

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL INFORMATION

Project: "COVID - 19: RED CROSS OF SERBIA RESPONSE TO ASSIST THE MOST VULNERABLE COMMUNITIES"

Beneficiary: RED CROSS OF SERBIA
Simina 19, Belgrade, Serbia
Attn: Ljubomir Miladinović, Secretary General

Opinion

On the FDFA Standard Terms of Reference, we have audited the financial information for the above-mentioned project, which comprise the financial report for the period from 08.04.2020 until 30.09.2020.

In our opinion, the accompanying financial information on project "COVID - 19: RED CROSS OF SERBIA RESPONSE TO ASSIST THE MOST VULNERABLE COMMUNITIES" for the period the period from 08.04.2020 until 30.09.2020 are prepared, in all material respects, in accordance with the accounting policies described in the notes and comply with the requirements of the FDFA Standard Terms of reference dated in 2018 version.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial information" section of our report.

We are independent of the entity in accordance with the requirements of the IESBA Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Information

Management is responsible for the preparation and fair presentation of the financial information. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibilities for the audit of the financial information

Our objectives are to obtain reasonable assurance about whether the financial information as a whole is 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 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 information.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL INFORMATION (Continued)

Auditor's responsibilities for the audit of the financial information (Continued)

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 information, 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

In Belgrade, 10 November 2020



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Miloš Mitrić
Licensed Certified Auditor
Manager

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Annex: Financial Information, Questionnaire, Management Representation of Full Disclosure