



## *Independent auditor's report*

To: the Supervisory Board of IRC, International Water and Sanitation Centre

We have audited the accompanying financial statements 2011 of IRC, International Water and Sanitation Centre, The Hague, which comprise the balance sheet as at 31 December 2011, the income statement for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

### *Management's responsibility*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Guideline for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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*Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of IRC, International Water and Sanitation Centre as at 31 December 2011, and of its result for the year then ended in accordance with the Guideline for annual reporting 640 “Not-for-profit organisations” of the Dutch Accounting Standards Board.

Amsterdam, 22 May 2012  
PricewaterhouseCoopers Accountants N.V.

Originally signed by H.A. Wink RA MBA