

Translation of the Hungarian report

Independent Auditor's Report

To the owners of the Hungarian Civil Liberties Union Public Benefit Association

I have conducted auditing the attached simplified annual financial statements of 2008 of the Hungarian Civil Liberties Union Public Benefit Association, which comprises the balance sheet as of 31 December 2008 – showing a balance sheet total of HUF 141 076 thousand and a result total of HUF 6 226 thousand (profit) – the related profit and loss account for the year then ended and the attachment of other explanatory notes.

The Management is responsible for the preparation and fair presentation of these simplified financial statements in accordance with the Hungarian Accounting Law and generally accepted accounting principles in Hungary. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of simplified annual financial statements that are 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.

The auditor's responsibility is to expressing an opinion on these simplified annual financial statements based on the audit.

I conducted my audit in accordance with the Hungarian National Auditing Standards and with applicable laws and regulations in Hungary. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

The conducted audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the simplified annual financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the simplified annual financial statement, whether due to fraud or error. Making those risk assessments of the simplified annual financial statement is not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.

The audit also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the simplified annual financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit clause (opinion).

I have audited the elements of and disclosures in the simplified annual financial statements, along with underlying records and supporting documentation, of the public benefit association in accordance with Hungarian National Auditing Standards and have gained sufficient and appropriate evidence that the

simplified annual financial statements have been prepared in accordance with the Hungarian Accounting Law and with generally accepted accounting principles in Hungary. In my opinion the simplified annual financial statements give a true and fair view of the equity and financial position of the Hungarian Civil Liberties Union Public Benefit Association as of 31 December 2008.

Budapest, 31 March 2009

Katalin Félix
Registered auditor
Chamber registration No.: 006134