

PUBLIC BENEFIT STATEMENT and Annual Report

On the activities of the **CSODALÁMPA Wish Granting Foundation** in the year 2010 based upon the law 1997 CLVI. 19.§

The simplified public benefit financial statement – according to the provisions of the accounting law C/2000 - is a part of this statement.

TABLE OF CONTENTS

Introduction	2
1. THE ACTIVITIES OF THE FOUNDATION IN THE YEAR 2010	3
1.1 Our results in 2010	3
1.2. Media relations, competitions and the 1% campaign	5
2. Operating conditions in 2010	9
2.2 Grants from the state budget or local authorities	. 11
2.3. Allowances of the Directors and Members of the Supervisory Board	. 11
2.4 Simplified financial – public beneficiary - report for 2010	. 12
Appendix 1 - CSODALÁMPA Alapítvány (Wonderlamp Foundation)	. 18

Introduction

The Csodalámpa (Wonderlamp) Foundation has been founded in 2003.

Our mission is to grant one wish to any child suffering from a life-threatening illness, aged between 3 and 18 years. The Foundation fulfils the wish, dearest to the child with the help of voluntaries and sponsors.

At the start we just believed, that a sudden, positive experience can break up the sometimes yearlong bitter routine of the treatments, can give considerable extra strength to the child and parents to win against the illness.

Now well over the 1000th realised dream, children, parents and doctors confirm daily that we were right.

We hope that with your continuous support we shall be able to give happiness to more children in the following years.

There is only one thing that would make us even more happy, if we could close down our foundation, we could "blow out" our wondrous lamp, as there won't be any more children with "Csodalámpa" severity diseases around.

Budapest, May 19, 2011

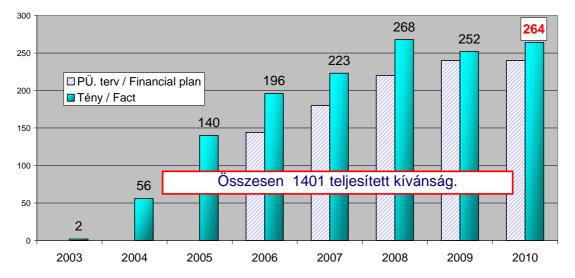
Petri Sándor Chairman of the Board Patzauer Gábor Founder, president

1. THE ACTIVITIES OF THE FOUNDATION IN THE YEAR 2010

1.1 Our results in 2010

In 2010 we have made another 264 ill children happy by fulfilling his or her wish.

Teljesített kívánságok száma 2003. - 2010.



Number of Fulfilled Wishes from 2003 to 2010

The wishes are documented – text and pictures - on our homepage from the moment we receive them until they are fulfilled. See <u>www.csodalampa.hu</u>

We fulfilled wishes received from all over the country in 2010 too, as we did in the previous years.

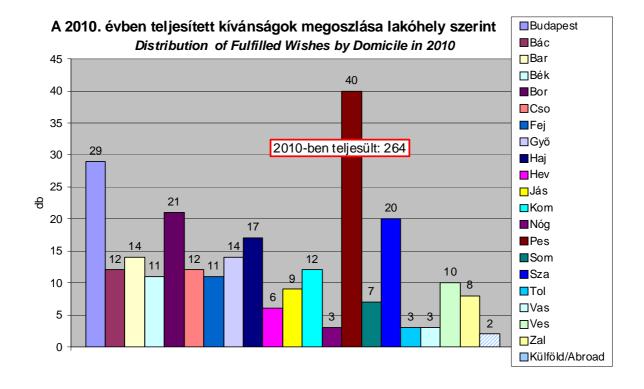
We intend to separate as much as possible the wish granting from the circumstances of the illness, so we tend to grant wishes at the home of the child, rather than at a hospital. Unfortunately there are cases when we can only deliver a present or organise a meeting with a star at the hospital, due to the medical situation of our wish-child.

In 2010 there were some wishes that could only be fulfilled abroad. There were 18 of these and they included sightseeing in Paris and London, caressing dolphins, visiting Eurodisney and watching a football game, fishing in the Danube-Delta or meeting the Discovery Chanel's world famous star "Bear" Grylls.

Some wishes could only be realised with major direct or indirect sponsorship e.g. discount prices and free tickets.

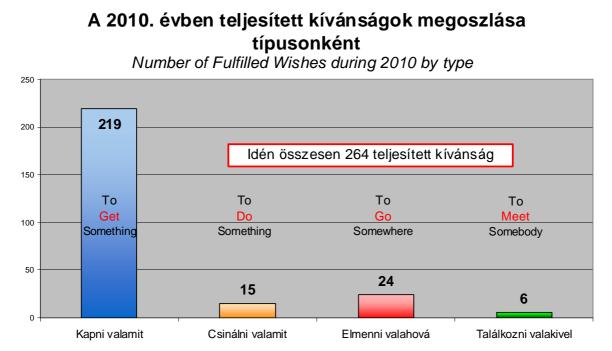
We are grateful to **MALEV Hungarian Airlines and its 101 passengers**, who gave their bonus miles to us, that was one of the biggest supports this year.

The following chart shows the distribution of fulfilled wishes by domicile. (See the detailed list of the wishes in the **Appendix**)



In 2010 most of the wishes were material items, more so than in previous years.

According to our experience, there are two reasons for this: the world of children who are receiving prolonged medical treatment is very often limited to their hospital room and the things they have in the hospital or see in TV commercials, such as toys or



games. Also, the children often wish to have something that the family can't afford to

buy but provides a connection between them and their family, such as a mobile phone or something that helps with their studies, such as a laptop which were not once requested before spending a long period in a sterile box, sometimes months at a time.

Thanks to our sponsors, this year we were able to provide 9 PCs, 72 laptops (donated by sponsors in most cases), 9 mobile phones, as well as 84 toys, bicycles, musical instruments, a saddle, books, etc.

One of the main goals of our foundation is to give hope and strength and spirit to the children and their parents with the fulfilment of an "unimaginable" wish and to open up the closed world that sick children live in day by day.

Since 2005, we are in daily contact with about 170 doctors; our volunteers have visited young patients on a weekly basis in hospitals (10 hospitals in Budapest and others in Miskolc, Debrecen, Szeged, Pécs, Szombathely, Veszprem, Zalaegerszeg and Győr), to discuss their wishes.

In lots of cases the real wishes are quite different from the ones they first thought of... We have seen many times that instead of a PC, a visit from a favourite sports star or actor would be more appreciated.

1.2. Media relations, competitions and the 1% campaign

1.2.1 Media appearances

As in the previous years, the media reported on our foundation several times and, in most cases, about some specific wish granting.

In the Media section of our homepage there are approximately **49 new links**. You can read about our foundation on the most important Internet sites and magazines, daily newspapers, financial papers, and women's magazines.

To use all the possible potentials of the social media sites we created our **Facebook** site in 2010.

The positive effect of our media appearances has been apparent in lots of cases. Many companies that we asked for help already heard about Csodalámpa. There have been numerous cases when, after mentioning the name of our foundation we got a positive response and also substantial discounts.

The variety of our media appearances is thanks to our PR advisor, Prominent Communications Kft.

As a result of the "1% campaign" our foundation was in 43rd place from those cca. 27.000 organisations that benefited from the "1% of the income taxes".

At the end of the 2009 financial year we received 21,269 million forint, which is an essential component of our budget. (April 2010 data).

This amount was donated by 2819 people. (We publish yearly a short report on our website about the use of these funds.)

We were able to use the funds for the campaign very efficiently due to our sponsors and media relations. Thanks to our sponsors, a 20 and a 30 second film that we made for the campaign was seen on 3 major TV channels, in numerous cinemas in Budapest, in the two biggest shopping centres, in post offices, a bank with offices all around the country and at some petrol stations.

As a donation we had the possibility to display our very large poster on the façade of the commercial centre Corvin in downtown Budapest.

Another successful '1% campaign' is one of our main targets for the first half of 2011.

1.2.3 Tenders or applications for public grants

We have very few possibilities for such public applications due to the fact that our model is "one wish = one project".

Our policy is to apply for grants and requests for subsidies in order to fund a certain number of wish-granting's on average costs in a certain time frame, say 2-6 months. This means that we consider the whole activity of Csodalámpa as a single project. (The only exception is the yearly application for grants for operational costs (rent, phone costs, wages, etc.) of the National Civil Fund (NCA).)

Almost all grants, tenders in Hungary specifically exclude operational costs. As a positive response to the transparency of our operation and accounting, more than one of our supporters allowed for 10-30% of operational costs in the grant's budget from Csodalámpa.

In 2010 we were successful again in our application to the National Civil Fund for a grant towards operational costs. The amount was fully utilised and accounted for.

In 2010 we won several smaller grants for fund raising with MagnetBank Zrt. and KOGART among others.

We have received important funds through a project where people were invited to give their vote for a foundation at Coke.hu site at the end of the year.

¹ In Hungary the private taxpayer is entitled to direct 1% of his/her income tax (paid in the previous year) to a civil organisation (NGO) of his choice.

1.3. International relations

In 2010 there were 18 wishes that could only be fulfilled abroad.

Wishes of this type require a lot of organisation. Most of the costs were met by our sponsors who helped us on a 'project basis'. The reports about these trips can be read on our homepage, together with reports of the other wishes. We have established a very good working relationship with **Eurodisney**. The park provides accommodation with preferential rates and free VIP tickets to the children.

The fact that the **Budapest Marriott Hotel** chose to support our foundation after 2009 for another year is evident in our international activities. They not only introduced us to their clients but they allow us to hold our 'Teatime for our sponsors' in their premises. They also help us to get discount accommodation for wishes fulfilled abroad.

This years' 'Walk a Wish', a sponsored walk was organised by the **American International School of Budapest** the autumn of 2010. The walk became really international this year as the students and teachers of the Budapest Eötvös József Gymnasium took part as well. The students donated the collected funds to the "Csodalámpa foundation" in order to fulfil wishes chosen by them.

Bank of Budapest	
Ten thousand forints	<u>10, 000 · 00 huf</u>
From Julie Clausen	
To BISB Talent Show!	fute

At the **British International School Budapest** a fund raising event was held. Also the student who won the school's talent contest donated the first prize to our foundation. We could fulfil several children's dream from this amount.

Among our supporters there are several affiliates of international companies. We are keeping in touch in regular basis with them. Their help vary from logistics to presents even to horse transportation...

1.4. Events in 2010 organised by us and for us

We organised numerous events in 2010 for fundraising and promotion

- Bringónap²: on Margaret Island the **Bringóhintó** company allowed our volunteers to run the business for one day and the total income of that day was donated towards the running costs of our foundation.

7

² See <u>www.bringohinto.hu</u>

We were able to continue to develop the Csodalámpás Könyvsarkok (Wonderlamp reading corners), thanks to one of our sponsors - Libri Booktrading Inc. With their help we were able to open new reading corners at clinics in Győr and Veszprém. They provided new books at the existing corners too. Throughout the country there are 10 such reading corners with a stock of about 10.000 books for the hospitalized children. The feedback from the hospital staff confirmed that we had achieved our goal of providing alternatives to the children to kill time, rather than just watching television. The reading corners are very popular with both the younger and the older children to pass the days while they are in hospital.

- Afternoon tale-reading with actors

In some clinics there are afternoon tale-telling organised by our voluntaries. The tales are read by our patrons, famous Hungarian actors **Peter Rudolf and Eszter Nagy-Kalozy**, **their actor colleagues** and our volunteers, thanks to our sponsor **Libri Booktrading CO**. Following the feedback received from the actors, children and their parents our aim is to initiate these afternoons in some other hospitals outside of Budapest. The children get a lot of happiness from this activity and it makes them feel that they are important to us.

 We organised the second fashion show, together with the Finnish Embassy where, the new collections of a famous Hungarian and a Finnish designer were introduced to our guests. As a surprise to the guests our volunteers – as models - also presented some beautiful dresses. The professional models, hairdressers and makeup artists all worked as volunteers at this show.

- Teatime for our sponsors

In November, we invited our sponsors (private people as well as the CEO's of the companies sponsoring our foundation) for a friendly discussion at the **Budapest Marriott Hotel**. We presented the results of our foundation and thanked them for their help over the year and presented our plans. Two teachers of the British International School Budapest provided fantastic jazz music.

- We participated in the annual Ball "**Best of Budapest**" as the beneficiary of the lottery. With these funds we were able to make a few more kids happy.
- The Choir of the Eötvös Alumni held a fund raising concert in the Mathias Church.
- We held a very successful charity event in the swimming pool of Városmajor with the participation of the nursery and elementary school children. The kids even made some wishes come true.
- As in the previous year we had the opportunity to introduce ourselves at the **CEBC**'s "Top managers" meeting. We were able to respond to lots of questions about our activities, which helped to enhance our reputation.
- On the AXA Family Day we fulfilled some wishes thanks to the sponsorship of the **AXA Group Hungary**.

Towards the end of the year the **Sonnengolf Club** at Zsira held a kids day for 20 'Wonderlamp' children living in the neighbourhood. Here at this day we even made a wish come true. The green fees were donated to the foundation. Beside the kids the Hungarian and Austrian players had great time regardless the strong wind.



1.5 Volunteers

The number of volunteers regularly working for us within the county is still around 80-100 people.

At the end of the year we had representatives in Szeged, Debrecen, Miskolc, Pécs, Szombathely, Győr, Veszprém and Zalaegerszeg.

The heads of the regions are constantly in contact with the local children's' clinic, doctors, children and local sponsors.

At the end of 2010 a national conference and training session was held for our volunteers. We introduced our common goals and common achievements. Beside the discussions, 'best practice' solutions were exchanged too.

We would like to enlarge our capacity in 2011. To reach this goal we will increase the support to our regional directors, for example with personal consultation, and we will continue to try to improve the standard of our wish-fulfilment.

2. Operating conditions in 2010

Our office continues to run in the same premises with the same conditions. We have bought a projector, which should provide us a great help during our presentations and events.

The foundation operated with 2 full time staff (the managing director, a head administrator who is at the same time the 'volunteers - coordinator'), and one part time administrator.

There was no other payment of salary or other personal costs in 2010 to anyone by the foundation.

The funds for running the foundation were raised from '1% tax campaign', the income from Bringónap, the funds from NCA, the income of our investments and from private and institutional sponsors.

We have spent 28,561 Million HUF on wish granting, additionally, we have received and used donations and services "in kind" of approximately 8,799 Million HUF that cannot be identified directly in our balance sheet.

This means that, in 2010, we have delivered approximately 37,360 Million HUF value to our 264 wish-children.

The average market cost of granting a wish has reached around 141,000 HUF, WITHOUT taking into consideration any operating costs such as; phone, travel, wages, etc.

The foundation spent in total - including the wish granting and the operation – 58,500 Million HUF this year.

The gross average cost of one fulfilled wish – including all operating costs - in 2010 reached 221,000 HUF, thanks to the goodwill of the Foundation.

Considering not only the invoiced costs but also the value free services, price reductions, services in kind, etc. **the Csodalámpa Foundation operated in 2010 with an operating cost / total cost ratio of 52,8%**.

2.1.1 Liabilities

In 2010 we received more than 30 Million HUF in donations from private persons and companies that enabled us to fulfil the wishes at a higher level of quality, including the purchase of some new PCs and laptops.

In 2010 the foundation received 53,069 Million HUF in donations as new funding, including the "1%" of course too.

The funds not immediately required have been kept in guaranteed assets, like treasury bills. Due to this policy we have earned 1,730 Million HUF as interest income, which is about half of the last year level due to the decreasing level of interest rates.

2.1.2 Operating costs

The operating costs of the Foundation reached 30,9 Million HUF in 2010.

The biggest "burden" is, of course, the wages and related taxes (pension, healthcare, income tax payable by the employer) about 14,7 Million HUF, the costs of communication (consultancy in marketing and PR, printing, advertisement) and the travelling costs directly related to wish granting. The wages mean the salaries of the three employees of the foundation. The funds were raised from 1% tax campaign, the income from Bringónap the funds given by NCA, the income of our investments and from private and institutional sponsors.

2.2 Grants from the state budget or local authorities

The Wonderlamp Foundation received 21,269 Million HUF funds from the 1% campaign.

From the similar funds received in 2008 11,9 Million HUF has been used in 2010 for wish granting. The difference is kept in guaranteed funds, mainly in Hungarian T-bills.

The Foundation receives no support or funds from local or minority councils or their organs.

We have received 3,2 Million HUF funding from the NCA at the end of 2009, which was used for wish granting and duly accounted for in 2010.

2.3. Allowances of the Directors and Members of the Supervisory Board

The leaders and the members of the Board of Trustees and the Supervisory Board received no allowances - either monetary or in kind - in 2010.

ASSETS	soundinp	a Foundation - Balance sho	Previous Year (T HUF)	Current Year (T HUF)
A	Non-curre	nt Assets	5 163	5 323
	Ι.	Intangible Assets		
	II.	Tangible Assets	166	326
	III.	Financial Investments	4 997	4 997
В	Current As	sets	63 814	68 788
1		Inventory	00 014	00100
	II.	Receivables	138	5
	III.	Securities	60 001	64 989
	IV.	Liquid Assets	3 675	3 794
С	Prepayme	nts and Accrued Income	2 969	396
TOTAL ASSE	тѕ		71 946	74 507
D	Sharehold I. II. III.	☐ Initial Capital/Share Capital Capital Change/Results Non-distributable Reserve	37 875 100 22 125	30 460 100 37 775
	IV.	Revaluation Reserve		
	V.	Result of the business year from ordinary activities (from activities of public utility)	15 650	-7 415
	VI.	Result of the business year from entrepreneurial activities		
-	D			
E	Provisions		0	0
F	Liabilities		835	864
	Ι.	Subordinated liabilities		
	<u> .</u>	Long-term liabilities		
	III.	Short-term liabilities	835	864
G	Accrued E	xpenses and Deferred Income	33 236	43 183
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY			71 946	74 507

2.4 Simplified financial – public beneficiary - report for 2010

INCOME STATEMENT OF SIMPLIFIED NONPROFIT FINANCIAL STATEMENTS OF OTHER ENTITIES KEEPING DOUBLE-ENTRY BOOKS

		year		in THUF
Item	Description	Prior year	Prior years' adjustment	Current year
а	b	C	d	e
1	A. Revenues of all public benefit activities			
	(1. + 2. + 3. + 4. + 5.)	65 686		52 444
2	1. Grants or subsidies received for public benefit activity	52 045		41 947
3	a) received from founder			
4	b) received from central budget			
5	c) received from local government			
6	d) other, of which 1%: HUF 11,933,597	52 045		41 947
7	2. Grants won by applications	6 586		5 001
8	3. Revenues from public benefit activity			
9	4. Revenues from membership fee			
10	5. Other revenues	7 055		5 496
11	B. Revenues of business activity	0		0
12	C. Total revenues (A + B)	65 686		52 444
13	D. Expenses of public benefit activity			
	(1. + 2. + 3. + 4. + 5. + 6.)	50 036		59 859
14	1. Material type expenses	16 199		16 184
15	2. Payments to personnel	13 973		14 772
16	3. Depreciation charge	336		281
17	4. Other expenses	19 527		28 562
18	5. Expenses of financial transactions	1		
19	6. Extraordinary expenses			60
20	E. Expenses of business activity (1. + 2. + 3. + 4. + 5. + 6.)	0		0
21	1. Material type expenses			
22	2. Payments to personnel			
23	3. Depreciation charge			
24	4. Other expenses			
25	5. Expenses of financial transactions			
26	6. Extraordinary expenses			

2 0 1 0 year

INCOME STATEMENT OF SIMPLIFIED NONPROFIT FINANCIAL STATEMENTS OF OTHER ENTITIES KEEPING DOUBLE-ENTRY BOOKS

		1 0	year	in THUF	
ltem	Description	Prior year	Prior years' adjustment	Current year	
а	b	C	d	е	
27	F. Total expenses (D. + E.)	50 036		59 859	
28	G. Profit on business before taxation (B E.)	0		0	
29	H. Tax liability			0	
30	I. Profit on business for the year (G H.)	0		0	
31	J. Profit on public benefit activity for the year (A D.)	15 650		-7 415	
32	Profit for the year (I. + J.)	15 650		-7 415	
	ADDITIONAL INFORMATION 2			2009	
33	A. Payments to personnel	14 772		13 973	
34	1. Wages	9 385		8 242	
35	of this: - engagement fees				
36	- honoraria				
37	2. Other payments to personnel	2 773		3 059	
38	3. Contributions on wages	2 614		2 672	
39	B. Grants provided by the entity	28 562		19 524	

2 0 1 0 year

14

	Csodalámpa Óhaj-Sóhaj Kívánságteljesítő A	lapítvány	
	Financial statements		
	01.01.2010 - 31.12.2010		
Opening I			
	UniCredit bank account	3 321 687 HUF	
	Cash in hand	353 290 HUF	
	Investment funds (Befutó 2)	4 996 960 HUF	
	Securities	60 001 124 HUF	
	Receivables	138 000 HUF	
	Prepaid expenses/accrued income	2 968 649 HUF	
	Liabilities	- 834 628 HUF	
	Accrued expenses/Prepaid income	- 33 236 419 HUF	
	Total opening balance	37 708 663 HUF	
Revenues			
	NCA subsidy	3 200 000 HUF	
	Subsidy received from private persons	3 933 428 HUF	
	Subsidy received from enterprises	26 079 808 HUF	
	Tender (Magnet Bank, KOGART)	1 801 000 HUF	
	Personal income tax 1%	11 933 597 HUF	
	Interest received	43 445 HUF	
	Interest of securities - DKJ	197 762 HUF	
	Interest of securities - PAPPA	603 904 HUF	
	Interest of securities - MÁK	927 016 HUF	
	Other subsidies in kind (LIBRI)	2 890 995 HUF	
	Other revenues	833 514 HUF	
	Total:	52 444 469 HUF	
Costs			
	Cost of raw materials		
	Printed matters, stationary	432 092 HUF	
	Detergents	53 720 HUF	
	Other cost of raw materials	416 741 HUF	
	Services used		
	Transportation, courier service	203 017 HUF	
	Repair, maintenance	6 625 HUF	
	Publicity and advertisement	5 596 075 HUF	
	Training	10 000 HUF	
	Per diem allowance in Hungary	669 770 HUF	
	Per diem allowance abroad	307 137 HUF	
	Taxi costs	275 500 HUF	
	Printing costs	647 000 HUF	
	FCM	3 975 000 HUF	
	Mailing costs	176 835 HUF	
	Telephone costs	1 026 701 HUF	
	Cost of events	911 218 HUF	

	Bookkeeping, payroll accounting	903 250 HUF
	Professional advisory services, communication	303 230 1101
	costs	13 462 HUF
	Other services	318 649 HUF
	Other services	010 040 1101
	Authority, process fees and charges	1 000 HUF
	Bank costs	232 073 HUF
	Other costs	8 000 HUF
	Wage costs	9 384 724 HUF
	Other payments to personnel	3 304 724 1101
	Sick leave	39 366 HUF
	Travel allowances	206 800 HUF
	Meal allowances	516 000 HUF
	Internet	257 957 HUF
	Private pension funds	624 000 HUF
	Cost allowance of private members	104 597 HUF
	Representation	402 589 HUF
	Personal income tax of in-kind-contributions	402 589 HUF 413 207 HUF
	Other payments to personnel (holiday cheque)	
	Contributions	209 000 HUF
	Purchase of tangible assets with an individual	2 614 349 HUF
	value of below HUF 100,000	
	Purchase of tangible assets	205 816 HUF
		234 900 HUF
	Expenditures	
	Fulfilment of wishes	21 914 995 HUF
	Subsidy paid	6 646 779 HUF
	Other expenditures	285 HUF
	Transfer of assets free of charge	60 000 HUF
	Total expenditures	60 019 229 HUF
		00 010 220 1101
Liabilities		
	Accounts payable	229 439 HUF
	Contributions	635 059 HUF
	Accrued expenses/prepaid income	722 639 HUF
	Personal income tax 1%	42 460 306 HUF
	Total liabilities:	44 047 443 HUF
Receivable		
	Amount of subsequent accounting	5 010 HUF
	Prepaid expenses/accrued income	396 603 HUF
	Total receivables:	401 613 HUF
	Opening balance	27 700 662 1115
	Revenues	37 708 663 HUF
	Costs	52 444 469 HUF
	00313	60 019 229 HUF

Receivables	- 401 613 HUF
Liabilities	44 047 443 HUF
Closing balance	73 779 732 HUF
	101101021101
Closing balance	
UniCredit bank account	3 411 387 HUF
MagNet Bank	6 012 HUF
Cash in hand	376 455 HUF
Investment funds (Befutó 2)	4 996 960 HUF
Securities	64 988 918 HUF
Total closing balance	73 779 732 HUF
Budapest, 19 May 2011	

This public benefit report and the included "Simplified financial report of non-profit and other entities" for the year 2010 has been unanimously approved by the Board of Csodalámpa Foundation on its meeting held on May 23, 2011.

Sándor Petri Chairman of the Board

Appendix 1 - CSODALÁMPA Alapítvány (Wonderlamp Foundation)

Name of the organisation: CSODALÁMPA Óhaj-Sóhaj Kívánságteljesítő Alapítvány (Wonderlamp Wish-fulfilling Foundation)

Short version of the name of the organisation: CSODALÁMPA Alapítvány

Location: Postal address:	1125 Budapest Alsó-svábhegyi út 11. 1052 Budapest Váci u. 16 C
Tax number (Hungarian):	18248670-1-43
Bank account number:	10918001-00000015-99050010 UniCredit Bank Zrt. Hungary

IBAN: HU18 1091 8001 0000 0015 9905 0010 SWIFT or BIC: BACXHUHB

The goal of the Foundation (excerpt from the Charter):

The goal of the Foundation is to fulfil wishes of children aged between 3 and 18 years and suffering from a life threatening illness and whose family is not able to fulfil these wishes due to the lack of their own funds.

The Foundation tries to ensure that a child suffering from a serious disease, will be happier and more carefree for a while, and through this the child and the family will regain their belief in recovery from the disease.

The Foundation's activities are in accordance with the Hungarian law CLVI. (1997) 26. §: social activity, family help, children and youngsters' protection.