



**PBR AUDYT**

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**The Auditor's Opinion and the Report  
on the financial statements of  
Polska Fundacja Dzieci i Młodzieży  
for the period  
from January 1, 2016 till December 31, 2016.**

**Warsaw, May 2017**

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PBR AUDIT Limited Partnership  
Certified Public Accountants  
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**INDEPENDENT AUDITOR'S OPINION**  
**on the financial statements**

**for the period from January 1, 2016 till December 31, 2016**

To the Management Board and Council of „Polska Fundacja Dzieci i Młodzieży”

We have audited the accompanying financial statements of “Polska Fundacja Dzieci i Młodzieży” located in Warsaw, Kredytowa 6/20, consisting of:

- the balance sheet, prepared as on December 31, 2016, which by the side of assets and equity with liabilities indicates the amount of **PLN 8.535.734,49**,
- the profit and loss account for the year then ended with a positive financial result of **PLN 759.019,96**,
- notes to the financial statements including: general information and explanatory notes to the balance sheet and profit and loss account.

The entity's management is responsible for the accuracy of the accounting books, the preparation and fair presentation of those financial statements and the preparation of the report on the activities in accordance with Accounting Act dated September 24, 1994 (Journal of Laws for 2016, pos. 1047) (“accounting act”), executive regulations issued in base of this act and other applicable laws. The entity's management is also responsible for internal controls, considered necessary to prepare the financial statements as free from material misstatements, whether due to fraud or error.

According to the accounting act, the entity's management and members of the supervisory board (or other supervisory body) are required to ensure that the financial statements and the report on the activities meet the requirements of the accounting act.

Our responsibility is to express an opinion on whether the financial statements truly and fairly presents the financial position, as well as the financial result in accordance with the applicable provisions of the accounting act and the adopted accounting principles (policy).

We conducted our audit in accordance with:

- the chapter 7 of the accounting act,
- national auditing standards issued by the National Council of Chartered Auditors in Poland.

Those standards require that we comply with ethical requirements and plan and perform the audit in the way allowing us to obtain reasonable assurance that the financial statements and the accounting records being the basis of their preparation are free of material misstatement.

An audit involves performing procedures adequate to obtain audit evidence about the amounts and disclosures in the financial statements. The selection of the procedures depends on our judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error. Doing those risk assessments, we consider internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures appropriate in the circumstances,

but not for the purpose of expressing an opinion on the efficiency of the entity's internal control. An audit also includes evaluating the appropriateness of applied accounting policies and the reasonableness of estimates made by management as well as evaluating the overall financial statement presentation.

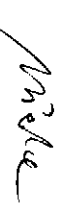
We believe that audit evidence obtained by us is sufficient and appropriate basis for our opinion.

Our opinion on the financial statements do not concern the report on the activities. However, in connection with the audit of the financial statements, it was our duty review the content of the report on the activities and indicate whether the information contained in it consider the provisions of the regulation Minister of Justice of 8 May 2001 on the Framework scope of the Activity of Foundations (Journal of Laws No 50, pos. 529 dated 2001 with subsequent changes), and whether they are consistent with the information contained in the attached financial statements. Our duty was also to make a statement, whether we found significant distortion in the report on activities, in the light of our knowledge of the entity and its environment obtained during the audit of financial statements.

In our opinion, the audited financial statements:

- a) provide true and fair view of the assets status and financial position of the entity at December 31, 2016., as well as its financial result for the fiscal year from January 1, 2016 till December 31, 2016. in accordance with the applicable provisions of the accounting act and applied accounting principles (policies),
- b) have been prepared based on properly maintained accounting records, and
- c) comply as to form and content with the applicable laws and provisions of the entity's articles of association.

According to the accounting act requirements, we declare that the information contained in the report on the activities consider the provision of the regulation Minister of Justice of 8 May 2001 on the Framework scope of the Activity of Foundations, and are consistent with the information contained in the attached financial statements. Furthermore, in the light of the knowledge of the entity and its environment obtained during the audit of financial statements, we declare that we have not found significant distortions in the report on the activities.

  
Małgorzata Pomaska, Reg. No 10074

**PBR AUDYT**  
Spółka z ograniczoną odpowiedzialnością  
Spółka Komandytowa  
Al. Władysława Sikorskiego 9A/25  
02-758 Warszawa  
NIP 5213452177, REGON 141053034

Key certified auditor carrying out the audit on behalf of:  
PBR AUDYT Spółka z ograniczoną odpowiedzialnością Sp. K.,  
registered audit firm no 3270  
02-758 Warsaw, Al. Władysława Sikorskiego 9A lok. 25

Warsaw, May 26, 2017.



**PBR AUDYT**

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**The Auditor's Report**  
**on the financial statements of**  
**Polska Fundacja Dzieci i Młodzieży**  
**for the period**  
**from January 1, 2016 till December 31, 2016.**

**Warsaw, May 2017**

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## **1 GENERAL SECTION**

### **1.1 IDENTIFICATION OF THE EXAMINED ENTITY**

#### **1.1.1 Name and seat**

The audit refers to the financial statements of the Polska Fundacja Dzieci i Młodzieży with the registered office in Warsaw; Kredytowa 6/20.

#### **1.1.2 The subject of business activity**

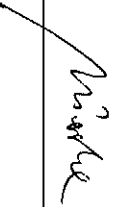
The activities listed in the Foundation Statute include the following:

- support and promote preventive programs for children and youth within the age bracket 5-20 years that are established to:
  - facilitate the development of young people's practical skills and hence facilitate their transition to adult life,
  - provide opportunities to gain experience that strengthen self-confidence and positive attitudes toward the community,
  - facilitate mutual understanding and furtherance of integration,
  - develop positive personal qualities such as responsibility, emotionality, high self-esteem and tolerance,
  - encourage health awareness and health prevention,
  - equal opportunities of children and youth who have difficult living conditions or material situation,
  - counteract social pathologies,
  - organize leisure time for children and youth;
- maintain a database of verified and effective youth and children programs;
- organizing training courses for the youth, as well as training courses, conferences, seminars, symposia for the persons involved in activities related to education and upbringing, in particular, for teachers, form teachers and other persons working for the benefit of children and youth;
- promote and organize work of volunteers;
- provide technical, training and information-related support for non-governmental organizations in the scope specified in § 4 of Foundation statute.

#### **1.1.3 Legal basis of the business activity**

During the audited period the Foundation operated on the basis of the following:

- The Foundation Statute,
- The Act about foundations dated April 6, 1984 (Journal of Laws of 2016, pos. 40 with future amendments)

  
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- The Act on Accountancy as of September 29, 1994 (Journal of Laws of 2016, pos. 1047 with subsequent amendments).

#### **1.1.4 Court Registration**

Polska Fundacja Dzieci i Młodzieży was incorporated on the base of the notarial deed Rep. A No 255/92 on April 6, 1992 and on base of rekord in foundations register dated May 5, 1992.

The Foundation was registered in the National Court Register under no KRS 0000113705 on May 24, 2002.

The last online extract from KRS (print ID RS/113705/9/20170511154038) is dated 11.05.2017.

#### **1.1.5 Fiscal and statistical registration**

The Foundation's statistical number REGON is: 011566612

The Foundation is registered as a VAT taxpayer under the number NIP: 525-14-34-543

#### **1.1.6 Organisational structure**

The organisational structure of the Foundation consists of the following bodies:

- Council of Foundation
- The Management Board

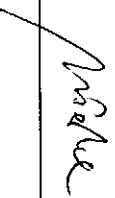
The Foundation has no division.

The statutory fund of Foundation as at December 31, 2016 amounted to PLN 5.000.

#### **1.1.7 Council of Foundation**

In the fiscal year 2016 the Foundation's activity was supervised by Supervisory Board consisting in the following Members:

- Marek Grzybowski
- Piotr Nesterowicz



### **1.1.8 The representation of the Foundation**

The Foundation was manager in 2016 by the Board of Directors consisting of the following members:

- Wanda Chotomska – President
- Marek Matraszek – Member
- Michał Olszański – Vice President
- Maria Zagula-Holzer – Member – Director of the Foundation
- Władysław Bartoszewski – Member – Treasurer of the Foundation

The following persons are authorized to sign on behalf of Foundation:

- in scope of ordinary actions – Director of the Foundation solely,
- in scope of extraordinary actions – Director of the Foundation and other Board Member jointly,
- the proxies in the range of the given them proxy.

The accounting books are kept by TAXUS Anna Pyrz-Rogozińska, seated in Warsaw, Kredytowa str. 3A/150, entitled to run the business in compliance with the identification certificate No. 8049/2004 issued by the Minister of Finance.

### **1.1.9 Employment**

The employment in the fiscal year 2016 looked as follows:

- average employment in the year - 5,83 posts
- the state of employment as on 31.12.2016 - 5 persons

### **1.2 IDENTIFICATION OF THE AUDITED FINANCIAL STATEMENTS**

The financial statements, subjected to the audit, include the following:

- the balance sheet, prepared as on December 31, 2016, which by the side of assets and equity with liabilities indicates the amount of PLN 8.535.734,49,
- the profit and loss account for the year then ended with a positive financial result of PLN 759.019,96,
- notes to the financial statements including: general information and explanatory notes to the balance sheet and profit and loss account.

The audit embraces also the Management report in the activities for the period from January 1, 2016 till December, 31, 2016 – as far as the conformity of the data contained in this report with the provisions of the regulation Minister of Justice of 8 May 2001 on the Framework scope of the Activity of Foundations and with the data contained in the financial

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statement is concerned. Moreover, the audit was intended to determine whether the report is free of significant misstatements, in the light of the knowledge about the company and its environment, gained in course of audit.

### **1.3 THE SCOPE AND THE BASIS OF THE AUDIT**

According to the agreement concluded February 14, 2017, the Management Board engaged PBR Audyt Limited Partnership located in Warsaw, Al. Wł. Sikorskiego 9A/25 – the entity entitled to statutory audits, registered by National Council of Chartered Auditors in Poland under No 3270 - to audit the financial statements of Polska Fundacja Dzieci i Młodzieży for the fiscal year from January 1, 2016 till December 31, 2016.

In accordance to the resolution no 1 of Council of Foundation dated February 14, 2017, PBR AUDIT Limited Partnership Certified Public Accountants was chosen as auditor for the year 2016.

The audit was carried out by the certified auditor Małgorzata Pomaska reg. no. 10074.

PBR Audyt as well as the auditor carrying out the audit are independent from the Foundation in the meaning of art. 56 sec. 3 and 4 of the Act of charterem auditors, auditor's council, audit firms and publicsupervision dated 7.05.2009 and in the meaning of Section 290 Independence –Audit and Review Engagements Contents of Code of Ethics for Professional Accountants.

The planned scope of audit works was not limited in any way. In the course of the audit works the auditors were provided with the all demanded information and data.

The Board of Directors provided the auditors with the Letter of Representation confirming:

- completeness and reliability of the Foundation's books and financial statements,
- disclosure of all events, which occurred after the balance date and which could significantly influence the opinion on fairness and accuracy of the financial statements or valuation of corporate financial and property-related situation of the audited entity

The audit has been carried out in dates 17.05.2016 till 30.05.2016. Till the day of Auditor's opinion the audit works was continued in Auditor's seat.

We conducted our audit in accordance with:

- the chapter 7 of the Accounting Act of September 29, 1994 (Journal of Laws 2016, pos. 1047 with subsequent amendments),
- domestic auditing standards issued by the National Council of Chartered Auditors in Poland.

The aim of the audit was to prove the lack of essential errors in the financial statements and in the books kept. The audit consisted of the evaluation of the Accounting Principles, applied by the Foundation, as well as the general evaluation of the statements presented.

Possible punishable events e.g. abuses or other incorrectness occurring outside the accounting system, were beyond the scope of audit.



**1.4 THE INFORMATION ABOUT THE FINANCIAL STATEMENTS FOR PRECEDING YEAR**

The financial statements as on December 31, 2015, approved on June 28, 2016 by the resolution of the Board of Directors, were the base of opening the accounting books of the Company on January 1, 2016.

Positive financial result for the prior period of PLN 2.174.179,05 was included in income of 2015.

Before the approval, the financial statements 2014 have been audited by entitled firm reg. no. 3270 "PBR Audyt Limited Partnership" in Warsaw, and obtained the unqualified opinion.

**1.5 EXTERNAL INSPECTIONS**

In the audited period there were no external inspections referring to the financial statements.

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**PBR AUDYT**

## **2 THE FINANCIAL POSITION ANALYSIS**

### **2.1 SUMMARY THE FINANCIAL STATEMENTS**

#### **2.1.1 Balance sheet**

The Company's financial and property-related situation and the result on the activity are presented below.

<b>ASSETS</b>	<b>31.12.2016</b>	<b>% of total</b>	<b>31.12.2015</b>	<b>% of total</b>	<b>31.12.2014</b>	<b>% of total</b>
<b>Non-current assets</b>	<b>2.943.652,32</b>	<b>34,49</b>	<b>2.962.432,96</b>	<b>30,03</b>	<b>3.474.341,10</b>	<b>33,16</b>
Tangible fixed assets	464.016,88	5,44	482.787,52	4,89	501.558,16	4,78
Long term receivables	0,00	0,00	0,00	0,00	493.137,50	4,71
Long term investments	2.479.645,44	29,05	2.479.645,44	25,14	2.479.645,44	23,67
<b>Current assets</b>	<b>5.592.072,17</b>	<b>65,51</b>	<b>6.902.174,24</b>	<b>69,97</b>	<b>7.002.176,64</b>	<b>66,84</b>
Short term receivables	2.073.441,15	24,29	2.047.298,49	20,75	3.043.394,33	29,05
Short term investments	3.032.585,95	35,53	4.391.672,16	44,52	3.465.514,63	33,08
Short term prepayments and deferent expenses	486.045,07	5,69	463.203,59	4,70	493.267,68	4,71
<b>TOTAL ASSETS</b>	<b>8.535.734,49</b>	<b>100,00</b>	<b>9.864.607,20</b>	<b>100,00</b>	<b>10.476.517,74</b>	<b>100,00</b>
<b>EQUITY AND LIABILITIES</b>	<b>31.12.2016</b>	<b>% of total</b>	<b>31.12.2015</b>	<b>% of total</b>	<b>31.12.2014</b>	<b>% of total</b>
<b>Fund</b>	<b>5.998.130,35</b>	<b>70,27</b>	<b>7.413.289,44</b>	<b>75,15</b>	<b>6.481.726,55</b>	<b>61,87</b>
Statutory fund	5.000,00	0,06	5.000,00	0,05	5.000,00	0,05
Other funds	7.408.289,44	86,79	6.476.726,55	65,66	6.348.008,23	60,59
Net financial result	(1.415.159,09)	(16,58)	931.562,89	9,44	128.718,32	1,23
<b>Liabilities and provisions for liabilities</b>	<b>2.537.604,14</b>	<b>29,73</b>	<b>2.451.317,76</b>	<b>24,85</b>	<b>3.994.791,19</b>	<b>38,13</b>
Provisions for liabilities	0,00	0,00	0,00	0,00	0,00	0,00
Short term liabilities	484.276,14	5,67	462.755,70	4,69	493.207,52	4,71
Accruals and deferred incomes	2.053.328,00	24,06	1.988.562,06	20,16	3.501.583,67	33,42
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8.535.734,49</b>	<b>100,00</b>	<b>9.864.607,20</b>	<b>100,00</b>	<b>10.476.517,74</b>	<b>100,00</b>



**PBR AUDYT**

**2.1.2 Profit and loss account**

	01.01.2016- 31.12.2016	% of total revenues from statute activity	01.01.2015- 31.12.2015	% of total revenues from statute activity	01.01.2014- 31.12.2014	% of total Revenues From statute activity
<b>Operating revenues</b>	<b>5.250.001,75</b>	<b>100,00</b>	<b>19.762.378,60</b>	<b>100,00</b>	<b>13.942.308,14</b>	<b>100,00</b>
Other revenues from statute activity	5.250.001,75	100,00	19.762.378,60	100,00	13.942.308,14	100,00
<b>Operating expenses</b>	<b>6.712.491,91</b>	<b>127,86</b>	<b>18.887.651,07</b>	<b>95,57</b>	<b>13.897.967,96</b>	<b>99,68</b>
I. Depreciation	23.794,28	0,45	21.150,63	0,11	26.968,67	0,19
<i>Costs of realization of statute activity</i>	<i>7.838,91</i>	<i>0,15</i>	<i>6.995,33</i>	<i>0,04</i>	<i>14.182,58</i>	<i>0,10</i>
<i>Administrative costs</i>	<i>15.955,37</i>	<i>0,30</i>	<i>14.155,30</i>	<i>0,07</i>	<i>12.786,09</i>	<i>0,09</i>
II. Consumption of materials and energy	81.823,43	1,56	162.220,75	0,82	80.841,91	0,58
<i>Costs of realization of statute activity</i>	<i>74.934,30</i>	<i>1,43</i>	<i>154.579,93</i>	<i>0,78</i>	<i>75.995,96</i>	<i>0,55</i>
<i>Administrative costs</i>	<i>6.889,13</i>	<i>0,13</i>	<i>7.640,82</i>	<i>0,04</i>	<i>4.845,95</i>	<i>0,03</i>
III. Salaries and social security contributions and other staff	982.324,16	18,71	1.271.068,19	6,43	1.500.001,84	10,76
<i>Costs of realization of statute activity</i>	<i>914.882,75</i>	<i>17,43</i>	<i>1.205.235,89</i>	<i>6,10</i>	<i>1.454.481,01</i>	<i>10,43</i>
<i>Administrative costs</i>	<i>67.441,41</i>	<i>1,28</i>	<i>65.832,30</i>	<i>0,33</i>	<i>45.520,83</i>	<i>0,33</i>
IV. Other costs	5.624.550,04	107,13	17.433.211,50	88,21	12.290.155,54	88,15
<i>Costs of realization of statute activity</i>	<i>5.517.396,80</i>	<i>105,09</i>	<i>17.326.360,01</i>	<i>87,67</i>	<i>12.218.322,32</i>	<i>87,63</i>
<i>Administrative costs</i>	<i>107.153,24</i>	<i>2,04</i>	<i>106.851,49</i>	<i>0,54</i>	<i>71.833,22</i>	<i>0,52</i>
<b>Other revenues and gains, including:</b>	<b>2.221.536,32</b>	<b>42,31</b>	<b>1.299.521,83</b>	<b>6,56</b>	<b>1.198.527,01</b>	<b>8,60</b>
Other operating revenues	3,64	0,00	7,91	0,00	6.211,71	0,04
Financial revenue	47.353,63	0,90	56.897,76	0,29	78.417,46	0,56
Extraordinary gains	-	-	-	-	-	-
The difference from the previous year increasing revenues	2.174.179,05	41,41	1.242.616,16	6,29	1.113.897,84	7,99
<b>Other expenses and losses, including:</b>	<b>26,20</b>	<b>0,00</b>	<b>19,31</b>	<b>0,00</b>	<b>251,03</b>	<b>0,00</b>
Other expenses	5,01	0,00	3,40	0,00	230,85	0,00
Financial expenses	21,19	0,00	15,91	0,00	0,18	0,00
Extraordinary losses	-	-	-	-	-	-
The difference from the previous year increasing costs	-	-	-	-	-	-
Income tax	-	-	51,00	0,00	-	-
<b>Financial result on activities</b>	<b>759.019,96</b>	<b>14,46</b>	<b>2.174.179,05</b>	<b>11,00</b>	<b>1.242.616,16</b>	<b>8,91</b>

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### **3 DETAILED SECTION**

#### **3.1 CORRECTNESS AND FAIRNESS OF ACCOUNTING BOOKS**

The Foundation possesses the documentation describing applied accounting rules, which is required by art. 10 of the Accounting Act.

Applied specification of synthetic and analytical accounts allows grouping the accounting data in sections necessary to prepare the financial statements in the patterns determined by appropriate legal regulations.

In 2016 the Foundation's accounting books were kept using the software accounting system RAKSSQL.

The above software tool used allow to obtain current information on the Foundation's business activity results and its financial standing. They also enable immediate access to any data registered on the individual accounts and reconciling the transactions with customers.

During the audit of the financial statements, we tested, on a sample basis, the operation of the accounting system. Our assessment covered in particular:

- appropriateness and consistency of the accounting principles used,
- correctness of the documentation of business transactions,
- fairness, accuracy and verifiability of the books of account, including the matching of accounting entries with supporting documentation and the financial statements,
- compliance of the adopted policies relating to safeguarding of accounting records, books of account and the financial statements with the Accounting Act.

On the basis of the work performed we have not identified material irregularities in the accounting system which have not been corrected and that could have a material impact on the financial statements. Our audit was not conducted for the purpose of expressing a comprehensive opinion on the operation of the accounting system.

#### **3.2 THE DATA ACCESS PROTECTION**

The entity has the instruction of the data access protection, the software has embedded protection system against not entitled users.

#### **3.3 THE REPORT ON ORGANISATION AND FUNCTIONING OF THE INTERNAL CONTROL SYSTEM IN THE FIELD OF BOOKKEEPING**

In the Polska Fundacja Dzieci i Młodzieży there functions the internal control system involving functional control which is based on supervisory functions of the Director of Foundation and the Board of Directors.

The basis of information registered in the books are the 'accounting documents' in the meaning of the Accounting Act. These documents are filed, numbered and stored in accounting office.



Accounting evidence, before they are accepted, are usually subjected to the functional internal control, which examines both formal accounting and matter-of-fact issues. It is conducted by the entitled persons and is documented by their signatures.

However, due to certain limitations typical of each system of the internal control and accountability, some irregularities in that field might have been overseen in the course of audit.

### **3.4 THE ACCOUNTING DOCUMENTATION, THE ACCOUNTING BOOKS AND THE FINANCIAL STATEMENTS PROTECTION**

The entity has the data protection and archive system for:

documentation, according to art.10.1. of the Accounting Act,

- accounting evidence,
  - accounting books (including computer files),
  - stocktaking documentation,
  - financial statements
- according to Chapter 8 of the Accounting Act.

### **3.5 STOCKTAKING**

The values of assets and liabilities disclosed in the balance sheet have been confirmed by the stocktaking carried out using confirmation letters method, referred:

- cash in bank,
- customers accounts,

### **3.6 REPORT ON THE SIGNIFICANT POSITIONS OF THE FINANCIAL STATEMENTS**

#### **3.6.1 Long-term investments – long-term financial assets**

As on 31.12.2016 the Foundation disclosed in this line the participation units.

	<b>31.12.2016</b>	<b>31.12.2015</b>
Fundusz ING FIO Stabilnego Wzrostu	1.835.645,44	1.835.645,44
Fundusz ING Parasol FIO Subf. Obligacji	322.000,00	322.000,00
Fundusz ING Subf. Globalny Spółek Dywidendowych (L)	322.000,00	322.000,00
<b>Total</b>	<b>2.479.645,44</b>	<b>2.479.645,44</b>

On 01.12.2016 resolution no 1 of Board of Directors decided that Foundation is micro-entity and prepares the financial statements applying simplifications relevant to micro-entities stated in Accounting Act.

Due to the art. 28a of this Act, which does not allow micro-entities to measure their assets and liabilities at fair value and at amortized cost. The Foundation was obliged to change its accounting policies in scope of measurement of possessed investment fund shares. Those assets were measured in the financial statements at historical cost which as on 31.12.2016 amounts 2.479.645,44 PLN (fair value as on 31.12.2016 – 3.133.917,46 PLN).

  
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### **3.6.2 Cash in hand and cash at bank**

On December 31, 2016 the amount of **PLN 3.032.585,95** was engaged in the financial items. The amount presented in the balance sheet includes cash at the bank.

The balance disclosed in the balance sheet includes:

<b>Specification</b>	<b>Value</b>	<b>Share (%)</b>
Current banks	143.585,95	4,73
Deposits	2.889.000,00	95,27
<b>Total</b>	<b><u>3.032.585,95</u></b>	<b><u>100,00</u></b>

Deposits were presented in nominal value because the Foundation recognizes incomes from deposits in the moment of cash inflow, according to its accounting policies.

### **3.6.3 Accruals and deferred incomes**

The Foundation disclosed the amount **2.053.328,00 PLN**, including granted but not received donations.

<b>Specification</b>	<b>Amount</b>	<b>Share (%)</b>
Deferred incomes – long-term	-	-
Deferred incomes – short-term	2.053.328,00	100,00
<b>Total</b>	<b><u>2.053.328,00</u></b>	<b><u>100,00</u></b>

Till the end of March 2017 the Foundation received the donations in the amount 1.900,000 PLN what means 92,5% of short-term donations due.

### **3.7 SUBSEQUENT EVENTS**

According to the Letter of Representation, no events have occurred after the balance date, which would significantly influence on the audited financial statements.

### **3.8 CONTINGENT LIABILITIES AND GRANTED GUARANTIES AND WARRANTIES**

According to the Letter of Representation no other contingent liabilities, guaranties and warranties than those disclosed in the financial statements have occurred.

### **3.9 NOTES TO THE FINANCIAL STATEMENTS**

The Foundation prepared the notes to the financial statements in accordance with the regulations of Accounting Act dated September 29, 1994, relevant to micro-entities, i.e. in accordance with Appendix 4 to the Act. The notes include information, which was not stated in the balance sheet and profit and loss account, but is necessary for giving true and fair view of the Company's financial position, the results of its operations and profitability.

### **3.10 MANAGEMENT REPORT**

The management submitted the report on the activities of the company for the period from January 1, 2016 till December 31, 2016. The information included in the report consider the

  
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provision of the regulation Minister of Justice of 8 May 2001 on the Framework scope of the Activity of Foundations and are consistent with the information contained in the attached financial statements. Furthermore, in the light of the knowledge of the entity and its environment obtained during the audit of financial statements, we declare that we have not found significant distortions in the report on the activities.

### **3.11 LETTER OF REPRESENTATION**

The Director of the Foundation submitted written representation letter confirming complete disclosure of the data in the accounting books, disclosure any contingent liabilities and material events subsequent to the balance sheet day.

### **3.12 FINAL CLAUSE**

We audited the fairness and accuracy of the financial statements for the period from January 1, 2016 till December 31, 2016. Individual statements have been prepared in accordance with Appendix 4 to Accounting Act and they meet its requirements. In the process of the audit no law-breaking has been proved.

The audit contained random check of the accounting vouchers and records that underline the amounts and information included in the financial statements, as well as general evaluation of the submitted statements. Concerning above, the differences between the results of the possible tax inspection, made by comprehensive method and the assessments included in the report might be disclosed.

The Auditor's Opinion on the assessment of the financial statements is the separate document.

### **4 FINAL REMARKS**

The report has been issued in 5 copies, including 4 for the Foundation.

The report contains 14 subsequently numbered pages, signed by the auditor.

The polish version of the report constitutes the original.

**PBR AUDYT**  
Spółka z ograniczoną odpowiedzialnością,  
Spółka Komandytowa  
Al. Władysława Sikorskiego 5A/25  
02-756 Warszawa  
NIP 5213452177, REGON 141055954

Magorzata Pomaska, Reg. No 10074

Key certified auditor carrying out the audit on behalf of:  
PBR AUDYT Spółka z ograniczoną odpowiedzialnością Sp. k., No 3270  
02-758 Warsaw, Al. Władysława Sikorskiego 9A lok. 25

Warsaw, May 26, 2017.

**PBR AUDYT**