0	0	0	761	761
Financial expenses	0	0	0	0	0
Depreciation and Amortisation	0	0	0	0	0
Taxes	0	0	0	0	0
Others	0	0	0	0	0

## CAMBODIA

### EXPENSES (in €)

Personnel costs	144 585
Travel and transportation	13 993
Medical and Nutrition	51 179
Logistics and Sanitation	9
Communication	3 326
Office and Administrative costs	29 390
Professional services	0
Publications	0
Publicity and Communication	0
Financial expenses	0
Depreciation and Amortisation	0
Taxes	0
Others	0
<b>Field related expenses</b>	<b>242 482</b>

### FUNDING (in €)

Slovak private and other income	234 015
Grants within MAGNA network	8 467

**Private and other income 242 482**

ECHO and EU institutions	0
EU governments	0
Non-EU governments	0
UN institutions	0

**Public institutional income 0**

## SOUTH SUDAN

### EXPENSES (in €)

Personnel costs	199 594
Travel and transportation	48 321
Medical and Nutrition	84 034
Logistics and Sanitation	12 647
Communication	8 224
Office and Administrative costs	56 038
Professional services	3 626
Publications	0
Publicity and Communication	0
Financial expenses	0
Depreciation and Amortisation	0
Taxes	0
Others	0
<b>Field related expenses</b>	<b>412 484</b>

### FUNDING (in €)

Slovak private and other income	65 221
Grants within MAGNA network	0

**Private and other income 65 221**

ECHO and EU institutions	
EU governments	292 875
Non-EU governments	
UN institutions	54 389

**Public institutional income 347 264**

## D.R. CONGO

### EXPENSES (in €)

Personnel costs	244 842
Travel and transportation	24 575
Medical and Nutrition	30 701
Logistics and Sanitation	158
Communication	8 568
Office and Administrative costs	63 248
Professional services	21 137
Publications	0
Publicity and Communication	0
Financial expenses	0
Depreciation and Amortisation	0
Taxes	0
Others	0
<b>Field related expenses</b>	<b>393 230</b>

### FUNDING (in €)

Slovak private and other income	102 107
Grants within MAGNA network	0
<b>Private and other income</b>	<b>102 107</b>
ECHO and EU institutions	0
EU governments	0
Non-EU governments	0
UN institutions	291 123
<b>Public institutional income</b>	<b>291 123</b>

## LEBANON

### EXPENSES (in €)

Personnel costs	38 794
Travel and transportation	16 710
Medical and Nutrition	24 055
Logistics and Sanitation	0
Communication	298
Office and Administrative costs	137
Professional services	0
Publications	0
Publicity and Communication	0
Financial expenses	0
Depreciation and Amortisation	0
Taxes	0
Others	0
<b>Field related expenses</b>	<b>79 994</b>

### FUNDING (in €)

Slovak private and other income	11 354
Grants within MAGNA network	0
<b>Private and other income</b>	<b>11 354</b>
ECHO and EU institutions	0
EU governments	68 640
Non-EU governments	0
UN institutions	0
<b>Public institutional income</b>	<b>68 640</b>

## SYRIA

### EXPENSES (in €)

Personnel costs	122 606
Travel and transportation	26 244
Medical and Nutrition	72 576
Logistics and Sanitation	3 020
Communication	4 294
Office and Administrative costs	12 551
Professional services	0
Publications	0
Publicity and Communication	0
Financial expenses	0
Depreciation and Amortisation	0
Taxes	0
Others	0
<b>Field related expenses</b>	<b>241 291</b>

### FUNDING (in €)

Slovak private and other income	5 210
Grants within MAGNA network	0
<b>Private and other income</b>	<b>5 210</b>
ECHO and EU institutions	0
EU governments	236 082
Non-EU governments	0
UN institutions	0
<b>Public institutional income</b>	<b>236 082</b>

## IRAQ

### EXPENSES (in €)

Personnel costs	82 697
Travel and transportation	15 373
Medical and Nutrition	28 359
Logistics and Sanitation	308
Communication	1 139
Office and Administrative costs	21 792
Professional services	0
Publications	0
Publicity and Communication	0
Financial expenses	0
Depreciation and Amortisation	0
Taxes	0
Others	0
<b>Field related expenses</b>	<b>149 669</b>

### FUNDING (in €)

Slovak private and other income	4 232
Grants within MAGNA network	0
<b>Private and other income</b>	<b>4 232</b>
ECHO and EU institutions	0
EU governments	145 437
Non-EU governments	0
UN institutions	0
<b>Public institutional income</b>	<b>145 437</b>

## OTHER COUNTRIES

### EXPENSES (in €)

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Personnel costs	4 277
Travel and transportation	726
Medical and Nutrition	0
Logistics and Sanitation	0
Communication	0
Office and Administrative costs	162
Professional services	3 040
Publications	0
Publicity and Communication	761
Financial expenses	0
Depreciation and Amortisation	0
Taxes	0
Others	0
<b>Field related expenses</b>	<b>8 967</b>

### FUNDING (in €)

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Slovak private and other income	3 057
Grants within MAGNA network	0
<b>Private and other income</b>	<b>3 057</b>
ECHO and EU institutions	5 910
EU governments	0
Non-EU governments	0
UN institutions	0
<b>Public institutional income</b>	<b>0</b>

## BALANCE SHEET (in €)

ASSETS		31-12-2017			31-12-2016
		Brutto	Correction	Netto	Netto
<b>A. TOTAL ASSETS</b>		<b>73 033,18</b>	<b>65 996,91</b>	<b>7 036,27</b>	<b>10 553,07</b>
1.	Total long-term intangible fixed assets	–	–	–	–
	Research and development	–	–	–	–
	Software	–	–	–	–
	Valuable rights	–	–	–	–
	Other intangible fixed assets	–	–	–	–
	Procured intangible fixed assets	–	–	–	–
	Advance payments for intangible fixed assets	–	–	–	–
2.	Total long-term tangible fixed assets	73 033,18	65 996,91	7 036,27	10 553,07
	Land	–	–	–	–
	Works of art and art collection	–	–	–	–
	Buildings	–	–	–	–
	Machinery, tools and equipments	14 076,27	7 040,00	7 036,27	10 556,27
	Rolling stock	58 956,91	58 956,91	–	-3,20
	Perennial corps	–	–	–	–
	Breeding & draught animals	–	–	–	–
	Small tangible fixed assets	–	–	–	–
	Other tangible fixed assets	–	–	–	–
	Procured tangible fixed assets	–	–	–	–
	Advance payments for tangible fixed assets	–	–	–	–
3.	Financial investments	–	–	–	–
	Shares ownership inter. with contr. influence in enterprises	–	–	–	–
	Shares ownership inter. with signific. influence over enterprises	–	–	–	–
	Debt securities held to maturity	–	–	–	–
	Intercompany loans	–	–	–	–
	Other long-term financial investments	–	–	–	–
	Procured financial investments	–	–	–	–
Advance payments for financial investments	–	–	–	–	

<b>B. CURRENT ASSETS</b>		<b>878 317,65</b>	<b>–</b>	<b>878 317,65</b>	<b>768 390,13</b>
1.	Inventory	12719,3	–	12719,3	- 495,87
	Materials		–	–	–
	Work-in-progress & semi-final products	–	–	–	–
	Finished products	–	–	–	–
	Animals	–	–	–	–
	Merchandise	6 622,8	–	6 622,8	6 732,8
	Advance payments for inventory	6 096,50		6 096,50	-7228,67
2.	Long-term receivables	3 252,41		3 252,41	10 019,82
	Trade receivables	–	–	–	925,14
	Other receivables	3023,88	–	3023,88	3 363,40
	Receivables from partners in association	–	–	–	–
	Other receivables	5 731,28	–	–	5 731,28
3.	Short-term receivables	1 186,69	–	1 186,69	- 3 804,01
	Trade receivables	–	–	–	–
	Other receivables	–	–	–	–
	Social security	–	–	–	- 4 862,22
	Tax receivables	1186,69	–	1186,69	1 058,21
	Grants and other clearing with national budget	–	–	–	–
	Receivables from partners in association	–	–	–	–
	Connecting account for association	–	–	–	–
	Other receivables	–	–	–	–
4.	Financial assets	861 159,25	–	861 159,25	762 670,19
	Cash	143 388,06	–	143 388,06	99 257,10
	Bank accounts	717 771,19	–	717 771,19	663 413,09
	Long-term bank accounts (over 1 year)	–	–	–	–
	Short-term financial assets	–	–	–	–
	Advance payments for financial assets	–	–	–	–
<b>C. TEMPORARY ACCOUNTS OF ASSETS</b>		<b>7 160,4</b>	<b>–</b>	<b>7 160,4</b>	<b>13 931,69</b>
1.	Deferred expenses	7 160,4	–	7 160,4	13 931,69
	Accrued revenues	–	–	–	–
<b>TOTAL ASSETS</b>		<b>958 511,23</b>	<b>65 996,91</b>	<b>892 514,32</b>	<b>792 874,89</b>

<b>LIABILITIES</b>		<b>31-12-2017</b>	<b>31-12-2016</b>
<b>A. OWN COVERING SOURCES OF FIXED AND NONFIXED ASSETS</b>		<b>462 688,47</b>	<b>465 785,44</b>
1.	Equity and monetary funds	—	—
	Registered capital	—	—
	Monetary funds	—	—
	Renewal fund	—	—
	Gains or losses from revaluation	—	—
	Gains or losses from investments	—	—
2.	Funds from profit	190 128,74	190 128,74
	Legal reserve funds	—	—
	Funds from profit	—	—
	Other funds	190 128,74	190 128,74
3.	Retained earnings and losses from previous year	275 656,70	254 021,30
4.	Profit or loss from current accounting period	-3 096,97	21 635,40
<b>B. EXTERNAL LIABILITIES</b>		<b>427 724,70</b>	<b>327 089,45</b>
1.	<b>RESERVES</b>	<b>21 359,37</b>	<b>28 133,74</b>
	Legal reserves	—	—
	Other reserves	—	—
	Short-term reserves	21 359,37	28 133,74
2.	<b>LONG-TERM PAYABLES</b>	<b>1 546,22</b>	<b>1 424,53</b>
	Payables to social fund	1 546,22	1 424,53
	Emitted bonds	—	—
	Rental payables	—	—
	Long-term advance payments	—	—
	Long-term non-invoiced supply	—	—
	Long-term bills of exchange	—	—
	Other long-term payables	—	—
3.	<b>SHORT-TERM PAYABLES</b>	<b>404 819,11</b>	<b>297 531,18</b>
	Trade payables	8 264,78	52 328,65
	Payables to employees	43 765,57	6 875,76
	Due to and from social security and health insurance inst.	—	—
	Tax payables	—	—
	Payables to the state budget or to the budget of local self-government	337 556,08	238 326,77
	Liabilities for unpaid subscribed securities and contributions	—	—
	Payables to participants in association	5 800,00	—
	Connecting account for association	—	—
	Other payables	9 432,68	—
4.	<b>BANK LOANS AND ASSISTANCE</b>	<b>—</b>	<b>—</b>
	Long-term bank loans	—	—
	Current bank loans	—	—
	Short-term financial assistance	—	—
<b>C. TEMPORARY ACCOUNTS OF LIABILITIES</b>		<b>2 101,15</b>	
	Long-term bank loans	2 101,15	
	Current bank loans		
<b>TOTAL LIABILITIES</b>		<b>892 514,32</b>	<b>792 874,89</b>



EXPENSES	Activity			31-12-2016
	Non-taxable principal	Taxable entrepreneurial	Total	
Consumed raw materials	4 665,97	—	4 665,97	556,92
Energy consumption	—	—	—	—
Merchandise sold	—	—	—	—
Repair and maintenance	—	—	—	—
Travel expenses	15 787,98	—	15 787,98	1 754,53
Entertainment expenses	211,73	—	211,73	164,93
Other services	70 938,08	—	70 938,08	94 543,79
Wages and salaries	27 423,80	—	27 423,80	68 546,64
Legal social insurance	—	—	—	—
Other social insurance	—	—	—	—
Legal social expenses	572,50	—	572,50	1 120,00
Other social expenses	—	—	—	—
Road tax	—	—	—	—
Real estate tax	—	—	—	—
Other taxes and fees	21,00	—	21,00	513,38
Contractual fines and penalties	—	—	—	—
Other fines and penalties	—	—	—	—
Write-off of receivables	—	—	—	—
Interest	0,07	—	0,07	2,02
Exchange rate losses	44 938,44	—	44 938,44	5 713,15
Gifts	110,00	—	110,00	108,80
Special expenses	6 591,43	—	6 591,43	5 211,05
Shortages and damages	—	—	—	3 062,05
Other expenses	1 523 662,55	—	1 523 662,55	1 177 712,31
Amortization and depreciation	3 520,00	—	3 520,00	6 630,37
Carrying value of intangible ass. and property sold	—	—	—	—
Securities and ownerships sold	—	—	—	—
Material sold	—	—	—	—
Expenses on long-term financial assets	—	—	—	—
Creation of legal reserves	—	—	—	—
Expenses on revaluation of securities	—	—	—	—
Creation and uses of adjustments	—	—	—	—
Contributions advance payed to organizational unit	—	—	—	9 354,02
Contributions advance payed to other accoun. entities	—	—	—	—
Contributions advance payed to physical entities	—	—	—	—
Contributions paid from tax assignation	—	—	—	—
Contributions advance payed from public collection	—	—	—	—
<b>TOTAL EXPENSES</b>	<b>1 698 443,55</b>	<b>—</b>	<b>1 698 443,55</b>	<b>1 374 993,96</b>

REVENUES	Activity			31-12-2016
	Non-taxable principal	Taxable entrepreneurial	Total	
Revenue from own products	—	—	—	—
Revenue from services	—	—	—	672,00
Revenue from merchandise	—	—	—	—
Change in work progress	—	—	—	—
Change in semi-finished products	—	—	—	—
Change in finished products	—	—	—	—
Change in animals	—	—	—	—
Materials and merchandise capitalized	—	—	—	—
Internal services capitalized	—	—	—	—
Intangible assets capitalized	—	—	—	—
Property, plant and equipment capitalized	—	—	—	—
Contractual fines and penalties	—	—	—	—
Other fines and penalties	—	—	—	—
Income from written-off receivables	—	—	—	—
Interest	—	—	—	213,78
Exchange rate gains	12 486,72	—	12 486,72	26 804,10
Gifts	—	—	—	—
Special revenues	3,20	—	3,20	—
Legal fees	—	—	—	—
Other revenues	11 213,96	—	11 213,96	5 434,77
Revenues from sale of intangible ass. and property	—	—	—	—
Income from non/current financial investments	—	—	—	—
Revenues from sale of securities and shares	—	—	—	—
Revenues from material sold	—	—	—	—
Income from current financial assets	—	—	—	—
Use or reversal of legal reserves	—	—	—	—
Revenues from sale of securities and shares	—	—	—	—
Rental revenues	—	—	—	—
Contributions received from organizational unit	—	—	—	—
Contributions received from other organizations	1 231 304,84	—	1 231 304,84	925 767,75
Contributions received from physical entities	355 427,40	—	355 427,40	373 040,36
Members contributions received	—	—	—	—
Contributions from tax paid	23 236,26	—	23 236,26	356,64
Contributions from public collection	61 674,2	—	61 674,2	64 339,96
Subsidies	—	—	—	—
<b>Total account class 6</b>	<b>1 695 346,58</b>	<b>—</b>	<b>1 695 346,58</b>	<b>1 396 629,36</b>
<b>Pretax profit and loss</b>	<b>-3 096,97</b>	<b>—</b>	<b>-3 096,97</b>	<b>21 635,40</b>
Income tax	—	—	—	—
Additional income tax	—	—	—	—
<b>Profit and loss after taxation</b>	<b>-3 096,97</b>	<b>—</b>	<b>-3 096,97</b>	<b>21 635,40</b>

# NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

as of 31 December 2017

All data and information stated in these notes are based on the book-keeping and follow the accounting statements. The value data are listed in whole euros (if not stated otherwise). The numbers behind an item in the brackets or in the columns are references to a line or a column of respective statement (Balance Sheet or Income Statement).

## I. I. GENERAL INFORMATION:

### 1. Basic company data

<b>Business name and registered office</b>	MAGNA (hereinafter referred to as MAGNA or civic association) Štefanikova 19, 811 05 Bratislava
<b>Date of establishment</b>	11. 5. 2001
<b>Association objectives</b>	<p>The civic association Magna is a non-profit organization of which mission is to help people in crisis areas worldwide, to implement humanitarian and development projects to help the most vulnerable groups of population, children, women and ill people that are marginalized due to non-functioning social system, wars, epidemics, poverty and the society itself. The projects of Magna Children at Risk are focused, mainly, on provision of healthcare (HIV/AIDS, TBC), on supporting education and communities.</p> <p>Areas of action:</p> <ul style="list-style-type: none"><li>- assistance to people in crisis areas worldwide that are at risk of poverty, war, epidemic or natural disaster</li><li>- implementation of humanitarian projects</li><li>- dealing with long-term development projects with focus on medical and social care for children in need</li><li>- creation of documentary films</li><li>- provision of education and publication activities</li><li>- organization of exhibitions of documentary and social photography</li><li>- organization of an information and education campaign in Slovakia</li><li>- uniting persons who are not indifferent to the fate of people in developing countries, and raising awareness about problems of these countries</li><li>- spreading ideas of humanism and tolerance worldwide</li></ul>

### Employees

	<b>Current accounting period</b>	<b>Preceding accounting period</b>
Average recalculated number of employees	46	45
of which are managers	4	4
Number of volunteers delegated by accounting entity	0	0
Number of volunteers that performed voluntary activity for accounting entity during accounting period	5	4

### Legal reason for the preparation of the Financial Statements

The Financial Statements are ordinary individual financial statements for the civic association Magna. They have been prepared for the accounting period from 1 January to 31 December 2017, according to the Slovak laws, namely the Act on accounting and accounting procedures for accounting entities that are not established for purpose of business.

### Approval of the Financial Statements for 2016

The Financial Statements of the civic association Magna for 2016 were approved by the Board of Directors on 31 December 2017.

## Members of the company's bodies

Body	Function	Meno
Board of Directors	President and managing director	Martin Bandžák
	Vice-president and director for development and humanitarian projects	Denisa Augustinová
	Member of the Board of Directors	Andrea Lafosse
Supervisory Board	Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board	Jozef Barta Juraj Vaculik MUDr. Júlia Horáková PhD.

## II. ACCOUNTING PRINCIPLES AND METHODS APPLIED

- MAGNA applies accounting principles and methods pursuant to the Act on accounting and accounting procedures for accounting entities that are not established for purpose of business and that are valid in the Slovak Republic. The book-keeping is performed in the monetary units of the Slovak currency, i. e. in euros.
- The Financial Statements for 2017 were prepared using the going concern assumption that the company will continue in its activity for the foreseeable future.
- Income and expenses are presented in accordance with the matching principle in terms of substance and time. All expenses and income related to the accounting period, regardless of their payment date, are taken for basis.
- Assets and liabilities are valued according to the principle of prudence, i. e. all risks, losses and impairments related to the assets and liabilities and known as of the day of preparation of the Financial Statements are taken for basis.
- Moment of recording revenues – revenues are recorded at the moment of receipt of financial means from gifts, grants and subsidies, as these allowances are considered as non-refundable and the period for using these financial means is not defined.
- Non-current and current receivables, liabilities, loans and borrowings – receivables and liabilities are presented in the Balance Sheet as non-current or current depending on their residual maturity as of the date of preparation of the Financial Statements. The part of a non-current receivable and the part of a non-current liability of which term of maturity is not more than one year from the date of preparation of the Financial Statements are presented as a current receivable or a current liability in the Balance Sheet.
- Use of estimates – preparation of the Financial Statements requires that the company management makes estimates and forecasts that affect the reported amounts of assets and liabilities, specification of possible future assets and liabilities as of date of preparation of the Financial Statements, as well as the reported amount of income and expenses over the course of the year.
- Method of measurement of individual items of assets and liabilities – initial measurement  
Pri obstaraní majetku sa uplatňuje princíp obstarávacích cien (t. j. historických cien). Ocenenie jednotlivých položiek majetku a záväzkov je takéto:
  - Non-current intangible and tangible assets acquired by purchase – at the acquisition cost. Acquisition cost is the price at which assets have been acquired plus costs related to their acquisition (transport and customs duty).
  - Inventory acquired by purchase:  
Purchased material – at the acquisition cost. In case of decrease of the same kind of inventory, the method FIFO is applied.
  - Receivables:  
at the time of their creation or free acquisition – at the nominal value,  
in case of acquisition (assignment) for valuable consideration or acquisition via a contribution to share capital – at the acquisition cost.
  - Accrual on the asset side of the Balance Sheet – at expected nominal value.
  - Liabilities:  
at the time of their creation – at the nominal value,  
at the time of assumption – at the acquisition cost.
  - Provisions – at the expected amount of the liability or by actuarial methods.
  - Income tax due – according to the Slovak Income Tax Act income taxes due are determined from accounting profit at a rate of 22 % after adjustments by certain items for tax purposes.
  - Accruals/deferrals on liabilities and equity side of the Balance Sheet – at expected nominal value
- Method of measurement of individual items of assets and liabilities – subsequent measurement
  - Expected risks, losses and impairments related to the assets and liabilities are expressed by provisions, value adjustments and amortization.

## Amortization plan

Amortization of non-current tangible assets is performed according to the amortization plan that was set with a view to the estimation of real economic lives. Amortization of the assets is performed during expected period of use corresponding to the consumption of future economic benefits from the assets. Accounting amortization is equal. Amortization commences in the month following the month the asset was put into use.

Average lives according to the amortization plan are as follows:

Assets type	Life	Annual rate of amortization
Machinery and equipment	4 years	25.0 %
Machinery and equipment (low-value assets)	3 years	33.3 %

Tax amortization is applied according to the rates laid down in the Income Tax Act for straight-line amortization.

## Translation of foreign currencies to the Slovak currency

Assets and liabilities denominated in the foreign currency are translated to euro by the reference exchange rate determined and declared by the European Central Bank (ECB) or National Bank of Slovakia as of the date preceding the date of accounting transaction and as of the date of preparation of the Financial Statements. Advance payments made and advance payments received in the foreign currency are not translated as of the date of preparation of the Financial Statements. The exchange rate used for the purchase or sale of foreign currency for the currency Euro and for the transfer of financial means from the account in the foreign account on the account in euros and from the account in euros on the account in the foreign currency was the exchange rate for which these values were purchased or sold. If the foreign currency is sold or purchased for other exchange rate than exchange rate that a commercial bank offers in its exchange rate list, the exchange rate will be used that the commercial bank offers in its exchange rate list on the day of transaction. If the purchase or sale is not realized at a commercial bank, the reference exchange rate determined and declared by the ECB on the day preceding the day of transaction.

## Other principles and methods

### Retained earnings and equity

Retained earnings are cumulative profits and losses from current and previous years. They include:

- decommitted funds that are unused donation financial means without determination of use that can be drawn under consideration of administrators of Magna in order to realize social mission of Magna.
- other retained earnings and shares that are the capital of the foundation and exchange rate adjustment resulting from translation of Financial Statements of subjects to euros. Unexpended committed funds/limited financial means are not included into retained earnings from previous years, but they are considered as deferred income.

### Income

Income of Magna includes public voluntary contributions and contributions of public institutions as well as income from other activities. Private income consists in gifts from persons and private organizations (companies, funds and foundations and other non-profit organizations). Public institutional income includes grants (i. e. contributions on the basis of contracts for particular projects), subsidies and gifts received directly or with guarantee of public institutions such as governments or agencies. Income from other activities comes, especially, from business or financial transactions.

### Income commitment

Income is considered as committed only in the case of commitment determined by donator. All third parties are considered as donators that contribute to the resources of Magna. Commitment determined by donator is determination and limitation of using paid assets or financial gifts. Commitment may relate to purpose (country, programme or activity), time or other specific wishes (e. g. medicines). The means received as „emergency“ are considered as committed, if the case of need is expressly determined by donator or may be deduced from circumstances, in other cases such means are considered as non-committed. Gifts with commitment determined by donator are reported as committed in their total amount. Unused committed gifts are transferred into next periods as deferred income. Grants are reported as committed income up to the amount of eligible expenses incurred in current year.

### Gifts

Gifts are based on non-reciprocal transfer of finances or other assets or reversion of liabilities. They are considered as income at the moment of their receipt.

## Grants

Grants are accounted as income up to the amount of eligible expenses incurred in the current year. At the end of the year, the difference between received cash and the amount of expenses incurred is reported as receivables from gifts or deferred income.

## Non-monetary inputs

Non-monetary inputs are not recorded in the income statement. Act of voluntary work in the humanitarian projects of Magna is not recorded in the books. This contribution is one of basic statutes and principles of Magna.

## Expenses

Costs are allocated under method of total costs. The principle of the method of total costs consists in the fact that direct costs that are directly connected with category (direct eligible costs) as well as a proportion of indirect costs (overhead costs) are included within a single category of costs. Therefore, all categories of costs include salaries, direct costs and a part of overhead costs (e. g. wage costs, administration costs).

## Financial risk management

### Interest risk

MAGNA has no long-term loans.

### Credit risk

MAGNA prefers safety of cash and cash equivalents. Receivables are mostly from cooperating subjects and individuals where the credit risk is low. Other cases are not of material nature or are covered by provisions. Investments are allowed only into liquid securities and only at subjects with a high credit rating. At the end of the year, no significant concentration of credit risk occurred.

### Liquidity risk

With regard to the nature of financing Magna, along with its policy of provisions, the liquidity risk is negligible.

## III. DATA ON THE ASSET SIDE OF THE BALANCE SHEET

### Non-current intangible assets and property, plant and equipment (lines 002 and 009 of the Balance Sheet)

Movements of non-current tangible assets on accounts, accumulated depreciations, value adjustments and carrying value.

31 December 2017

	Individual movable assets and sets of movable assets	Low-value assets and other property, plant and equipment	Total
<b>Acquisition cost/conversion cost</b> - opening balance	82 404,27		82 404,27
Increases	3 078,24	3 078,24	3 078,24
Transfers	12 452,53	12 452,53	12 452,53
Closing balance	73 033,18		73 033,18
<b>Accumulated depreciation</b> - opening balance	71 851,20		71 851,2
Increases	—		—
Closing balance	65 996,91		65 996,91
<b>Carrying value</b> - opening balance	10 553,07		10 553,07
Closing balance	7 036,27		7 036,27

31 December 2016

	Individual movable assets and sets of movable assets	Low-value assets and other property, plant and equipment	Total
<b>Acquisition cost/conversion cost</b> - opening balance	84 938,82		84 938,82
Increases	14 076,27	14 076,27	14 076,27
Transfers	16 610,82	16 610,82	16 610,82
Closing balance	82 404,27		82 404,27
<b>Accumulated depreciation</b> - opening balance	81 831,65		81 831,65
Increases			—
Closing balance	71 851,2		71 851,20
<b>Carrying value</b> - opening balance	3 107,17		3 107,17
Closing balance	10 553,07		10 553,07

## Inventory (line 030 of the Balance Sheet)

Prehľad o pohybu zásob podľa jednotlivých súvahových položiek

Item	Balance as of 1 January 2017	Increases	Decreases	Transfers	Balance as of 31 December 2017
Materials	–	–	–	–	–
Works in progress	–	–	–	–	–
Finished goods	–	–	–	–	–
Animals	–	–	–	–	–
Merchandise	6 732,8	–	110,00	–	6 622,8
Advance payments made	- 7 228,67	21 314,27	–	–	28 542,94
<b>Total</b>	<b>- 495,87</b>	<b>21 314,27</b>	<b>110,00</b>	<b>–</b>	<b>- 21 920,14</b>

On the basis of reconciliation procedure as of 31 December 2017, the civic association identified the material inventory of medicines, medical supplies, devices and nutritional food in its missions abroad with acquisition costs of EUR 0. All material inventory of medicines, medical supplies, devices and nutritional food was bought and directly consumed. In addition, the inventory contains only books that the civic association sells in order to realize the education activity and to gain financial resources for support of other activities. 10 copies of books were donated in 2017

## Receivables (lines 037 and 042 of the Balance Sheet)

Division of receivables in total, including the group:

31 december 2017

Category of receivables	Due	Overdue					Total
		< 30 days	< 90 days	< 180 days	< 360 days	> 360 days	
Non-current (line 037)	3 252,41	–	–	–	–	–	–
Current (line 042)	1 186,61			–	–	1 186,61	1 186,61

31 december 2016

Category of receivables	Due	Overdue					Total
		< 30 days	< 90 days	< 180 days	< 360 days	> 360 days	
Non-current (line 037)	10 019,82	–	–	–	–	–	10 019,82
Current (line 042)	1 058,21	–		–	–	1 058,21	1 058,21

Receivables according to remaining maturity

	Balance at the end of current accounting period	Balance at the end of preceding accounting period
Receivables due	0	0
Receivables overdue	1 186,61	1 058,21
<b>Total receivables</b>	<b>1 186,61</b>	<b>1 058,21</b>

## Financial accounts (line 051 of the Balance Sheet)

The company has financial assets in the structure:

Current financial assets	Balance at the end of current accounting period	Balance at the end of preceding accounting period
Cash on hand	143 388,06	99 257,10
Stamps and vouchers	0	0,00
Current bank accounts	717 771,19	663 413,09
Bank accounts with notice period exceeding one year	–	–
Cash in transit	–	–
<b>Total</b>	<b>861 159,25</b>	<b>762 670,19</b>

On the basis of reconciliation procedure as of 31 December 2017, the civic association identified the financial means in cash and financial means on the current bank accounts in its missions abroad in the total amount of EUR 861 159,25.

## Accruals/deferrals (line 057 of the Balance Sheet)

Item	31. december 2017	31. december 2016
Prepaid expenses	7 160,4	13 931,69
domains	7 160,4	3 757,57
materials	—	—
medical services and renting in missions		10 174,12
social costs		
other costs		
office rent		
Accrued income		
Advertising		
<b>TOTAL</b>	<b>7 160,4</b>	<b>13 931,69</b>

On the basis of reconciliation procedure as of 31 December 2017, the civic association identified accruals/deferrals in its missions abroad in the total amount of EUR 7 160,4 EUR.

## IV. Data on liabilities and equity side of the balance sheet

### Own resources of the assets coverage (line 061 of the Balance Sheet)

Equity of the civic association as of 31 December 2017 consists of profit or loss for current and preceding accounting periods. Profit or loss (loss) was recorded in the full amount of EUR 21 635,4 as an unsettled profit or loss from previous years on the basis of the decision of the Board of Directors on division of profit or loss for 2016.

### INFORMATION ON THE MOVEMENTS OF EQUITY

31 december 2017

Item	Stav k 1. 1. 2017	Prirastky	Úbytky	Presuny	Stav k 31. 12. 2017
<b>Equity and funds</b>					
Share capital					
Fonds created according to special regulation					
Reproduction fund					
Differences from revaluation of assets and liabilities					
Investment revaluation reserve					
<b>Funds created from profit</b>					
Reserve fund					
Funds created from profit					
Other funds	190 128,74				190 128,74
Unsettled profit or loss from previous years	254 021,30	21 635,40			275 656,70
Profit or loss for accounting period					- 3 096,97
<b>Total</b>	<b>444 150,04</b>	<b>21 635,40</b>			<b>462 685,27</b>

Distribution of the accounting profit or loss settlement for 2016

Item	Bezprostredne predchádzajúce účtovné obdobie
Accounting profit/loss	21 635,40
<b>Distribution of accounting profit</b>	
Contribution to share capital	
Contribution to fund created according to special regulation	
Contribution to reproduction fund	
Contribution to reserve fund	
Contribution to fund created from profit	
Contribution to other funds	
Settlement of losses of previous years	
Transfer to social fund	
Transfer to unsettled profit or loss from previous years	21 635,40
<b>Other</b>	



## Provisions (line 075 of the Balance Sheet)

Short-term provisions (line 078 of the Balance Sheet)

31 december 2017

Provision nature	Balance as of 1 January 2017	Creation	Use	Reversal	Balance as of 31 December 2017
<b>Short-term provisions</b>					
Legal short-term provisions (line 078)	28 133,74				21 359,87
Provision for accumulated leave	566,54				566,54
Provision for audit of financial statements	27 567,20				20 793,33
<b>TOTAL</b>	<b>28 133,74</b>				<b>21 359,87</b>

31 December 2016

Provision nature	Balance as of 1 January 2016	Creation	Use	Reversal	Balance as of 31 December 2016
<b>Short-term provisions</b>					
Legal short-term provisions (line 078)	25 286,54				28 133,74
Provision for accumulated leave	566,54				566,54
Provision for audit of financial statements	24 720,00	2 847,2			27 567,2
<b>TOTAL</b>	<b>25 286,54</b>	<b>2 847,2</b>			<b>28 133,74</b>

## Liabilities (lines 079 and 87 of the Balance Sheet)

Amount of the provisions due and overdue including the group:

31 december 2017

Item	Maturity			Total
	within maturity	to 360 days after maturity	over 360 days after maturity	
Trade liabilities (line 88)		8 264,78	–	8 264,78
Liabilities to employees (line 89)	43 765,57	–	–	43 765,57
Liabilities to social and health insurance company (line 90)	–	–	–	–
Members of association liabilities (line 94)	5 800	–	–	5 800
Government liabilities (line 91)		–	–	337 556,08
<b>Total as of 31 December 2017</b>	<b>381 121,65</b>	<b>8 264,78</b>	<b>–</b>	<b>395 386,43</b>

31 december 2016

Item	Maturity			Total
	within maturity	to 360 days after maturity	over 360 days after maturity	
Trade liabilities (line 88)	41 055,56	11 273,09	–	52 328,65
Liabilities to employees (line 89)	6 875,76	–	–	6 875,65
Liabilities to social and health insurance company (line 90)	–	–	–	–
Members of association liabilities (line 94)	–	–	–	–
Government liabilities (line 91)	238 326,77	–	–	238 326,77
<b>Total as of 31 December 2016</b>	<b>286 258,09</b>	<b>11 273,09</b>	<b>–</b>	<b>297 531,18</b>

## Liabilities according to maturity

Item	Total as of 31 December 2017	Total as of 31 December 2016
<b>Current liabilities:</b>		
Liabilities overdue		
Liabilities due within 1 year	370 179,67	297 531,18
<b>Total current liabilities</b>		<b>297 531,18</b>
<b>Non-current liabilities:</b>		
Liabilities due within 1-5 years		
Liabilities due over 5 years	1 546,22	1 424,53
<b>Total non-current liabilities</b>		<b>1 424,53</b>

**Accruals/deferrals (line 101 of the Balance Sheet)**

Item	31 december 2017	31 december 2016
Deferred income – short-term	–	–
Received special-purpose grant from other organization	–	–
Deferred revenues – short-term out of it:	2 101,15	–
Services related to renting for 2016/01		–
<b>Total</b>	<b>2 101,15</b>	<b>0,00</b>

**V. INCOME (MAIN ACTIVITY)**

Revenues from the sale of merchandise, own products and services (lines 39, 40 and 41 of the Income Statement):

Territory	2017		2016	
	EUR	%	EUR	%
Slovakia		100	672,00	100
Abroad in total		–	–	–
<b>Total sale</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

Revenue from own work and merchandise according to types of products and services:

Product/merchandise/service	2017		2016	
	EUR	%	EUR	%
Services connected with project and mission management	–	–	–	–
Book “Lost Lives”		–	–	–
<b>Total sale</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

Income from received contributions (lines 67 to 72 of the Income Statement)

Income from received contributions and other income:

	2017		2016	
	in whole EUR	%	in whole EUR	%
<b>Received contributions</b>				
Contributions received from other organizations	1 231 304,84	73,66	925 767,75	67,89
Contributions received from natural persons	355 427,4	21,26	373 040,36	27,36
Contributions received from share of tax paid (2 %)	23 236,26	1,4	356,64	0,0002
Contributions received from public collections	61 674,2	3,68	64 339,96	4,72
<b>Total contributions received</b>	<b>1 671 642,7</b>	<b>100,0</b>	<b>1 363 504,71</b>	<b>100,00</b>
<b>Other income</b>	<b>11 213,96</b>	<b>100</b>	<b>5 435,00</b>	<b>100,00</b>
Other income (release of liability)	–	–	–	–
Other income (rounding off)	–	–	–	–
<b>Total other income</b>	<b>11 213,96</b>	<b>100</b>	<b>5 435,00</b>	<b>100,00</b>

Received contributions are contributions received from other organizations, natural persons and the contributions from share of tax paid or claim for contributions from legal and natural persons. All received contributions were of financial nature.

Financial income (lines 53 and 54 of the Income Statement)

Item	2017	2017
Interest income		213,78
from deposits on current account		213,78
Exchange rate gains	12 486,72	26 804,10
realized	12 486,72	26 804,10

## VI. EXPENSES (MAIN ACTIVITY)

### Main activity

Item	2017	2016
Consumed raw materials		556,92
Energy consumption		
Repairs and maintenance		
Travel cost	15 787,98	1 754,53
Entertainment expenses	211,73	164,93
Other services	70 938,08	94 543,79
Rent and services connected	6 814,00	7 828,28
Fundraising, PR and communication	28 540,00	20 890,91
Legal and accounting services		3 302,80
Communication equipment (Tel/Radio/Fax/Modem) and communication & posted costs	5 930,00	1 089,71
Medical studies, advisory services and expenses for experts	29 654,08	32 769,00
Contributions to partner organizations		9 354,02
Contributions provided to other accounting entities		

Individual types of expenses for	
Audit of the Financial Statements	9 500,00
Assurance audit services except for audit of the Financial Statements	
Related audit services	
Tax consulting	
Other non-audit services	
<b>Total</b>	<b>9 500,00</b>

Information on purpose and amount of used share of tax paid for current accounting period

Purpose for use of a share of tax paid	Amount used from preceding accounting period	Amount used from current accounting period
Development and humanitarian project focused on medical and social care	14 550,64	51 507,00
<b>Closing balance of a share of tax paid from current accounting period</b>	<b>0,00</b>	<b>0,00</b>

### Other expenses from main activity

Item	2017	2016
Personnel expenses		
Wages and salaries	27 423,80	68 546,64
Legal social and health insurance		
Legal social cost	575,50	1 120,00
Other taxes and fees	21,00	513,38
Contractual fines and penalties		
Other fines and penalties		
Gifts	110,00	108,80
Other expenses	1 523 662,55	1 177 712,31
Amortization and value adjustments to non-current intangible assets and depreciation and value adjustments to property, plant and equipment:	3 520,00	6 630,37
property, plant and equipment:		
depreciation		6 630,37
value adjustment	—	—

## Financial expenses

Item	2017	2016
Interest expense		2,02
Exchange rate losses		5 713,15
realized	—	—

## VII. INCOME TAX

The rate of the tax income for 2017 is 21%. The civic association had no tax reliefs.

### Reconciliation of the income tax

Item	2017	2016
Current income tax (line 76)	0,00	4,92
<b>Total income tax</b>	<b>0,00</b>	<b>4,92</b>

	2017			2016		
	Tax base	Tax	Tax in %	Tax base	Tax	Tax in %
Profit or loss before tax	- 3 096,97			21635,4		
out of it:						
theoretical tax		0	21		4 760,00	22
Tax non-deductible expenses			21	1 374 993,96	302 498,67	22
Income not subject to tax			21	- 1 396 629,36	- 307 258,46	22
Tax losses claimed during the period	—	—	—	—	—	—
<b>Total</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>0,00</b>	<b>0,00</b>	<b>22</b>
Current income tax		0	21		0	22
Additional income tax payment		—	21		—	22
<b>Total income tax</b>		<b>0</b>	<b>21</b>			<b>22</b>

MAGNA is obliged to make tax return, only if it performs business activity. It did not perform any business activity in 2017, and the income from which the income tax was deducted is only the interest from deposit on current accounts.

## VIII. OVERVIEW OF OFF-BALANCE SHEET ITEMS

The accounting entity has no data for this item.

## IX. OTHER INFORMATION

Description and value of other assets which are understood as possible assets that was created due to past events and of which existence or ownership depends on the fact, if one or more uncertain events occur in the future of which occurrence does not depend on the accounting entity; other assets are e. g. rights arising from service agreements, insurance contracts, concession agreements, licence agreements, rights arising from investment of funds acquired as a result of income tax exemption.

The accounting entity has no data for this item.

Description and value of other liabilities resulting from court ruling, guarantees issued, generally binding legislation, guarantees according to individual types of guarantee; such other liabilities are:

- a) possible obligation that occurred as a result of a past event and of which existence depends on the fact, if one or more uncertain events occur in the future of which occurrence does not depend on the accounting entity, or
- b) obligation that occurred as a result of a past event, but is not recorded in the Balance Sheet, as it is not expected that meeting this obligation will require decrease of economic utilities, or amount of this obligation cannot be evaluated reliably.

The accounting entity has no data for this item.

Description of significant items of other financial obligations that are not followed in the book-keeping and are not presented in the Balance Sheet: each item is specified by description, amount and information, if it relates to related party, namely:

- a) obligation from term business in foreign exchange and other financial derivatives,
- b) obligation from option business,
- c) legal obligation or contractual obligation to take certain products or services, e. g. from supplier`s or customer`s agreements,
- d) obligation from leasing, rental, service, insurance, concession, licence and similar agreements,
- e) other obligations.

The accounting entity has no data for this item.

Overview of intangible cultural monuments that are under administration or ownership of the accounting entity.

The accounting entity has no data for this item.

Information on significant facts that occurred between the day as of which the Financial Statements are prepared, and the day of their preparation.

No exceptional events occurred in the civic association after the day as of which the Financial Statements are prepared, and that could have impact on a true and fair presentation of facts subject to book-keeping.

The civic association has no other liabilities and financial obligations that are not followed in a current book-keeping and are not presented in the Balance Sheet.

**INDEPENDENT AUDITOR'S REPORT**  
**To the Shareholders, Board of Directors, Supervisory Board and Statutory authority**  
**of the unincorporated association MAGNA, o.z.**  
**Štefánikova 19, 811 05 Bratislava**

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of , **the unincorporated association MAGNA, o.z. Bratislava** (the unincorporated association) which comprises the balance sheet as at 31 December 2017, the income statement and notes including a summary of significant accounting policies.

**In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the Company as of 31 December 2017 and of its financial performance for the year then ended in accordance with Slovak Accounting Law.**

*Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the unincorporated association in accordance with Law no. 423/2015 on Statutory Audit (the "Act on statutory audits") on ethics, including an Ethical Code Auditor, relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Slovak Accounting Law and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the unincorporated 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 management either intends to liquidate the unincorporated association or to cease operations, or has no realistic alternative but to do so.

*Auditor's Responsibility for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements 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 users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, 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 control 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 unincorporated association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 unincorporated 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 auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the unincorporated association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### Report on Other Legal and Regulatory Requirements

*Report on the information referred to in the Annual Report*

Management is responsible for the information contained in the annual report prepared in accordance with the requirements of the Accounting Law.

Our opinion on the financial statements referred to above does not apply to other information in the annual report.

The audit of the financial statements it is our responsibility to become familiar with the information given in the annual report and consider whether the information is not substantively consistent with the audited financial statements and our knowledge we have gained during the audit of the financial statements, or otherwise appear to be significantly wrong.

We consider that the unincorporated association's annual report contains information that requires putting the Accounting Act. Based on the work performed during the audit of financial statements, in our opinion:

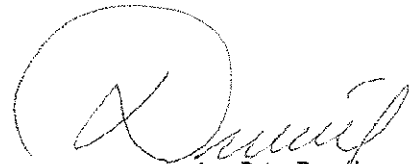
- The information given in the annual report prepared for the year 2017 are consistent with the financial statements for the year
- Annual report contains information according to the Accounting Law.

In addition, based on our knowledge of the entity and its situation, we have gained during the audit of the financial statements, we are required to state whether we have found material misstatement in the annual report, we received prior to the date of issue of the auditor's report. In this context, there are not findings which we should mention.

Bratislava, 31.12.2018



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821 02 Bratislava  
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Ing. Peter Dvorák  
Responsible auditor  
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If you have any questions, please call us or mail us and we will be happy to help.