

# ANNUAL REPORT 2014

THE KELLNER FAMILY FOUNDATION

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### The Chairwoman's Statement

Dear Madam, Dear Sir, Dear Friends,

You have just begun reading THE KELLNER FAMILY FOUNDATION'S sixth annual report. The key vision that drove us to establish this foundation six years ago is supporting children and young people from socially disadvantaged backgrounds; endeavoring to provide them with meaningful and sustainable chances to succeed in life in a highly competitive environment; and helping to develop these children's talents throughout the whole educational process.

I am excited to see our foundation, which is quite new, achieving excellent results in what it does. As early as the high school level, we help talented children acquire a good education at OPEN GATE, the eight-year grammar school in Babice near Prague. Every year, the best OPEN GATE graduates apply for grants to continue their education at prestigious foreign and Czech universities under our UNIVERSITIES program. This program also accepts a number of graduates from other secondary schools throughout the Czech Republic, who pursue their educational path in a variety of fields ranging from playing violin to molecular genetics. Those students can continue to benefit from our foundation's sponsorship once they complete their tertiary-level studies: if they choose to pursue a career in science and research, they can apply for grants under our SCIENCE program. Our HELPING SCHOOLS SUCCEED project focuses on education within the broadest meaning of this word, it helps to raise the quality of instruction in the very environment in which a child's relationship with education is first formed: at public elementary schools.

We maintain a relationship with our grantees beyond the end of our foundation's sponsorship program. These young people are eager to keep us informed about how they are doing. And on our part, we enjoy reflecting on the stories of all those students we have sponsored. Last year, we were so pleased to read the reports sent by our grantee Ondřej Zíka, whose thesis was recognized by the Welsh Branch of The British Psychological Society as the best dissertation in his field in 2014. Ondřej was thereupon accepted at Oxford, to work on a research project. We also received very interesting news from Marek Svoboda, who has graduated cum laude from Columbia University and continues to work there in Hynek Wichterle's lab, and Romana Kašparová, who was sponsored by our foundation her OPEN GATE days and later graduated from the University of Chester and is now teaching children and young people in her hometown of Písek. Unfortunately, this section of our annual report is not large enough to name all of the examples, but you can find all the details elsewhere in this annual report and on the foundation's website.

It is fantastic to be able to count on a team of enthusiastic colleagues for the realization of each project and activity. Colleagues who are always willing to help and, and who want to offer a contribution to society at large.

I am grateful to all those who contribute to the successful management of the foundation's projects on a daily basis. Without their commitment and involvement, we would never achieve such success.

> Renáta Kellnerová Chairwoman, Board of Trustees THE KELLNER FAMILY FOUNDATION

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### **Profile**

THE KELLNER FAMILY FOUNDATION is a family foundation founded by Mrs. Renáta Kellnerová and Mr. Petr Kellner. Its objective is to contribute to the development of society, improve the quality of people's lives, and help others succeed. The core of its activities and its investments are geared towards promoting long-term educational projects intended for elementary school students and their teachers, high-school students, and both undergraduate and postgraduate university students. Since it was set up in 2009, THE KELLNER FAMILY FOUNDATION has contributed more than CZK 355 million to these and other projects.

### MRS. RENÁTA KELLNEROVÁ AND MR. PETR KELLNER ARE THE FOUNDERS OF THE KELLNER FAMILY FOUNDATION.

### Mrs. Renáta Kellnerová, founder and Chairwoman of KFF's Board of Trustees

Mrs. Renáta Kellnerová and her husband, Mr. Petr Kellner help gifted children from socially disadvantaged backgrounds. They channel significant effort and investment towards raising the quality of education in the Czech Republic. As part of Mrs. Renáta Kellnerová's initiative, OPEN GATE, a private boarding grammar school, was set up in 2005. It was the first Czech school to receive a certification permitting its students to take part in the International Baccalaureate examinations, which facilitate their enrolment at universities outside the Czech Republic. KFF grants help provide a high-quality education to gifted children who have not had the luck of being born into favourable backgrounds.

Mrs. Renáta Kellnerová also co-founded the Educa Foundation, which began providing need-based grants to OPEN GATE students and sponsored further education of graduates from Czech secondary schools under the UNIVERSITIES program. Educa also provided financial assistance to other social and educational projects. For example, it supported the Half-Way House, a project providing shelter for young people deprived of familial support. Thanks to Educa's contribution, the Little Chateau magazine was launched for children living in children's homes. In 2011, Educa was merged into THE KELLNER FAMILY FOUNDATION, which continues and actively pursues Educa's projects.

### Mr. Petr Kellner, KFF founder and trustee

Petr Kellner is the co-founder of PPF Group and manages its strategic development as well as others directorates. Over more than twenty years in operation, PPF Group has become one of the biggest investment groups in Central and Eastern Europe. It invests in a number of sectors ranging from banking and financial services, to telecoms, real estate, retail services, insurance, mineral extraction and farming, through to biotechnologies. PPF Group operates in Europe, Asia, and the U.S.

In December 2002, Mr. Petr Kellner and his wife Renáta set up the Educa Foundation, which granted funds for building and operating the OPEN GATE eight-year grammar school in Babice, central Bohemia. Following the merger of Educa into the new THE KELLNER FAMILY FOUNDATION, OPEN GATE students receive approximately CZK 40 million per year to cover their school fees.

Both personally and through his companies, Mr. Petr Kellner also contributes to other individuals and institutions, supporting educational, health promotion and cultural projects. It is thanks to PPF's financial contributions that a number of cultural institutions, including The Jára Cimrman Theatre, the Summer Shakespeare Festival, the Prague art galleries the Josef Sudek Studio and the Václav Špála Gallery continue to live.

Mrs. Renáta Kellnerová and Mr. Petr Kellner are raising four children together. They enjoy and collect visual arts and amongst other things, they own one of the largest collections of Josef Sudek's photographs. They spend their leisure time actively, mainly outdoors, and engage in various sports, including snowboarding, kiting and biking.

#### THE KELLNER FAMILY FOUNDATION bodies as of December 31, 2014

### **Board of Trustees**

Mrs. Renáta Kellnerová, Chair Mr. Petr Kellner, Trustee Mr. Jan Leiner, Trustee

#### **Supervisory Board**

Mrs. Karina Divišová, Chair Mr. Richard Sedláčko, Member Mr. Tomáš Vališ, Member

#### THE KELLNER FAMILY FOUNDATION FACTS & FIGURES

**Date of establishment:** April 7, 2009, in a charter establishing Nadace THE KELLNER FAMILY FOUNDATION.

**Date of inception:** May 25, 2009, Register of Foundations maintained by the Municipal Court in Prague, Section N, File 746.

Endowment as of December 31, 2014: CZK 1,000,000.

Registered office: Nadace THE KELLNER FAMILY FOUNDATION, Evropská 2690/17, 160 41 Praha 6, Czech Republic, Reg. No.: 28902254, Tax Reg. No.: CZ28902254

Auditor: KPMG Česká republika Audit, s.r.o.

Bank: PPF banka a.s., account number: 2012010002/6000

info@kellnerfoundation.cz • www.kellnerfoundation.cz • +420 224 174 000

### **Core Projects**



### **OPEN GATE**

At OPEN GATE, an eight-year grammar school in Babice near Prague, THE KELLNER FAMILY FOUNDATION'S need-based and academic scholarships literally open the gate to high-quality education for all motivated children regardless of their socio-economic background.

OPEN GATE is a school that is open to all students who thrive to capitalise on their potential. Children from very different environments meet at OPEN GATE, and all of them have the passion, abilities and motivation to develop themselves. OPEN GATE students achieve some of the best results in final school examinations in the Czech Republic every year, and their International Baccalaureate results make OPEN GATE one of the

most successful secondary schools internationally.

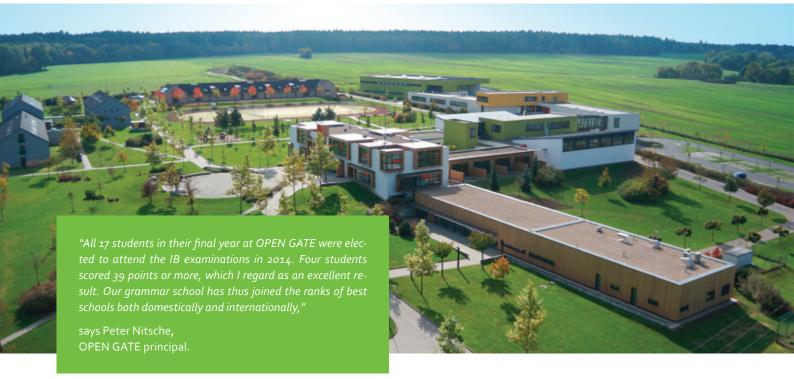
In 2014, OPEN GATE provided superior education to 202 students, of whom 97 received need-based grants from KFF. Only one of the sponsored students commutes to school; all of the others live in student dorms.

Eight sponsored children come from children's homes; seven children from foster care; one child from the Klokánek child care facility; and 81 students, 33 from broken homes, come from families whose socio-economic status would have prevented them from being able to provide their children with an education that matches the children's talents and determination to learn.

### KFF'S OTHER ACTIVITIES UNDER THE OPEN GATE PROJECT IN 2014:

- KFF sponsored OPEN GATE's debate team in their trips to attend international competitions.
- Jakub Zajíček, a brilliant debater, received a contribution for debate tournaments in Slovenia and Romania (where he qualified for the semifinals). KFF also supported his participation as a referee in the debate competition in Olomouc.
- KFF awarded Alžběta Novosadová with a seat in the debate tournamentinStuttgart, whereshe was placed an impressive 12<sup>th</sup>.
- Two students received notebook computers on top of their scholarships, and one of them also received an extra contribution to cover living expenses.
- OPEN GATE'S pedagogy and psychology counseling service was extended to include speech therapy.
- Last year was the first time that KFF organized, together with examiners from OPEN GATE, 'mock admission tests' outside the OPEN GATE campus. Children had an opportunity to try out the admission procedure in Ostrava, Zlín, and Prostějov.

IN 2014, THE KELLNER FAMILY FOUNDATION PROVIDED CZK 39.6 MILLION IN GRANTS FOR OPEN GATE STUDENTS.



### UNIVERSITIES

Since its inception, THE KELLNER FAMILY FOUNDATION has been sponsoring Czech students at prestigious universities inside and outside the Czech Republic. Students, who achieve excellent academic results but whose difficult socioeconomic backgrounds impact their access to higher-level education, can apply for grants under the UNIVERSITIES program.

During the 2014/2015 school year, KFF is supporting 57 students

under the UNIVERSITIES program. Thanks to KFF's grants, these students have been able to go to the University of Oxford, the University of Cambridge, Yale College, and the Massachusetts Institute of Technology, as well as other universities mainly based in the United Kingdom, the U.S., and the Czech Republic.

KFF has allocated grants to as many as 89 university students since it began six years ago.

### IN 2014, KFF DONATED CZK 11.2 MILLION TO THE UNIVERSITIES PROGRAM.

### THE UNIVERSITIES PROGRAM IN 2014 AND SELECTED ACHIEVEMENTS OF THE GRANTEES:

- During the 2014/2015 school year, KFF is supporting 57 students through grants.
- With KFF's support, Eva Musilová (enrolled at Charles University's 3rd Faculty of Medicine) took a summer internship at the Bay View Hospital in Barbados.
- Ondřej Zíka (the California Institute of Technology/Aberystwyth
  University) graduated in psychology and neuroeconomics with
  Class Honors. His thesis, EEG Evidence for Counterfactual
  Outcome Processing in the Human Brain, was rated as the best
  dissertation thesis in this field for 2014 and received an award
  from the Welsh Branch of the British Psychological Society. He
  has been accepted to a research project at the University of
  Oxford, where he wants to continue with a Master's course.
- Jonáš Jelínek spent eight weeks in a summer internship at the SOTIO biotechnology company. As part of surveying the global biotech market, he formulated a study on Biotechnology and Regulation of Biotechnologies in the Near East.



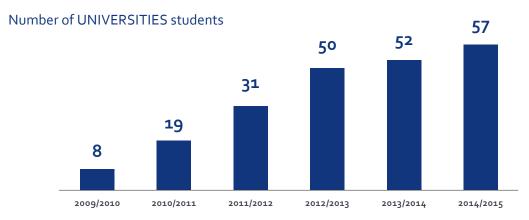
Marek Svoboda, graduate (2014), Columbia University in New York



Matouš Michal, graduate (2014), The Juilliard School of Music, New York

- Marek Svoboda has graduated cum laude from Columbia University in New York. He is working there in Hynek Wichterle's lab, and in the 2015/2016 school year wants to continue in a Master's course.
- Dessislava Tatcheva graduated from the University of Exeter with the best possible result, 1/1. She is now working in London for KANTAR Worldpanel.
- Jolana Venenyová graduated from the University of Dundee with the result 1/1 and is now continuing at the University of Oxford in a Master's course.
- Another UNIVERSITIES student, Lukáš Růžička, has been working in a trainee program run by KAMAX based in Trutnov, Czech Republic, since August 2014.





### STUDENTS FROM THE CZECH REPUBLIC SPONSORED BY THE KELLNER FAMILY FOUNDATION IN THE 2014/2015 SCHOOL YEAR

### LIST OF UNIVERSITIES AND HIGHER EDUCATION INSTITUTIONS

**United Kingdom** | The University of Oxford, the University of Cambridge, Imperial College London, Coventry University, Durham University, University of St Andrews, the University of Aberdeen, the University of York, University College London, the University of Glasgow, the University of Bristol, the University of Edinburgh, the University of Exeter, Aberystwyth University, Bath Spa University, the University of Warwick

**U.S.** | Boston University, Columbia University in the City of New York, Grinnell College, The Juilliard School of Music New York, Lynn University, Massachusetts Institute of Technology, Northwestern University, Yale University

Czech Republic | Charles University's 2nd and 3rd Faculties of Medicine; Information Technology Faculty of the Czech Technical University; University of New York in Prague/Empire State College; Johann Amos Comenius University; Unicorn College; The Institute of Finance and Administration; The Institute of Hospitality Management in Prague

Australia | The University of Adelaide

Canada | The University of British Columbia

Germany | Technische Universität Dresden

Netherlands | Erasmus Universiteit Rotterdam

grantees completed their studies successfully



The project accepted

16

new students

### HELPING SCHOOLS SUCCEED

HELPING SCHOOLS SUCCEED is an educational project for teachers and principals of public elementary schools in the Czech Republic. The Foundation initiated this project in 2010 and continues to fund it. An independent charitable organization, Pomáháme školám k úspěchu o.p.s., set up for this purpose by KFF, is responsible for operating the project.

HELPING SCHOOLS SUCCEED is centered on high quality teaching, emphasizing a personalized approach by teachers to students. Its underlying philosophy is that long-term educational, financial and personal support will help teachers better discern students'

We contributed to the initiative launched under the name Success for Every Student, which brings together leaders of 36 organizations

pursuing quality in education.

individual needs and better adjust their style of instruction, thereby achieving the best possible teaching results.

In 2014, support was granted to approximately 320 teachers from 50 schools and, through them, more than 5,500 students, in cooperation with dozens of experts in various fields and specializations. The project schools include, e.g., ZŠ Kunratice (in Prague), ZŠ Mendelova (the Moravian-Silesian Region), ZŠ Zdice (the Central Bohemian region), ZŠ Horka nad Moravou (the Olomouc Region), ZŠ Sedlčany (the Central Bohemian Region), ZŠ Dobronín (the Vysočina Region) and ZŠ Hranice (the Olomouc Region).

THE PROJECT RUNS UNDER THE AEGIS OF THE MINISTRY OF EDUCATION, YOUTH AND PHYSICAL EDUCATION OF THE CZECH REPUBLIC; THE FOUNDATION GRANTED CZK 35.3 MILLION TO THIS PROJECT IN 2014.



### **SCIENCE**

Thanks to the financial support of THE KELLNER FAMILY FOUNDATION, the SCIENCE program gives opportunities to talented and successful scientists and research teams to work under appropriate conditions in the Czech Republic. The financial grants awarded by KFF help provide them with a stable work environment on a par with the highest standards. KFF selected the first beneficiaries

of the grants to be awarded in support of scientific research in biology of tumor diseases in late 2012. In a two-round procedure, the SCIENCE Expert Panel and KFF's Board of Trustees selected three of a total of 59 research projects entered. Investigating teams received four- and five-year grants, disbursable for the first time in early 2013.

### IN 2014, KFF CONTRIBUTED A GIFT OF CZK 8.5 MILLION TO THE SCIENCE PROGRAM.





Expression and Regulation of Multi-Drug Resistance Proteins in Tumor-Initiating Cells (TICs)

Principal Investigator: Jaroslav Truksa

Institution: Institute of Biotechnology of the ASCR, v.v.i.

Targeting the Genome Integrity Machinery for Personalized Treatment of Prostate Cancer

Principal Investigator: Jiří Bártek

Institution: Institute of Molecular and Translational Medicine of the Faculty of Medicine and Dentistry, Palacký University

Olomouc; Laboratory of Genome Integrity

### JAN BRÁBEK TEAM'S RESEARCH REPORTS RELEASED (ANALYSIS OF THE PLASTICITY OF CANCER CELL INVASIVENESS):

### Translation in solid cancer: are size-based response criteria an anachronism?

Authors: Fernandes, M., Rösel, D., Brábek, J.

Published in: Clinical and Translational Oncology, January 2015

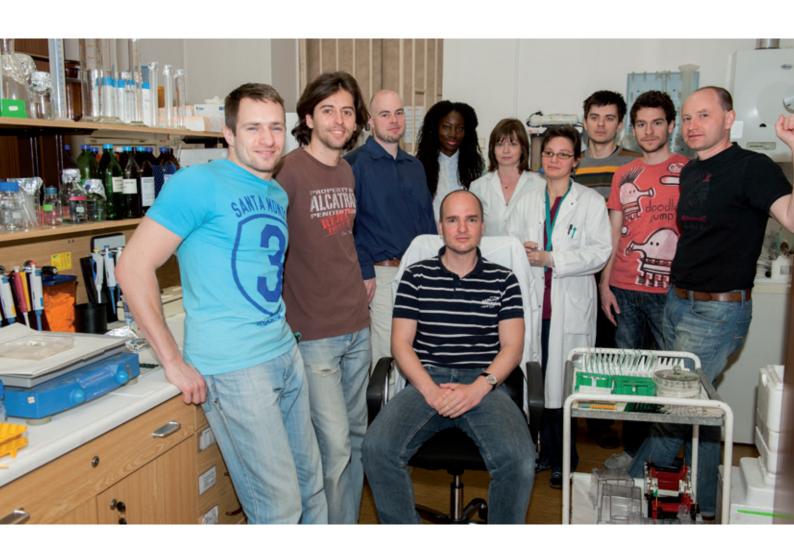
J. Brábek's and D. Rösel's study published in Clinical and Translational Oncology emphasizes the need to change the criteria for evaluating cancer treatment's efficacy. Much heavier emphasis should be placed on its influence on metastasis compared to its influence on changes in the size of the primary tumor. In fact, frequently there is no reason at all to expect anti-metastasis drugs to reduce the primary tumor, which actually is usually not important for patients' survival. In addition, immunology criteria and the impact on the tumor microenvironment are crucial for treatment evaluation.

### $PKC\alpha$ promotes the mesenchymal to amoeboid transition and increases cancer cell invasiveness

Authors: Vaškovičová, K., Szabadosová, E., Čermák, V., Kasalová, L., Rösel, D., Brábek, J.

Published in: BMC Cancer (www.biomedcentral.com), 2015

The report is based on a proteomic analysis of A375m2 cells exposed to a ROCK kinase inhibitor based on Kinexus antibody microarrays. This analysis has helped to detect a number of proteins, as well as their posttranslational modifications, which potentially contribute to the MAT process control. The authors selected PKC $\alpha$  for more detailed examination and demonstrated its role in amoeboid transition and also its importance for cancer cell invasiveness in general.



### Other selected projects

### LOGICS OLYMPIAD ORGANIZED BY MENSA CZECH REPUBLIC

THE KELLNER FAMILY FOUNDATION and OPEN GATE once again in 2014 were General Partners of the Logics Olympiad for bright young people from all over the Czech Republic. The Logics Olympiad is organized by Mensa Czech Republic in a drive to extend the range of activities for children and young people to include a competition in which independent thinking and the ability to reason logically decide the outcome.

#### **PRAGUE STUDENT SUMMIT**

The Foundation has long been the General Partner of Model United Nations held as part of the Prague Student Summit. It is an annual educational and social event intended for students of Czech secondary and tertiary educational institutions. The delegates simulate the deliberations of the real United Nations, honing their skills of communicating, defending and promoting their interests.

#### THE ZÁMEČEK MAGAZINE

For several years now, the Foundation has been contributing funds to the Duha [Rainbow] civic association for producing its Zámeček [Little Chateau] magazine. Zámeček has been distributed to children in children's homes and other surrogate care institutions since 1997.

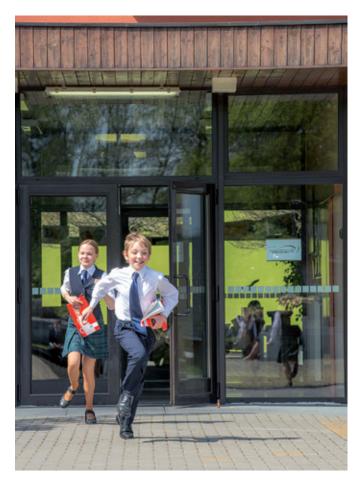
IN 2014, THE KELLNER FAMILY FOUNDATION ALSO GRANTED CONTRIBUTIONS TO SOME OTHER INSTITUTIONS AND INDIVIDUALS FOR EDUCATIONAL, CULTURAL, AND HEALTHCARE PROJECTS.

### SALVAGING A FOREST IN JIZERSKÉ HORY MOUNTAINS

In 2014, KFF donated CZK 70,500 to a project to rescue a forest in the Jizerské hory Mountains, carried out by Nadace pro záchranu a obnovu Jizerských hor [Foundation for Jizerské hory Mountains Rescue and Renewal].

### SCHOLARSHIP FOR A TALENTED PIANIST AT BERKLEE

Tomáš Kača is a typical example of the kind of gifted and motivated students KFF gladly sponsors. Despite his very difficult socioeconomic background, he has managed to graduate from conservatory and from the Academy of Performing Arts, and was recently accepted to the prestigious Berklee College of Music in Boston, U.S. There, he can also study piano thanks to support provided by THE KELLNER FAMILY FOUNDATION.



### Gifts Received and Grants Awarded

### Gifts received in 2014

Donor	in CZK thousands
Home Credit a.s.	7,523
PPF a.s.	5,000
PPF banka a.s.	90,000
PPF IT Services s.r.o.	3,000
Private donors*	819
Total	106,342

### \* Private donors

Donor's name	in CZK thousands	
Tomáš Otruba	200	_
Richard Benýšek	20	
Evžen Hart	11	
František Tlustoš	11	
Vilímková, Dudák & Partners	30	
Other**	547	
Total	819	

<sup>\*</sup> under Section 359 of the Civil Code, donors who have requested anonymity are not published

### Grants awarded in 2014

Beneficiary	in CZK thousands
Grants for OPEN GATE students*	39,552
Grants for Universities students**	11,193
Pomáháme školám k úspěchu o.p.s. [Helping Schools Succeed]	35,340
Grants under the SCIENCE program of which:	8,500
Institute of Biotechnology of the ASCR, v.v.i.	2,400
Charles University in Prague	3,600
Palacký University in Olomouc	2,500
Grants for a talented pianist at Berklee (the foundation of the M Dance Faculty of the Academy of Performing Arts in Prague)	usic and 300
Teachers in Tandem (elementary school in Kunratice, Praha 4)	280
Salvaging a forest in the Jizerské hory Mountains (Foundation for Jizerské hory Mountains Rescue and Renewal)	71
Individual gifts***	2,173
Total	97,409

In its financial management, the Foundation adhered to the rules for the provision of foundation grants under Sections 353 to 356 of the Civil Code.

This overview of gifts received and grants awarded was published in compliance with Section 358(3)(b) and (d) of the Civil Code.

- \* For reasons set out in Section 359(1) of the Civil Code, grants to individual students of OPEN GATE- gymnázium a základní škola, s.r.o. are not disclosed
- \*\* See Appendix 1
- \*\*\* See Appendix 2

### Appendix 1

### Grants to students included in the UNIVERSITIES program total CZK 11,193,309

(names are written in the following format: 'Last Name' 'First Name')

### CZK

Abbasová Hana	96,206
Berger František	63,000
Chalupný Jan	497,206
Kábrt Martin	609,242
Kašparová Romana	66,028
Machálková Alena	273,078
Marková Nikola	260,324
Musil Jakub	284,419
Růžička Lukáš	111,000
Smutná Jana	132,834
Svobodová Anežka	254,261
Vuchtrlová Denisa	65,702
Jaškeová Nikola	115,496
Hříbalová Kristýna	457,254
Bucháček Martin	77,758
Leopoldová Zuzana	426,555
Paleček Petr	246,219
Čech Jaroslav	358,963
Výboch David	91,014
Lalák Adam	115,784
Sitta Ondřej	92,126
Tatcheva Dessislava	50,126
Svoboda Marek	602,304
Kroupová Tereza	224,339
Flegelová Barbora	66,000
Mimrová Monika	90,451
Venenyová Jolana	539,909
Procházka Patrik	99,185
Adlerová Barbora	301,927
Titěra Tomáš	252,191

Vinárek Michal	61,062
Zlámalová Eliška	95,161
Hassan Alinnur	323,062
Pečeňa Adam	69,477
Licková Viktorie	65,776
Havlíček Vojtěch	121,247
Musilová Eva	275,950
Benedetti Simona	60,000
Hazi Josef	180,000
Mach Stanislav	108,918
Bošková Kateřina	120,000
Čaloun Jakub	140,032
Hausmanová Tereza	166,848
Jelínek Jonáš	140,032
Šimon Michal	90,000
Chalupa Lukáš	32,432
Řezníček Daniel	111,738
Sova Michael	122,213
Figala Jan	111,738
Michalčák Ján	356,402
Mysliveček Libor	296,497
Košata Jan	70,000
Růžičková Tereza	68,301
Žídek Augustin	112,627
Kohout Pavel	112,627
Za Nzambi Jennifer	179,378
Langr Jakub	179,500
Gelnarová Michaela	79,546
Podhajský Šimon	114,125
Šícha Prokop	80,000
Jordán Tomáš	227,720

### Appendix 2

### Individual gifts total CZK 2,172,650

	CZK	
An elementary and secondary school in Beroun	115,000	
An elementary school in Loděnice, District of Beroun	330,885	
An elementary and nursery school for disabled children	40,000	
Michael Adámek	26,000	
Radka Guschlbauerová	24,000	
Mensa International – Mensa Czech Republic	185,000	
Children's home at Zámecká 1, Jablonné v Podještědí	141,717	
Elementary school at 5. května 64/49, Liberec	50,000	
Filip Zaykov	98,018	
Michaela Kroková	23,050	
The municipality of Ptice	250,000	
The municipality of Chyňava	250,000	
Dům tří přání [The Three Wishes House]	1,171	
Helping Hands Medical Project Jadan, a trust	500,000	
The Duha association, Zámeček [Little Chateau]	50,000	
Dům tří přání [The Three Wishes House]	37,280	
Pavlína Havránková	15,149	
Marshel Hembrom	17,690	
Jiří Svačina	17,690	





## FINANCIALS

THE KELLNER FAMILY FOUNDATION

### Auditor's Report

### Independent Auditor's Report to the Board of Trustees of Nadace THE KELLNER FAMILY FOUNDATION

#### **Financial Statements**

On the basis of our audit, on 30 April 2015 we issued an auditor's report on the Company's statutory financial statements, which are included in this annual report, and our report was as follows:

"We have audited the accompanying financial statements of Nadace THE KELLNER FAMILY FOUNDATION, which comprise the balance sheet as of 31 December 2014, and the income statement for the year then ended, and the notes to these financial statements including a summary of significant accounting policies and other explanatory notes. Information about Nadace THE KELLNER FAMILY FOUNDATION is set out in Note 1 to these financial statements.

Statutory Body's Responsibility for the Financial Statements

The Board of Trustees of Nadace THE KELLNER FAMILY FOUNDATION is responsible for the preparation of financial statements that give a true and fair view in accordance with Czech accounting legislation and for such internal controls as the statutory body determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Act on Auditors and International Standards on Auditing and the relevant guidance of the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Auditor's Report

### Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Nadace THE KELLNER FAMILY FOUNDATION as of 31 December 2014, and of its financial performance for the year then ended in accordance with Czech accounting legislation."

### **Annual Report**

We have audited the consistency of the annual report with the audited financial statements. This annual report is the responsibility of the Company's statutory body. Our responsibility is to express our opinion on the consistency of the annual report with the audited financial statements based on our audit.

We conducted our audit in accordance with the Act on Auditors and International Standards on Auditing and the relevant guidance of the Chamber of Auditors of the Czech Republic. Those standards require that we plan and perform the audit to obtain reasonable assurance that the information disclosed in the annual report describing matters that are also presented in the financial statements is, in all material respects, consistent with the audited financial statements. We believe that the audit we have conducted provides a reasonable basis for our audit opinion.

In our opinion, the information disclosed in the annual report is, in all material respects, consistent with the audited financial statements.

Prague 30 April 2015

KPMG Česká republika Audit, s.r.o.

UPM Cerla republic Berdet

Registration number 71

Romana Benešová

Partner

Registration number 1834

			Description	Row No.	Opening balance at Jan 1, 2014	Closing balance at Dec 31, 2014	
	а		b	С	1	2	
			ASSETS	001	134,426	142,984	
Α.			Fixed assets	002	1,171	1,096	
A.	I.		Intangible fixed assets	003	1,686	1,926	
Α.	l.	1.	Research and development	004	0	0	
		3.	Software	005	353	399	
		4.	Valuable rights	006	452	452	
		5.	Low value intangible fixed assets	007	0	0	
		6.	Other intangible fixed assets	800	881	881	
		7.	Intangible fixed assets in progress	009	0	194	
		8.	Advance payments for intangible fixed assets	010	0	0	
A.	II.		Tangible fixed assets	011	258	169	
Α.	II.	1.	Land	012	0	0	
		2.	Works of art, items and collections	013	0	0	
		3.	Buildings	014	0	0	
		4.	Individual movable assets and sets of movable assets	015	258	169	
		5.	Cultivated areas	016	0	0	
		6.	Breeding and draft animals	017	0	0	
		7.	Low value tangible fixed assets	018	0	0	
		8.	Other tangible fixed assets	019	0	0	
		9.	Tangible fixed assets in progress	020	0	0	
		10.	Advance payments for tangible fixed assets	021	0	0	

			Description	Row No.	Opening balance at Jan 1, 2014	Closing balance at Dec 31, 2014	
	a		b	с	1	2	
A	III.		Long-term investments	022	495	495	
Α.	III.	1.	Equity investments in subsidiaries	023	0	0	
		2.	Equity investments in associates	024	0	0	
		3.	Long-term securities held to maturity	025	0	0	
		4.	Loans to branches	026	0	0	
		5.	Other long-term loans	027	495	495	
		6.	Other long-term investments	028	0	0	
		7.	Long-term investments in progress	029	0	0	
Α.	IV.		Accumulated depreciation and amortization	030	1,268	1,494	
Α.	IV.	1.	Accumulated amortization of research and development	031	0	0	
		2.	Accumulated amortization of software	032	321	361	
		3.	Accumulated amortization of valuable rights	033	272	366	
		4.	Accumulated amortization of low value intangible assets	034	0	0	
		5.	Accumulated amortization of other intangible fixed assets	035	550	697	
		6.	Accumulated depreciation of buildings	036	0	0	
		7.	Accumulated depreciation of individual movable assets and sets of movable assets	037	125	70	
		8.	Accumulated depreciation of cultivated areas	038	0	0	
		9.	Accumulated depreciation of breeding and draft animals	039	0	0	
		10.	Accumulated depreciation of low value tangible fixed assets	040	0	0	
		11.	Accumulated depreciation of other tangible fixed assets	041	0	0	

			Description	Row No.	Opening balance at Jan 1, 2014	Closing balance at Dec 31, 2014	
	a		b	С	1	2	
В.			Current assets	042	133,255	141,888	
B.	l.		Inventories	043	35	17	
В.	l.	1.	Material in stock	044	0	0	
		2.	Material in transit	045	0	0	
		3.	Work in progress	046	0	0	
		4.	Internally developed semi-finished products	047	0	0	
		5.	Finished goods	048	0	0	
		6.	Animals	049	0	0	
		7.	Goods on stock and in stores	050	35	17	
		8.	Goods in transit	051	0	0	
		9.	Advance payments for inventories	052	0	0	
B.	II.		Receivables	053	214	367	
В.	II.	1.	Customers	054	147	147	
		2.	Bills of exchange to be paid	055	0	0	
		3.	Receivables from securities issued	056	0	0	
		4.	Operating advances paid	057	0	0	
		5.	Other receivables	058	0	0	
		6.	Receivables from employees	059	0	0	
		7.	Receivables from social security authorities and public health insurance	060	0	0	
		8.	Income tax	061	0	220	
		9.	Other direct taxes	062	0	0	
		10.	Value added tax	063	0	0	

			Description	Row No.	Opening balance at Jan 1, 2014	Closing balance at Dec 31, 2014	
	a		b	С	1	2	
		11.	Other taxes and charges	064	0	0	
		12.	Entitlements to subsidies and other settlements with the national budget	065	0	0	
		13.	Entitlements to subsidies and other settlements with budgets of regional authorities	066	0	0	
		14.	Receivables from association members	067	0	0	
		15.	Receivables from fixed-term transactions	068	67	0	
		16.	Receivables from bonds issued	069	0	0	
		17.	Other receivables	070	0	0	
		18.	Estimated receivables	071	0	0	
		19.	Provision for receivables	072	0	0	
B.	III.		Short-term financial assets	073	132,681	141,348	
В.	III.	1.	Cash on hand	074	44	76	
		2.	Cash equivalents	075	0	0	
		3.	Cash in banks	076	64,800	108,474	
		4.	Equity securities for trading	077	0	0	
		5.	Debt securities for trading	078	0	0	
		6.	Other securities	079	67,837	32,798	
		7.	Short-term investments in progress	080	0	0	
		8.	Cash in transit	081	0	0	
B.	IV.		Total other assets	082	325	156	
В.	IV.	1.	Prepaid expenses	083	325	156	
		2.	Accrued revenues	084	0	0	
		3.	Foreign exchange rate gains	085	0	0	
			Control number	998			

			Description	Row No.	Opening balance at Jan 1, 2014	Closing balance at Dec 31, 2014	
	a		b	С	1	2	
			LIABILITIES	086	134,426	142,984	
Α.			Foundation's total holdings	087	134,169	142,670	
A.	l.		Net holdings	088	129,199	137,700	
A.	l.	1.	Endowment	089	1,000	1,000	
		2.	Funds	090	128,971	135,791	
		3.	Valuation difference on the revaluation of assets and liabilities	091	(772)	909	
A.	II.		Profit (loss)	092	4,970	4,970	
A.	II.	1.	Profit (loss) account	093	0	0	
		2.	Profit (loss) to be approved	094	0	0	
		3.	Retained earnings, accumulated losses	095	4,970	4,970	
B.			Liabilities	096	257	314	
В.	l.		Provisions	097	0	0	
В.	II.		Long-term liabilities	098	0	0	
В.	II.	1.	Long-term bank loans	099	0	0	
		2.	Bonds issued	100	0	0	
		3.	Leasing payables	101	0	0	
		4.	Long-term advances received	102	0	0	
		5.	Long-term bills of exchange payable	103	0	0	
		6.	Estimated payables	104	0	0	
		7.	Other long-term payables	105	0	0	
В.	III.		Short-term liabilities	106	257	314	
В.	III.	1.	Suppliers	107	153	214	
		2.	Bills of exchange payable	108	0	0	
		3.	Advances received	109	0	0	
		4.	Other payables	110	0	0	

### FULL LENGTH AS OF DECEMBER 31, 2014 (IN CZK THOUSANDS)

			Description	Row No.	Opening balance at Jan 1, 2014	Closing balance at Dec 31, 2014	
	a		b	С	1	2	
		5.	Employees	111	43	48	
		6.	Other payables to employees	112	2	0	
		7.	Payables to social security authorities and public health insurance	113	30	31	
		8.	Income tax	114	15	10	
		9.	Other direct taxes	115	12	0	
		10.	Value added tax	116	0	0	
		11.	Other taxes and charges	117	0	0	
		12.	Liabilities to the national budget	118	0	0	
		13.	Liabilities to budgets of regional authorities	119	0	0	
		14.	Liabilities from subscribed outstanding securities and investments	120	0	0	
		15.	Payables to association members	121	0	0	
		16.	Payables arising from fixed-term transactions and options	122	0	9	
		17.	Other payables	123	2	2	
		18.	Short-term bank loans	124	0	0	
		19.	Discount loans	125	0	0	
		20.	Short-term bonds issued	126	0	0	
		21.	Bonds held	127	0	0	
		22.	Estimated payables	128	0	0	
		23.	Other short-term financial borrowings	129	0	0	
В.	IV.		Other liabilities	130	O	0	
В.	IV.	1.	Accrued expenses	131	0	0	
		2.	Deferred revenues	132	0	0	
		3.	Foreign exchange rate losses	133	0	0	
			Control number	999			

**Date:** April 30, 2015

Signature of the person responsible for approval: Renáta Kellnerová

Ref.	TEXT	Row No.	Core activity	Economic activity	Total	
a	b	С	1	2	3	
A.	EXPENSES	001	3,634	53,782	57,416	
I.	Total consumed purchases	002	254	0	254	
1.	Consumed materials	003	254	0	254	
2.	Consumed energy	004	0	0	0	
3.	Consumed other non-storable supplies	005	0	0	0	
4.	Goods sold	006	0	0	0	
II.	Total services	007	1,676	266	1,942	
1.	Repairs and maintenance	008	22	0	22	
2.	Travel expenses	009	65	0	65	
3.	Entertainment costs	010	53	0	53	
4.	Other services	011	1,536	266	1,802	
III.	Total personnel costs	012	1,203	0	1,203	
1.	Wages and salaries	013	881	0	881	
2.	Statutory social security contributions	014	305	0	305	
3.	Other social security insurance	015	0	0	0	
4.	Statutory social expenses	016	17	0	17	
5.	Other social expenses	017	0	0	0	
IV.	Total taxes and charges	018	4	0	4	
1.	Road tax	019	0	0	0	
2.	Real estate tax	020	0	0	0	
3.	Other taxes and charges	021	4	0	4	

Ref.	TEXT	Row No.	Core activity	Economic activity	Total	
a	b	С	1	2	3	
V.	Total other expenses	022	329	1,617	1,946	
1.	Contractual penalties and late charges	023	0	0	0	
2.	Other penalties and fines	024	0	0	0	
3.	Bad debt written off	026	0	0	0	
4.	Interest	027	0	0	0	
5-	Foreign exchange rate losses	028	13	437	450	
6.	Gifts	029	198	0	198	
7.	Deficits and damage	030	0	0	0	
8.	Other and sundry expenses	031	118	1,180	1,298	
VI.	Depreciation and amortization, asset disposals, provisioning	032	168	51,899	52,067	
1.	Depreciation and amortization of tangible and intangible fixed assets	033	168	147	315	
2.	Net book value of tangible and intangible fixed assets sold	034	0	0	0	
3-	Securities and investments sold	035	0	51,752	51,752	
4.	Materials sold	036	0	0	0	
5.	Additions to reserves	037	0	0	0	
6.	Additions to provisions	038	0	0	0	
VII.	Total contributions provided	039	0	0	0	
1.	Paid contributions accounted for between branches	040	0	0	0	
2.	Membership dues paid	041	0	0	0	
VIII.	Total income tax	042	o	0	0	
1.	Additional payments of income tax	043	0	0	0	

Ref.	TEXT	Row No.	Core activity	Economic activity	Total	
a	b	С	1	2	3	
В.	INCOME	044	2,331	55,283	57,614	
l.	Total revenues from production and goods	045	o	147	147	
1	Revenues from production	046	0	0	0	
2	Revenues from services	047	0	147	147	
3	Revenues from goods	048	0	0	0	
II.	Total changes in intra-organization inventories	049	o	0	o	
1	Changes in the stock of work in progress	050	0	0	0	
2	Changes in the stock of semi-finished products	051	0	0	0	
3	Changes in the stock of products	052	0	0	0	
4	Changes in livestock headcount	053	0	0	0	
III.	Capitalization	054	0	0	0	
1	Capitalization of materials and goods	055	0	0	0	
2	Capitalization of intra-organization services	056	0	0	0	
3	Capitalization of intangible fixed assets	057	0	0	0	
4	Capitalization of tangible fixed assets	058	0	0	0	
IV.	Other revenues	059	2,331	570	2,901	
1	Contractual penalties and late charges	060	0	0	0	
2	Other penalties and fines	061	0	0	0	
3	Payments for receivables written off	062	0	0	0	
4	Interest	063	5	9	14	
5	Foreign exchange rate gains	064	15	497	512	
6	Transfer of assets from Funds to operating	065	2,311	0	2,311	
7	Other and sundry revenues	066	0	64	64	

### FULL LENGTH AS OF DECEMBER 31, 2014 (IN CZK THOUSANDS)

Ref.		TEXT	Row No.	Core activity	Economic activity	Total	
a		b	С	1	2	3	
V.		Proceeds from asset disposal, reversal of reserves and provisions	067	0	54,566	54,566	
	1.	Proceeds from the sale of intangible and tangible assets	o68	0	0	0	
	2.	Proceeds from the sale of securities and investment	069	0	51,191	51,191	
	3.	Proceeds from the sale of materials	070	0	0	0	
	4.	Proceeds from short-term financial assets	071	0	3,375	3,375	
	5.	Release of reserves	072	0	0	0	
	6.	Revenues from long-term investments	073	0	0	0	
	7.	Release of provisions	074	0	0	0	
VI.		Contributions received	075	0	0	0	
	1.	Received contributions accounted for between branches	076	0	0	0	
	2.	Received contributions (gifts)	077	0	0	0	
	3.	Received membership dues	078	0	0	0	
VII.		Operating subsidies	079	0	0	0	
	1.	Operating subsidies	080	0	0	0	
C.		PROFIT (LOSS) BEFORE TAX	081	(1,303)	1,501	198	
	1.	Income tax	082	0	198	198	
D.		PROFIT	083	(1,303)	1,303	0	

**Date:** April 30, 2015

Signature of the person responsible for approval: Renáta Kellnerová

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### Notes to the Financial Statements

YEAR ENDING ON DECEMBER 31, 2014 (IN CZK THOUSANDS)

#### NAME AND REGISTERED OFFICE OF THE ACCOUNTING UNIT

#### Nadace THE KELLNER FAMILY FOUNDATION

Evropská 2690/17 160 41 Praha 6-Dejvice Czech Republic Reg. No. 28902254

Legal form: Foundation

#### 2. DESCRIPTION AND CORE ACTIVITIES

#### Establishment and description of the foundation

Nadace THE KELLNER FAMILY FOUNDATION (hereinafter also referred to as "the Foundation") was incorporated in the Register of Foundations maintained by the Municipal Court in Prague, Section N, File 746, on May 25, 2009.

Mrs. Renáta Kellnerová and Mr. Petr Kellner are the founders of the Foundation.

The endowment totals CZK 1,000,000. A part of the endowment, CZK 500,000, was entered in the Register of Foundations on May 25, 2009 and following the combination by merger with Nadace Educa, the other part of the endowment, amounting to CZK 500,000, was entered in the Register of Foundations on July 27, 2011. Both amounts are deposited in a separate account kept at PPF banka a.s., account number 2012010002/6000. They are composed of the founders' financial contributions, with the contribution made by each of the founders amounting to CZK 500,000.

The purpose of the Foundation is to make a versatile contribution to the development of society and help improve the quality of life of the people in places where it operates, by providing support for education at all levels of society, for socially beneficial philanthropic activities, for the organizational development of non-governmental non-profit organizations, for the improvement of the public health, for solutions to social problems and to foster equal opportunities throughout society, for community development, development of public spaces and environmental improvements, for science and technological advancement, by providing support in the case of natural and humanitarian disasters, and for cultural development, art, and the protection of cultural heritage.

The Foundation is the sole founder of the charitable organization Pomáháme školám k úspěchu o.p.s., Reg. No.: 29005469 (hereinafter "the Company"). The Company was incorporated in the Register of Charitable Organizations on December 16, 2009, Section O, File 702. The Foundation made no investment in the Company, and therefore does not carry the Company in its books as an equity interest.

### 3. BOARD OF TRUSTEES AND SUPERVISORY BOARD AS OF DECEMBER 31, 2014

#### Board of Trustees as of December 31, 2014:

Chair:	Mrs. Renáta Kellnerová
Trustee:	Mr. Petr Kellner

Trustee: Mr. Jan Leiner

Either the Chair of the Board of Trustees shall act on behalf of the Foundation severally and to the full extent, or two Trustees shall jointly act on behalf of the Foundation.

#### Supervisory Board as of December 31, 2014:

Mrs. Karina Divišová	Chair:
Mr. Richard Sedláčko	Member:
Mr. Tomáš Vališ	Member:

#### Changes in the Register of Foundations in 2014

On May 26, 2014, the trusteeship of Mr. Jan Leiner expired and on May 27, 2014, the Supervisory Board membership of Mrs. Karina Divišová expired. On May 27, 2014, the Board of Trustees elected Mr. Jan Leiner as a trustee, and on May 28, 2014, it elected Mrs. Karina Divišová as a Member of the Supervisory Board. These changes were entered in the Register of Foundations on December 18, 2014. As of that date, the following number of Trustees was entered in the Register of Foundations: 3.

#### Changes in the Register of Foundations in 2015

On March 20, 2015, the Supervisory Board membership of Mr. Richard Sedláčko expired. On March 21, 2015, Mr. Richard Sedláčko was re-elected to the Supervisory Board for the next three-year period. This change has not been entered in the Register of Foundations to date.

### 4. ACCOUNTING PERIOD COVERED BY THE FINANCIAL STATEMENTS AND THE BALANCE SHEET DATE

The unit's accounting period is the calendar year 2014.
Under Section 19(1) of Act No. 563/1991 on Accounting, December 31, 2014 is the balance sheet date.

### 5. SIGNIFICANT ACCOUNTING POLICIES USED BY THE FOUNDATION

#### (a) Accounting procedures

The Foundation keeps double-entry accounting under the Act on Accounting, under the chart of accounts, and under Regulation No. 504/2002, as amended, for accounting units whose core activity is not carrying on a business.

Accepted financial gifts and gifts in kind in the form of tangible fixed assets, inventories and services provided, are carried in account 911 Funds, which forms a part of the Foundation's total holdings in the balance sheet.

#### (b) Endowment

Endowment is the financial expression of the aggregate of financial contributions entered in the Register of Foundations. Endowment amounts to CZK 1,000,000 (2013: CZK 1,000,000).

The Foundation is obligated to deposit all funds belonging to the endowment in a separate bank account, or it may use them to buy securities issued or guaranteed by the government. These funds may not be lent out.

#### (c) Costs incurred in the management of the Foundation

The costs incurred in the management of the Foundation specifically include, but are not limited to, the costs of maintaining and growing the Foundation's assets, the costs of promoting the purpose of the Foundation, and the costs incurred in the operation of the Foundation. The Foundation's total annual costs related to its management may not exceed 28% of the value of the grants annually awarded by the Foundation.

#### (d) Tangible and intangible fixed assets

Tangible and intangible fixed assets are carried at the acquisition cost, or at the value specified in the deed of gift, or on the basis of an expert appraisal. Tangible fixed assets with an acquisition cost of over CZK 40,000 and with a useful life of more than one year, and intangible fixed assets with an acquisition cost of over CZK 60,000 and a useful life of more than one year are carried in accounts of fixed assets and subject to accounting depreciation and amortization in line with the depreciation plan.

Other tangible assets with an acquisition cost of up to CZK 40,000 and other intangible assets with an acquisition cost of up to CZK 60,000 are expensed in the month of acquisition.

The following table shows the methods and depreciation periods by asset category:

Asset	Method	Depreciation period
Individual movable assets and sets of movable assets	straight-line	3 years
Valuable rights	straight-line	6 years
Software	straight-line	3 years

#### (e) Leased assets

The Foundation is not carrying any leased assets as of the balance sheet date.

#### (f) Long-term investments

Long-term investments are comprised of debt securities held to maturity, and are carried at the acquisition cost. The acquisition cost includes direct costs incurred in acquisition, for example, fees and commissions for brokers, advisers and stock exchanges.

As of the balance sheet date, debt securities held to maturity are valued at the acquisition costs increased/decreased by interest income/interest expense.

Income from these assets is included in income from long-term investments.

#### (g) Short-term financial assets

Short-term financial assets are comprised of the debt securities that the accounting unit holds primarily for the purpose of trading. Short-term financial assets are valued at the acquisition cost. The acquisition cost includes direct costs incurred in acquisition, such as fees and commissions for brokers, advisers and stock exchanges.

At the balance sheet date, debt securities held for trading are restated at their fair value. The change in the fair value of the securities held for trading is stated in the relevant account of account group 54 Other Costs, or, as applicable, 64 Other Income, corresponding to the relevant account in account group 92 Assets and Liabilities Revaluation.

Income from the above financial assets is included in income from short-term financial assets.

Sale of securities is charged to the respective account in account group 65 Proceeds from Sale of Assets, Reversal of Provisions. Disposals of securities are carried in the respective account in account group 55 Depreciation and Amortization, Sold Assets, and Provisioning.

#### (h) Derivatives

Derivatives for trading

Financial derivatives held for trading are stated at fair value and the gain (loss) from changes in fair values is shown in the income statement in the item "Additional Other Income" or, as applicable, "Additional Other Costs".

### 6. ADDITIONAL INFORMATION ABOUT THE BALANCE SHEET

### (a) Short-term financial assets

Money is deposited in checking accounts in Czech crowns and held as cash on hand in Czech crowns. On December 31, 2014, the balance in bank accounts stood at CZK 108,474,000 (2013: CZK 64,800,000). On December 31, 2014, cash on hand amounted to CZK 76,000 (2013: CZK 44,000).

As of December 31, 2014 the Foundation had the following short-term financial assets:

2014

Securities	Number of units	Acquisition cost (w/o PRI)	Pro rata interest income (PRI)	Carrying value (acquisition cost + PRI)	Revaluation difference	Fair value, incl. PRI	
Bonds							
CITY TOWER HOLD. ZERO 20/11/2017	5	4,371		4,371	101	4,472	
GAZ CAPITAL 8.125 4/2/2015	100	2,827	203	3,030	(68)	2,962	
HOME CREDIT BV 6.25 22/6/2016	6	18,591	588	19,179	(932)	18,247	
HZL SBERBANK 3.2 11/10/2016	4,000,000	4,181	28	4,209	(41)	4,168	
ING BANK NV L+83 30/11/2017	40	2,007	2	2,009	31	2,040	
Total bonds		31,977	821	32,798	(909)	31,889	

2013

Securities	Number of units	Acquisition cost (w/o PRI)	Pro rata interest income (PRI)	Carrying value (acquisition cost + PRI)	Revaluation difference	Fair value, incl. PRI	
Bonds							
BRE BANK 2.75 12/10/2015	100	2,605	17	2,622	199	2,821	
CEB L+0 18/6/2014	25	2,500	_	2,500	(4)	2,496	
CITY OF WARSAW 6.875 06/05/2014	150	4,012	180	4,192	187	4,379	
GAZ CAPITAL 8.125 4/2/2015	100	2,827	194	3,021	120	3,141	
HOME CREDIT BV 6.25 22/6/2016	11	34,083	1,077	35,160	33	35,193	
J&T FINANCE 6.4 30/11/2014 C13	1	2,986	16	3,002	12	3,014	
KBC IFIMA EMTN L+160 30/3/2014	115	5,772	_	5,772	(9)	5,763	
LEASEPLAN CORP L+140 28/4/2014	3	6,015	19	6,034	(7)	6,027	
MORGAN STANLEY L+42 16/1/2017	2	2,540	4	2,544	164	2,708	
SLOVAK GOVB L+150 2/9/2015	300	2,969	21	2,990	77	3,067	
Total bonds		66,309	1,528	67,837	772	68,609	

### (b) Receivables

At December 31, 2014, the Foundation reports CZK 147,000 (2013: CZK 147,000) in receivables from customers. All receivables had been paid by the date of preparation of these financial statements.

### (c) Liabilities

At December 31, 2014, liabilities to suppliers totaled CZK 214,000 (2013: CZK 153,000). All payables had been paid by the date of preparation of these financial statements.

### (d) Fixed assets

Intangible fixed assets (in CZK thousands)

	IFA in progress	Software	Valuable rights	Other IFA	Total	
Acquisition cost						
Balance on January 1, 2014		353	452	881	1,686	
Additions	194	46			240	
Disposals						
Transfer						
Balance on December 31, 2014	194	399	452	881	1,926	
Accumulated amortization						
Balance on January 1, 2014		321	272	550	1,143	
Amortization		40	94	147	281	
Accumulated amortization of disposals						
Balance on December 31, 2014		361	366	697	1,424	
Net book value on January 1, 2014		32	180	331	543	
Net book value on December 31, 2014	194	38	86	184	502	

Tangible fixed assets (in CZK thousands)

	Plant and machinery	Total
Acquisition cost		
Balance on January 1, 2014	258	258
Additions	<del>-</del>	_
Disposals	(89)	(89)
Transfer	-	-
Balance on December 31, 2014	169	169
Accumulated depreciation		
Balance on January 1, 2014	125	125
Depreciation	34	34
Accumulated depreciation of disposals	(89)	(89)
Transfer	<del>-</del>	_
Balance on December 31, 2014	70	70
Net book value on January 1, 2014	133	133
Net book value on December 31, 2014	99	99

#### (e) Prepaid expenses

Prepaid expenses totaled CZK 156,000 (2013: CZK 325,000), of which CZK 117,000 (2013: CZK 305,000) were comprised of unconsumed promotional brochures, and the balance comprised other unconsumed office material and cost of asset insurance for the subsequent period.

### 7. HOLDINGS ALLOCATED TO COVERING FIXED AND CURRENT ASSETS

Securities	Registered endowment	The organization's Funds	Revaluation differences	Retained profit, accumulated losses	Total	
Balance on January 1, 2014	1,000	128,971	-772	4,970	134,169	
Financial gifts received		106,342			106,342	
Financial grants awarded		(97,321)			(97,321)	
Gifts in kind provided		(88)			(88)	
Transfer from Funds to cover administrative costs		(2,113)			(2,113)	
Securities revaluation difference			1,681		1,681	
Profit (loss) for 2014						
Balance on December 31, 2014	1,000	135,791	909	4,970	142,670	

### 8. ADDITIONAL INFORMATION ABOUT THE INCOME STATEMENT

### (a) Income (in CZK thousands)

	2014
Revenue from own activity	2,331
Revenue from economic activity	55,283
Total	57,614

The Foundation's income was comprised of the following: royalties of CZK 147,000 from the use of a copyrighted work and interest income of CZK 14,000, of which CZK 5,000 was interest accrued on a term deposit holding the endowment, which is exempt from tax; further, exchange rate gains of CZK 512,000 and transfer of assets from Funds of CZK 2,311,000. "Additional other income" of CZK 64,000 includes the remeasurement of bonds and derivatives. Additional income liable to tax includes proceeds from the sale of bonds, amounting to CZK 51,191,000. Related to this amount is interest income from bonds amounting to CZK 3,375,000.

### (b) Expenses (in CZK thousands)

	2014	
Costs of own operation (administration)	3,436	
Costs of grants awarded (in cash)	110	
Costs of grants awarded (in kind)	88	
Costs of economic activity, including income tax	53,980	
Total	57,614	

### (c) Profit (loss) broken down by core activity and non-core aktivity (in CZK thousands)

	2014	
Profit (loss) from core activity	(1,303)	
Profit (loss) from non-core activity after tax	1,303	
Total	_	

### 9. GIFTS RECEIVED AND GRANTS AWARDED

### (a) Gifts received (in CZK thousands)

Donor	2014	2013
Elektrárny Opatovice a.s.		5,000
Energetický a průmyslový holding, a.s.		2,000
Home Credit a.s.	7,523	19,100
Plzeňská energetika a.s.		3,000
PPF a.s.	5,000	2,000
PPF banka a.s.	90,000	28,500
PPF IT Services s.r.o.	3,000	
PPF Real Estate s.r.o.		700
Private donors	819	
Total	106,342	60,300

### (b) Grants awarded (in CZK thousands)

Donee	2014	2013	
Students, to the account of OPEN GATE – gymnázium a základní škola, s.r.o.	39,552	42,326	
Pomáháme školám k úspěchu o.p.s. [Helping Schools Succeed]	35,340	29,650	
Contributions to students at foreign universities	11,193	8,906	
Charles University in Prague	3,600	3,600	
Palacký University in Olomouc	2,500	2,500	
Institute of Biotechnology, ASCR, v.v.i.	2,400	2,400	
Helping Hands Medical Project Jadan India, a trust	500		
Nadace Hudební faktulty AMU [the foundation of the Music and Dance Faculty of the Academy of Performing Arts in Prague]	300		
Kunratice elementary school, Praha 4	280		
The municipality of Chyňava	250		
The municipality of Ptice	250		
VIA Foundation		350	
Other	1,244	1,297	
Total	97,409	91,029	

#### 10. EMPLOYEES AND MANAGERS

Average number of employees and managers, and personnel costs for 2014 and 2013:

2014	Number of employees	Wage costs (CZK thousands)	Social security and health insurance costs (CZK thousands)	Social costs (CZK thousands)	
Employees	2	881	305	17	
2013	Number of employees	Wage costs (CZK thousands)	Social security and health insurance costs (CZK thousands)	Social costs (CZK thousands)	
Employees	2	862	295	17	

In 2014, the Foundation did not provide any financial or non-financial remuneration to the members of the Board of Trustees and the Supervisory Board.

### 11. LIABILITIES UNDER SOCIAL SECURITY AND HEALTH INSURANCE

Liabilities under social security and health insurance in 2014 amount to CZK 31,000 (2013: CZK 30,000), of which CZK 22,000 (2013: CZK 21,000) represents liabilities under social security and CZK 9,000 (2013: CZK 9,000) represents liabilities under health insurance. All these liabilities were paid within statutory time limits.

### 12. INFORMATION ABOUT FEES FOR STATUTORY AUDITORS (IN CZK THOUSANDS)

	2014	2013	
Statutory audit	6	6	
Total	6	6	

The Board of Trustees appointed KPMG Česká republika Audit, s.r.o. as the Foundation's auditor.

### 13. CORPORATE INCOME TAX

#### (a) Tax base

In the calculation of the corporate income tax, the option of reducing the tax base by as much as 30%, set out in Section 20(7) of the Income Tax Act, was used. For the 2014 fiscal period, the corporate income tax is estimated at CZK 198,000.

#### (b) Tax relief from 2013 applied in 2014

The tax liability saving of CZK 779,000 (2012: CZK 1,000,000), achieved by applying tax relief in 2013, was used for advertising and promoting the Foundation's core activity in 2014.

(c) In the fiscal period of 2014, the foundation used tax relief for accepted gifts under Section 19b(2)(b)(1) of the Income Tax Act.

### 14. SIGNIFICANT SUBSEQUENT EVENT

No significant subsequent event that could have an impact on the financial statements as of December 31, 2014 had occurred by the date of the preparation of the financial statements.

Date: April 30, 2015

Signature of the responsible person: Renáta Kellnerová

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### Nadace THE KELLNER FAMILY FOUNDATION

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