
WRI Brasil

31 December 2017

***Financial Statements and Independent
Auditor's Report***



Independent Auditor's Report on the Financial Statements

To the Board of Directors and Associates
WRI Brasil

Opinion

We have examined WRI Brasil ("Entity") financial statements, comprising the 31 December 2017 balance sheet, its respective income, net equity changes and cash flow statements for the fiscal year ending on said date, including its relevant explanatory remarks and the summary of the main accounting policies.

We believe the aforementioned financial statement adequately shows, in all its relevant aspects, WRI Brasil equity and financial position on 31 December 2017, its operations performance and cash flow for the fiscal year ending on that date. It is presented according to accounting practices in effect in Brazil, for small and medium size companies, namely *Pronunciamento Técnico CPC PME - "Contabilidade para Pequenas e Médias Empresas"* (CPC PME Technical Opinion – “Accounting for Small and Medium Size Companies) and *Interpretação Técnica ITG 2002 (R1) - "Entidade sem Finalidade de Lucros"* (ITG 2002 (R1) Technical Interpretation – “Non-profit Organizations”).

Grounds for Opinion

This analysis was carried out in accordance with Brazilian and international auditing standards. In accordance with such standards, our responsibilities are described in the following section, under “Auditor’s Liability for Financial Statement Auditing”. In compliance with ethical principles set forth in the Accounting Professionals Code of Ethics and in the professional standards issued by the *Conselho Federal de Contabilidade* (Federal Accounting Council), we are independent auditors in full compliance with other ethical responsibilities defined by these standards. We believe that the auditing findings are sufficient and adequate to serve as a basis for our opinion.

The Board of Officers and the Governance’s Responsibility for the Financial Statements.

The Entity’s administration is responsible for the preparation and adequate presentation of the financial statements in accordance with accounting practices, in effect in Brazil, for small and medium size companies - *Pronunciamento Técnico CPC PME - "Contabilidade para Pequenas e Médias Empresas"* (CPC PME Technical Opinion – “Accounting for Small and Medium Size Companies) and *Interpretação Técnica ITG 2002 (R1) - "Entidade sem Finalidade de Lucros"* (ITG 2002 (R1) Technical Interpretation – “Non-profit Organizations”) and for the internal controls it defined as necessary to allow the preparation of distortion-free financial statements, regardless of the fact that they were caused by fraud or mistake.

In preparing financial statements, the administration is responsible for assessing the Entity’s capacity of continuing operations, revealing, if applicable, matters regarding its operational continuity and the use of



WRI Brasil

this accounting basis on the elaboration of financial statements, unless the administration intends to wind-up the Entity, cease its operations or does not have any other alternative to avoid closing operations.

The Entity's governance is responsible for supervising the preparation of financial statements.

Auditor's Responsibilities for Auditing Financial Statements

We aimed both at obtaining reasonable assurance that the financial statements, jointly taken, are distortion-free, regardless of the fact that such distortions were caused by fraud or mistake and at issuing our opinion in this audit report. Reasonable assurance means high level of security but does not guarantee that the auditing carried out in compliance with Brazilian and international auditing standards always identify existing relevant distortions. Distortions may be a result of fraud or mistake and are considered relevant when, jointly or individually, affect, within reasonable perspective, users' economic decisions based on such financial statements.

In the audit carried out in accordance with Brazilian and international auditing standards, we kept professional judgement and skepticism throughout the process. In addition to this, we:

- identified and assessed relevant risks of distortion in the financial statements, regardless if they were caused by fraud or mistake; planned and carried out auditing procedures in response to such risks and obtained sufficient and adequate audit evidence on which to base our opinion. The risk of not identifying relevant distortion resulting from fraud is higher than the risk resulting from mistake, since fraud may involve evading internal controls, collusion, falsification, omission or fake international representation.
- obtained approval of relevant internal controls to plan audit procedures suitable to the circumstances, but not aiming at presenting an opinion on the Entity's internal controls effectiveness.
- assessed the appropriateness of used accounting policies, the accounting estimates reasonability and the respective disclosures carried out by the administration.
- concluded that the use, by the administration, of the accounting base of operational continuity is appropriate and, based on the obtained audit evidences, whether there is relevant uncertainty regarding events and conditions that may generate significant doubt on the Entity's capacity of operational continuity. If we come to the conclusion that there is relevant uncertainty, we shall call attention in our audit report to the respective disclosures in the financial statements or include changes in our opinion, should disclosures be inadequate. Our findings are based on audit evidences obtained until the date of our report. However, further events or conditions may cause the Entity to stop its operations.
- assessed the financial statements general presentation, structure and contents, including its disclosures and whether the financial statements represent corresponding transactions and events, compatible with the objective of adequate presentation.



WRI Brasil

Among other aspects, we communicated with the governance about the planned reach at the time of auditing, the auditing significant findings, including any significant deficiencies in internal controls, identified during our work.

São Paulo, 4 July 2018

PricewaterhouseCoopers
Independent Auditors
CRC 2SP000160/O-5

Adriano Formosinho Correia
Accountant CRC 1BA029904/O-5

