

**GLOBAL FORUM FOR MEDIA  
DEVELOPMENT AISBL**

Auditor's report on the financial statements  
as of 31 December 2018

VRC BEDRIJFSREVISOREN – VRC REVISEURS D'ENTREPRISES – VRC REGISTERED AUDITORS

Coöperatieve vennootschap met beperkte aansprakelijkheid - Société coopérative à responsabilité limitée

Maatschappelijke zetel | Siège social | Registered address: 8820 Torhout, Lichterveldestraat 39 A

BTW | TVA | VAT BE 0462 836 191 – RPR | RPM Ger. Arr. | Arr. Jud. 0462 836 191

Vennoten | Associés | Partners: Vander Donckt Hedwig – Roobrouck Bart – Christiaens Yves – Vander Donckt Frederik –  
Van Steenberge Bart – Keunen Geert – Decoster Mireille

**AUDITOR'S REPORT TO THE BOARD OF DIRECTORS  
OF GLOBAL FORUM FOR MEDIA DEVELOPMENT AISBL  
FOR THE YEAR ENDED 31 DECEMBER 2018**

VRC Registered Auditors, represented by Geert Keunen, has been requested to perform a review of the balance sheet and income statement of Global Forum for Media Development AISBL as per December 31, 2018.

We have reviewed the accompanying balance sheet of Global Forum for Media Development AISBL as at December 31, 2018, and the income statement for the year then ended, prepared in accordance with the financial reporting framework applicable in Belgium, characterized by a balance sheet total of € 30.225,70 and a profit and loss account showing a positive result for the year of € 29.561,42.

The governing body is responsible for the preparation of the balance sheet and income statement that give a true and fair view in accordance with the financial reporting framework applicable in Belgium, and for such internal control as the governing body determines is necessary to enable the preparation of the balance sheet and income statement that are free from material misstatement, whether due to fraud or error. Our responsibility is to issue a report on the balance sheet and income statement based on our limited review.

We conducted our review in accordance with International Standards on Review Engagements ("ISREs"). A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures, such as obtaining evidence and underlying documents supporting the transactions recorded in the accounts. A review is less in scope than an audit conducted in accordance with International Standards on Auditing ("ISAs") and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We draw your attention to the balance sheet that indicates that on December 31, 2018 equity of the association is negative for an amount of € 64.567,21. This factor indicates the existence of a material uncertainty which may cast significant doubt about the association's ability to continue as a going concern. The assumption of going concern is only justified presuming that the association can continue to rely on the financial support of its partners and appeal to other sources of financing for which fundraising is in progress.

We have received following representation by the association's management to justify the use of the going concern basis for the preparation of the balance sheet and income statement:

*"We believe that GFMD is in on a good trajectory despite a nominal negative equity of EUR 65k in 2018. We have improved both our programmatic, financial, and operational capacity over the last three years, and have provided you with our action plans developed for the future of our association; these action plans set out the intentions of the governing body to continue to provide services to our member and the overall global community; and we are not aware of factors that could compromise this action plan. We are looking at a positive balance sheet in 2019 and have received a new, core funding support from the Open Society*

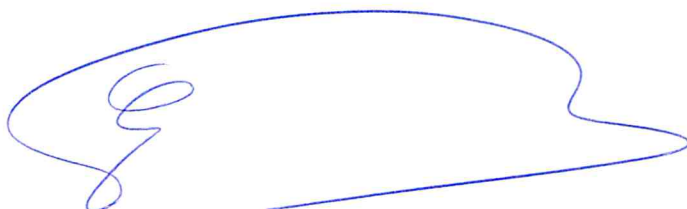
*Foundations in May 2020 for the amount of USD 100k, and continued funding from National Endowment for Democracy (NED), amounting to USD 74k for period July 2019/June 2020. We are also negotiating new projects with the ongoing funder, National Endowment for Democracy (NED), and Swiss Agency for Development Cooperation (SDC). We expect that in 2020 we will be able to successfully address remaining negative equity.”*

### *Conclusion*

Based on our review, except for the effects of the risks related to the going concern as described above, nothing has come to our attention that causes us to believe that the accompanying balance sheet and income statement as per December 31, 2018 do not give a true and fair view in accordance with financial reporting framework applicable in Belgium.

June 30, 2020

### **The Auditor**



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**VRC Réviseurs d'Entreprises SCRL**

Represented by Geert Keunen

Registered Auditor