

Financial Report



In 2001 we received the following donations:

Open Society Institute, New York and Budapest	27 247 491,52
Ford Foundation, New York	2 096 573,50
Anonymous donor (Agora S.A. shares)	700 000,00
Commercial Union – Life Insurance Company (Poland), Warsaw	404 126,01
Levi Strauss & Co., Brussels	206 000,00
Deutsche Bank (Poland), Warsaw	100 000,00
European Foundation Center, Brussels	66 705,05
British Embassy, Warsaw	47 765,00
National Endowment for Democracy, Washington	37 725,93
European Cultural Foundation, Amsterdam	37 173,45
Matra/KAP Program, Royal Netherlands Embassy, Warsaw	36 925,35
Baltic-American Partnership Fund, New York	34 542,63
German Marshall Memorial Fund of the United States, Washington	32 628,28
Bertelsmann Stiftung, Guetersloh	20 238,50
Fondation France-Pologne, Paris	19 155,53
NATO, Press and Information Office, Brussels	15 349,04
Irene Mroz, Paris	13 290,99
World Bank, Warsaw	10 101,52
<i>Niezależna Oficyna Wydawnicza</i> Publishing House, Warsaw	10 000,00
Robert Bosch Stiftung, Stuttgart	9 552,18
Schweitzer Seminar, Hamden	5 224,49
The Chemical Company Dwory S.A., Oświęcim	5 000,00
Wrigley Poland, Poznań	5 000,00
Embassy of the Republic of Estonia, Warsaw	2 086,66
Embassy of the Republic of Lithuania, Warsaw	2 086,66
Embassy of the Republic of Latvia, Warsaw	2 086,66
Eurasia Foundation, Tbilisi	1 775,47
Other revenues towards statutory activities (including settlements and grant returns)	2 397 858,28
Total (PLN)	33 534 064,29

Expenditures in 2001:

Programs	28 204 115,84
Administration	3 425 494,54
Fixed assets, depreciation and utilization of the building	1 619 928,77
Total (PLN)	33 249 539,15

Expenditures according to programs:

NGO Program	8 369 911,94
Legal Program	1 454 461,30
Women's Program	1 581 757,16
Youth Program	1 694 874,12
Children's Support Program	2 007 446,74
Information and Social Communication Program	806 272,22
Media Program	265 360,78
Publishing Program	784 520,83
Cultural Program	2 308 194,35
Arts and Culture Network Program	327 160,76
Academic Scholarships	1 743 919,66
East-East Program	1 265 431,46
Central and Eastern European Forum	1 891 311,94
European Program	1 467 280,53
Anti-Corruption Program	734 458,99
Commission on Alcohol and Drug Education	1 017 310,31
Palliative Medicine and Health Care	435 942,75
Commercial Union Charity Fund	48 500,00
Total (PLN)	28 204 115,84

Profit & Loss Account

Item	Description	Amount	
		2000	2001
1	2	3	4
A	Income from statutory activities	34 768 914,62	33 534 064,29
1	Income for statutory activities	34 768 914,62	33 534 064,29
B	Costs of statutory activities	29 685 561,90	28 204 115,84
1	Costs of statutory activities	29 685 561,90	28 204 115,84
C	Gross profit (loss) on statutory activities	5 083 352,72	5 329 948,45
D	Foundation Office costs	5 023 777,48	5 045 423,31
1	Material and energy consumption	1 313 990,30	452 226,36
2	External services	1 432 846,04	1 169 153,45
3	Depreciation	261 905,80	945 878,81
4	Payroll and charges	1 340 437,38	1 449 667,12
5	Other costs	674 597,96	1 028 497,57
G	Other income	1 062 273,51	353 739,69
H	Other costs	503 640,80	1 660,58
I	Financial income	3 168 906,27	2 659 045,23
J	Financial costs	466 370,19	38 935,64
K	Result C-D-E+F-G+H-I	3 320 744,03	3 256 713,84
L	Extraordinary profit (loss)	-14 500,00	
1	Profit		
2	Loss	-14 500,00	
M	Corporate tax	24 815,94	12 130,00
2001 Net profit (loss) K (+ - L - M)		3 281 428,09	3 244 583,84

Balance Sheet / Assets

Assets		Code	As of	
			31.12.2000	31.12.2001
I	2	3	4	5
A	Fixed assets		35 743 530,55	31 699 596,29
I	Intangible fixed assets	02	4 331 218,22	4 114 091,94
II	Tangible fixed assets	01\07	28 639 717,19	27 585 504,35
III	Financial fixed assets including:		2 772 595,14	
	- long term investments	030	2 772 595,14	
B	Current assets		18 571 025,06	22 321 178,11
I	Receivables and claims including:		351 161,80	269 747,92
	- receivables	200\201	275 692,00	237 998,55
	- receivables from employees	242	7 692,53	6 394,83
	- loans receivables	240	66 483,00	17 800,00
	- budget receivables	220\243		7 554,54
	- investments receivables	282	1 294,27	
II	Short term investments	142	3 468 679,80	700 000,00
III	Cash including:		14 751 183,46	21 351 430,19
	- cash on hand	101	38 914,96	12 180,20
	- current bank account (in PLN)	131	9 328 838,36	101 412,16
	- adjunct bank account (in PLN)	132/133	29 491,61	4 081 405,63
	- current foreign currency account	151/153	527 072,18	215 996,55
	- fixed-term deposit (in PLN)	141	4 538 000,00	16 225 216,54
	- bank account – rental deposit (in PLN)	140		573 798,77
	- start-up fund account (in USD)	150	131 339,44	131 420,34
	- cash in stock brokerage office	142	157 526,91	10 000,00
C	Prepayments	640	80 132,48	63 143,26
BALANCE			54 394 688,09	54 083 917,66

Balance Sheet / Liabilities and Fund Balances

Liabilities and Fund Balances		Code	As of	
			31.12.2000	31.12.2001
6	7	8	9	10
A	Enterprise fund		20 178 953,79	22 960 491,77
I	Statutory capital	800	11 339 467,71	15 887 970,67
	including:			
	- net assets	800	438 254,29	175 390,24
	- undistributed profit (loss)	800	6 475 332,84	11 486 881,66
	- start-up fund	800	131 339,44	131 420,34
	- intangible fixed assets	800	4 294 541,14	4 094 278,43
II	Financial result		8 839 486,08	7 072 521,10
	including:			
	- from previous years	860	5 558 057,99	3 827 937,26
	- from this year	860	3 281 428,09	3 244 583,84
B	Reserve & Deferred Revenue		30 275 413,29	27 679 307,09
	including:			
	- deferred revenue	840	30 275 413,29	27 679 307,09
C	Liabilities & Accruals		3 912 779,67	3 411 341,91
I	including:			
	- trade creditors	200/201	3 436 614,32	2 322 761,19
	- amount owned to employees	242	5 468,29	4 753,24
	- uncollected salaries	232/233	70 322,52	182 538,90
	- amounts due to the state budget	220	185 532,60	195 564,68
	- social security contributions	243	129 288,74	168 758,35
	- amounts due to investments	282	85 553,20	
	- rental deposit	244		536 965,55
D	Company Social Fund		27 541,34	32 776,89
BALANCE			54 394 688,09	54 083 917,66

**AUDITORS' OPINION
ON THE AUDIT OF FINANCIAL
STATEMENTS**

of
STEFAN BATORY
FOUNDATION

We have audited the accompanying financial statements of the Stefan Batory Foundation seated in Warsaw, consisting of: the balance sheet as at 31 December 2001, with total assets and total liabilities and equity of PLN 54.083.917,66; the profit and loss account for the year then ended with a net profit of PLN 3.244.583,84 and notes to the financial statements.

These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted the audit in accordance with International Standards on Auditing as issued by the International Federation of Accountants, section 7 of the Polish Accounting Act dated 29 September 1994 (Official Journal no. 121, item 591 with subsequent amendments), The Minister of Finance's decree on the specific accounting principles for entities not involved in business activities dated 18 August 1998 (Official Journal no. 115, item 748 with subsequent amendments), Act on Foundations dated 6 April 1984 (Official Journal no. 21, item 97 with subsequent amendments) and the professional norms established by the Polish National Council of Certified Auditors. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Foundation's management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, these financial statements have been prepared from properly maintained accounting records and present fairly, in all material aspects, the financial position of the Foundation as at 31 December 2001 and the results of its operations for the year then ended in accordance with the accounting standards applied in Poland as set out in the Polish Accounting Act dated 29 September 1994 and The Minister of Finance's decree on the specific accounting principles for entities not involved in business activities dated 18 August 1998, which have been applied on a consistent basis.

As required under the Polish Accounting Act dated 29 September 1994 we also report that the information given in the Foundation Directors' Report is consistent with the financial statements.

signed on the Polish original
Certified Auditor No. 796/1670
Bogdan Dębicki,
Member of the Board of Directors

signed on the Polish original
For KPMG Polska Audyt Sp. z o.o.
Certified Auditor No. 796/1670
Bogdan Dębicki
Member of the Board of Directors
/podpis/

signed on the Polish original
For KPMG Polska Audyt Sp. z o.o.
Robert Novakowski,
Director

Warsaw, March 13, 2002