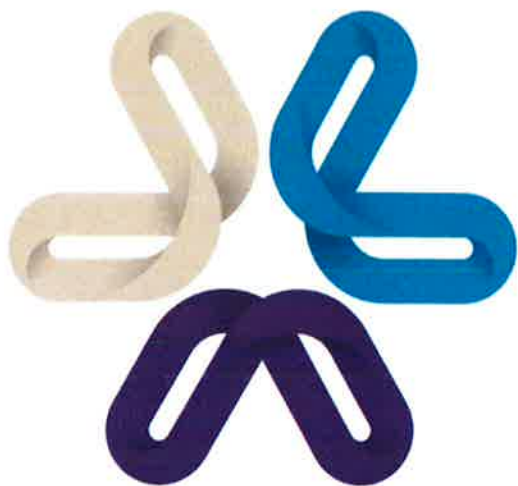


**Nadácia Habitat for Humanity  
International  
Bratislava**

**MANAGEMENT LETTER**



**Nadácia Habitat for Humanity International  
Ekin Ogutogullari, Foundation Trustee  
Valentina Petrus, Foundation Trustee**

**and concerned persons entrusted with management, who might be involved**

Bratislava, 15 May 2026

**Subject: Management Letter from the audit as of 31.12.2025**

Dear Foundation Trustees,

We would like to express our thanks to you and the employees, for the willingness and the co-operation during our audit as of 31.12.2025. Our audit was focused on the compliance with the following regulations:

- Act on Accounting No. 431/2002 Coll.
- Chart of Accounts and accounting procedures for businessmen
- Commercial Code.

This report is intended to inform the company's management and those charged with governance about:

- a) The timing and important areas of the audit,
- b) Significant findings identified during the audit, as are the opinions of the auditor on important qualitative aspects of accounting methods of the accounting entity including accounting policies, accounting estimates and publishing financial indicators and any important difficulties during the audit.

The content of this report relates to matters which came to our attention by means of random sampling. This audit is conducted primarily to express our opinion on the financial statements and is not designed to test all internal controls or identify all areas of weakness in internal controls. As a result, it is not possible to rely on our work to identify internal control violations or as a means of improving internal controls.

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The findings marked with \*) have special significance and could lead to auditor's report with qualifications.

Yours sincerely,

Your sincerely,



Ing. Ladislav Kmenta  
Statutory auditor, License No. 1129

## 1. SCOPE OF THE AUDIT AND SIGNIFICANT AUDIT

We would like to inform you that that attention of the audit was focussed primarily on the following areas:

Area	Significant audit area	Other audit area
Existence and reliability of the internal control system		
» including the level of internal regulations and their observance	●	
» Management override of controls according ISA 240	●	
» Revenue and revenue recognition	●	
» Accruals		●
» Contractual relationships, including group relationships		●
» Operating expenses		●
» Review of employee compensation and payroll costs		●

In the appendix we would like to inform you about the essential results of our audit which we have performed in the period from from 7 April 2026 to 5 May 2026.

## **2. DEFICIENCY IN INTERNAL CONTROL**

We did not identify any such deficiencies during the audit.

### 3. SIGNIFICANT DEFICIENCY IN INTERNAL CONTROL

We did not identify any such deficiencies during the audit.

## 4. UNCORRECTED FINDINGS FROM PREVIOUS YEARS

Below, we state the findings from previous periods which have remained unaddressed:

### a) Breakdown of account 384 – Deferred income into short-term and long-term portions in the financial statements

#### Finding:

The Foundation accounts for deferred income (account 384) arising from received cash contributions from various donors, which are subsequently released into revenues of the current period in line with the timing and matching principle of related expenses.

In the financial statements of non-profit accounting entities, account 384 is required to be presented split into a short-term portion – line 102 of the Balance Sheet (i.e., the portion of account 384 expected to be released into income within 1 year from the reporting date) and a long-term portion – line 103 of the Balance Sheet (i.e., the portion of account 384 expected to be released into income over a period longer than 1 year from the reporting date).

The Foundation presents the entire balance of account 384 under line 103 as long-term and discloses the following justification in the notes to the financial statements: "The Foundation is currently not able to precisely distinguish the short-term and long-term portion of account 384 – Deferred income, as it consists of a large number of projects; therefore, it has decided to present the entire balance of account 384 under line 103 of the Balance Sheet as long-term."

#### Risks:

- ❖ Presentation and accounting

#### Recommendation:

We recommend that the Foundation carry out an analysis of projects or contracts with donors that constitute the balance of account 384, in order to obtain the necessary information to ensure that account 384 is presented with a breakdown into current (short-term) and non-current (long-term) portions.

#### Management's statement:

Prepared by:  
**Ing. Ladislav Kmenta- audítor**