

Polish-U.S. Fulbright Commission
ul. K.I. Gałczyńskiego 4
00-362 Warszawa
NIP: 526-171-91-06

Accounting office:

Soltax Sp. z o.o.

NIP: 525-231-04-12

FINANCIAL STATEMENT

for the financial period 01.01.2020...31.12.2020

I. Heading of the financial statement

Reporting period: 01.01.2020...31.12.2020
Report date: 10.05.2021
Report type: The scope of information to be disclosed in the financial statement referred to in article 45 of the act, for the units referred to in article 3 section 2 of the Act on Public Benefit Activity and Volunteerism (...) of 24 April, 2003.

The chosen form of data presentation:

- for the Introduction to the report: Introduction to the financial statement prepared in accordance with annex 6 to the Accounting Act
- for the information on income tax: Additional Information prepared in accordance with annex 6 to the Accounting Act

II. Introduction to the financial statement**II. 1. The Unit data**

Name: POLISH - U.S. FULBRIGHT COMMISSION
Located in: Masovian Voivodeship, Warsaw powiat, Warsaw municipality, city of Warsaw
Registered Office: ul. K.I. Gałczyńskiego 4, 00-362 Warszawa
Core activity: 9499Z
NIP (Tax Identification Number) 5261719106
Registered in the KRS - National Court Register 0000166179

II. 2. Period of duration

The period of duration of the foundation is perpetual.

II. 3. Period covered by the financial statement

The financial statement is for the period from January 01, 2020 until December 31, 2020

II. 4. Indication as to whether the financial statement incorporates combined data, should the structure include internal organizational units preparing independent financial statements

The statement does not incorporate combined data.

II. 5. Going concern

Financial statements were prepared on a going concern basis.
 There are no indications of going concern threats.

II. 6. Information on mergers

The foundation has not been engaged in any mergers of business entities in the period covered by the financial statement.

II. 7. Indication of the simplifications used for small units

For these types of units the Act does not allow the use of simplifications

II. 8. Accounting principles (policy). Overview of the accounting principles (policy) adopted to the extent in which the Act gives the unit freedom of choice. These include the following:**II. 8.1. Valuation of assets and liabilities (and depreciation)**

Intangible assets and fixed assets were valued as at the balance sheet date and disclosed in the balance sheet at their initial value less depreciation write-offs.

Receivables shown in the balance sheet were disclosed in the amount due and the receivables in foreign currencies were converted at the average NBP exchange rate according to the table from the balance sheet day.

Short-term financial assets were valued as at the balance sheet date and disclosed in the balance sheet at nominal value.

Amounts in currencies were converted at the average NBP exchange rate according to the table as at the balance sheet date.

Short-term liabilities were valued as at the balance sheet date and disclosed in the balance sheet in the amount requiring payment. Amounts in currencies were converted at the average NBP exchange rate according to the table as at the balance sheet date.

Short-term prepayments are recognized at nominal value in amounts not settled by balance sheet date.

The Foundation applies the principles of prepayments and accrued income. The profit and loss statement is broken down by revenue and costs per grant type and by year. Furthermore, income from statutory activities is shown based on cost incurred. This method allows for precise matching of costs and revenues. Grant income not covered by costs is deferred.

The adopted principles of accounting and settlement of grants and scholarships:

1) Income of grant is recorded as:

Dt Cash;
Ct Grant settlement.

and concurrently the value of received grant is reclassified as:

Dt Grant settlement;
Ct Accruals and deferred income.

Income of grant in foreign currency is recorded at the average National Bank of Poland (NBP) exchange rate on the day preceding the day of cash income.

2) Accounting of the scholarships and their settlements. At the moment when scholarship is granted, upon the decision approving the list of scholarship grantees, the obligation to the grantee on the settlement account is recorded as:

Ct Grantee settlements;
Dt Accrued and deferred costs

Payment of the scholarship installment, according to the payment schedule, is recorded as:

Ct Cash
Dt Grantee settlements;

At the same time, the cost is settled at a value equal to the payment of the scholarship installment by the following record:

Ct Accrued and deferred costs
Dt relevant cost account of '5 accounting group'
Ct Cost settlement
Dt relevant cost account of '4 accounting group'

and settlement of received grant income in the amount of the the payment of the scholarship installment by the following record:

Dt Accruals and deferred income
Ct Statutory income

Payment of the scholarship installment, cost settlement and income settlement when the scholarship installment is paid in a foreign currency is recorded at the average National Bank of Poland (NBP) exchange rate on the day preceding the day of cash income (in accordance with the FIFO method of spending funds).

Any exchange rate differences arising on the settlement account, resulting from a different date on which the liability to the grantees arose and different date of foreign currency cash receipt, refer to:

Dt / Ct Settlements with grantees
Dt / Ct Exchange rate differences

At the same time, in a value equal to the exchange differences realized on the settlement account due to the scholarship payment, a reverse record is made:

Dt / Ct Accrued and deferred costs

3) Balance sheet valuation.

At the balance sheet date, balance sheet valuation of the following balances is made:

- a) cash in foreign currencies
Dt / Ct Cash in a foreign currency;
Dt / Ct Exchange rate differences.
- b) subsidies received in foreign currency
Dt / Ct Accruals and deferred income
Dt / Ct Exchange rate differences
- c) settlements in foreign currency
Dt / Ct Settlements with scholarship holders and contractors
Dt / Ct Exchange rate differences
- d) future costs of scholarships settled in a foreign currency
Dt / Ct Accrued and deferred costs
Dt / Ct Exchange rate differences.

II. 8.2. Rules for determining the financial result

The Foundation's financial profit and loss stems from:

- the result of the Foundation's ongoing statutory activity (conducted as a free-of-charge activity);
- general administrative costs;
- other operating income and costs;
- financial revenues and costs;
- possible encumbrance of the financial result with income tax (subject to Article 17 paragraph 1 item 4 of the Corporate Income Tax Act).

The result of the statutory activity arises from the difference between the income of the current statutory activity, grants, subsidies, donations, profit distribution (surplus of income over costs) financing ongoing statutory activities, and the costs of this activity, increased by all administrative costs related to statutory activity and incurred since the beginning of the financial year.

Accounts for costs in 'group 4' are closed by posting the balance to the account 490 (Settlement of costs).

Accounts for costs in 'group 5 and 7', as well as the accounts of income of 'group 7' are closed by posting to the account 860 (Financial result).

II. 8.3. Rules for determining of financial statement

The accounting principles adopted are in accordance with the Accounting Act, and the financial statements have been prepared in accordance with annex 6 to the Accountin Act

II. 8.4. Others

II. 8.5. Information specifying the accounting principles resulting from the needs or specificity of the entity

III. BALANCE SHEET

Balance sheet is prepared on the basis of Annex 6 to the Act of September 29, 1994 on accounting (Journal of Laws 1994 No. 121, item 591, as amended) for units referred to in article 3 section 2 of the Act on Public Benefit Activity and Volunteerism (...) of 24 April, 2003 with the exception of limited companies and units referred to in Art. 3 sec. 3 points 1 and 2 of this Act.

Item	Description	31 Dec 2020	31 Dec 2019
	Total Assets	11 166 577,73	14 013 618,69
A	FIXED ASSETS	0,00	0,00
A.I	Intangible assets	0,00	0,00
A.II	Tangible fixed assets	0,00	0,00
A.III	Long-term receivables	0,00	0,00
A.IV	Long-term investments	0,00	0,00
A.V	Long-term prepayments	0,00	0,00
B	CURRENT ASSETS	11 166 577,73	14 013 618,69
B.I	Inventory	0,00	0,00
B.II	Short-term receivables	67 661,30	130 678,32
B.III	Short-term investments	9 725 189,16	10 005 553,96
B.IV	Short-term prepayments	1 373 727,27	3 877 386,41
C	EQUITY PAYMENTS	0,00	0,00
	Total Liabilities	11 166 577,73	14 013 618,69
A	EQUITY	1 456 568,91	1 490 694,41
A.I	Statutory Fund	1 490 694,41	1 392 289,14
A.II	Other reserve capital	0,00	0,00
A.III	Previous years' profit (loss)	0,00	0,00
A.IV	Net profit (loss)	-34 125,50	98 405,27
B	LIABILITIES AND PROVISIONS FOR LIABILITIES	9 710 008,82	12 522 924,28
B.I	Provisions for liabilities	0,00	0,00
B.II	Long-term liabilities	0,00	0,00
B.III	Short-term liabilities	1 507 857,50	3 987 550,21
B.IV	Accruals	8 202 151,32	8 535 374,07

IV. Profit and Loss Statement

Profit and Loss Statement is prepared on the basis of Annex 6 to the Act of September 29, 1994 on accounting (Journal of Laws 1994 No. 121, item 591, as amended) for units referred to in article 3 section 2 of the Act on Public Benefit Activity and Volunteerism (...) of 24 April, 2003 with the exception of limited companies and units referred to in Art. 3 sec. 3 points 1 and 2 of this Act.

Item	Description	For the period 01.01.2020...31.12.2020	For the period 01.01.2019...31.12.2019
A	Revenues from the statutory activity	8 715 593,65	11 597 619,60
A.I	Revenues from non paid public benefit activity	7 499 954,81	10 500 968,64
A.II	Revenues from paid public benefit activity	0,00	0,00
A.III	Revenues from other for statutory activity	1 215 638,84	1 096 650,96
B	Costs of the statutory activity	7 901 017,09	10 888 210,88
B.I	Costs of non-paid public benefit activity	6 694 059,56	9 802 552,95
B.II	Costs of paid public benefit activity	0,00	0,00
B.III	Costs of other statutory activity	1 206 957,53	1 085 657,93
C	Profit (loss) on statutory activity (A-B)	814 576,56	709 408,72
D	Revenues from economic activities	0,00	0,00
E	Costs of economic activities	0,00	0,00
F	Gross profit (loss) from economic activities (D-E)	0,00	0,00
G	General and administrative costs	805 895,25	698 415,69
H	Profit (loss) on operating activities (C+F-G)	8 681,31	10 993,03
I	Other operating revenues	10 586,53	665,37
J	Other operating expenses	5 242,21	107 299,16
K	Financial revenues	69 163,07	194 046,03
L	Financial expenses	117 314,20	0,00
M	Gross profit (loss) (H+I-J+K-L)	-34 125,50	98 405,27
N	Income tax	0,00	0,00
O	Net profit (loss) (M-N)	-34 125,50	98 405,27

**Additional information and explanation on the financial statement
for the period from 1 January 2020 to 31 December 2020**

Additional information was prepared based on annex 6 to the Accounting Act.

SECTION 1

Ad 1 (FIXED ASSETS)

Tangible fixed assets

GROUP	GROUP OF FIXED ASSETS	Opening balance	Closing balance
1	Buildings and units	0,00	0,00
2	Civil and hydro engineering objects	0,00	0,00
3	Boilers and power generation machines	0,00	0,00
4	General use machines and equipment	0,00	0,00
5	Special use machines and equipment	0,00	0,00
6	Technical equipment	84 832,17	108 391,99
7	Means of transport	0,00	0,00
8	Tools, instruments, movables and furnishing	146 622,74	148 235,49
9	Livestock	0,00	0,00
TOTAL FIXED ASSETS		231 454,91	256 627,48

Depreciation of fixed tangible assets

GROUP	GROUP OF FIXED ASSETS	Opening balance	Closing balance
1	Buildings and units	0,00	0,00
2	Civil and hydro engineering objects	0,00	0,00
3	Boilers and power generation machines	0,00	0,00
4	General use machines and equipment	0,00	0,00
5	Special use machines and equipment	0,00	0,00
6	Technical equipment	84 832,17	108 391,99
7	Means of transport	0,00	0,00
8	Tools, instruments, movables and furnishing	146 622,74	148 235,49
9	Livestock	0,00	0,00
TOTAL FIXED ASSETS DEPRECIATION		231 454,91	256 627,48

Intangible assets

ACCOUNT	ACCOUNT NAME	Opening balance	Closing balance
020	Intangible assets	4 034,41	34 634,41
020-1	Software	4 034,41	4 034,41
020-2	Other intangible assets	0,00	30 600,00
TOTAL INTANGIBLE ASSETS		4 034,41	34 634,41

Depreciation of intangible assets

ACCOUNT	ACCOUNT NAME	Opening balance	Closing balance
075	Intangible assets	4 034,41	34 634,41
075-1	Software	4 034,41	4 034,41
075-2	Other intangible assets	0,00	30 600,00
TOTAL INTANGIBLE ASSETS DEPRECIATION		4 034,41	34 634,41

Ad 2. (LAND PERPETUAL USUFRUCT)

Not applicable

Ad 3. (LEASEHOLD VALUE)

Not applicable

Ad 4. (COMMITMENTS UNDER THE OWNERSHIP RIGHTS)

Not applicable

Ad 5. (SHARE CAPITAL)**Statutory fund breakdown:**

Itemized sources of origin of the fund	Amount
Value of the statutory fund including:	1 490 694,41
1) Endowment fund	5 329,50
2) Financial result for prior years	253 605,23
3) Financial result for 2001	83 753,18
4) Financial result for 2002	1 067 497,56
5) Financial result for 2003	1 032 508,26
6) Financial result for 2004	-89 170,38
7) Financial result for 2005	-476 807,09
8) Adjustment due to the change of the revenue valuation method	-1 360 859,87
9) Financial result for 2006	-34 715,41
10) Financial result for 2007	-73 130,48
11) Financial result for 2008	-26 469,29
12) Financial result for 2009	349 997,88
13) Financial result for 2010	-22 420,61
14) Financial result for 2011	-51 054,18
15) Financial result for 2012	241 727,18
16) Financial result for 2014	257 428,18
17) Financial result for 2015	426 929,78
18) Financial result for 2016	179 946,03
19) Financial result for 2017	-691 839,67
20) Financial result for 2018	320 033,34
21) Financial result for 2020	98 405,27

Ad 6. (EQUITY)

ITEMIZED	Opening balance	Closing balance
I. Share capital (fund - statutory fund)	1 392 289,14	1 490 694,41
II. Other reserve capital	0,00	0,00
III. Previous years profit (loss)	0,00	0,00
IV. Net profit (loss)	98 405,27	-34 125,50

Ad 7. (FINANCIAL RESULT SETTLEMENT)

In 2020, the Foundation had the revenue amounting to:	8 795 343,25
and incurred cost in the amount of:	8 829 468,75
Gross profit/loss for 2020 was:	-34 125,50
Income tax for 2020 amounted to:	0,00
Net profit/loss for 2020 was:	-34 125,50

Ad 8. (PROVISIONS)

Not applicable

Ad 9. (REVALUATION OF RECEIVABLES)

Not applicable

Ad 10. (BREAKDOWN OF LONG-TERM LIABILITIES)

Not applicable

Ad 11. (PREPAYMENTS AND ACCRUED INCOME)

TITLE	Opening balance	Closing balance
Total prepayments and deferred income including:	3 877 386,41	1 373 727,27
Scholarships	3 877 386,41	1 373 727,27
Insurance	0,00	0,00
Total accruals and deferred income:	0,00	0,00
Provisions for costs	0,00	0,00
Total accruals and deferred income:	8 535 374,07	8 202 151,32
Grants not spent	8 535 374,07	8 202 151,32
Other	0,00	0,00

Ad 12. (LIABILITIES SECURED BY ASSETS)

Not applicable

Ad 13. (CONTINGENT LIABILITIES)

Not applicable

SECTION 2

Ad 1. (BREAKDOWN OF SALES)

Breakdown of revenue by sources, including those required under the statute:

Itemized	Revenue for year:	
	previous	financial
Total revenue	11 792 331,00	8 795 343,25
Including:		
1) Revenue from statutory activities - typical	-	-
2) Other statutory revenue	11 597 619,60	8 715 593,65
Including:		
1) US government grants - Fulbright	6 000 369,64	4 759 954,81
2) Polish government grants - Fulbright	4 500 599,00	2 740 000,00
3) Grants for other programs	0,00	0,00
4) 1% revenue	787,70	0,00
5) Other statutory revenue	1 095 863,26	1 215 638,84
3) Other revenue	665,37	10 586,53
4) Financial revenue	194 046,03	69 163,07

As the 1% of public tax benefit, the Foundation received PLN 1,151.90 in 2020. The amount received was not spent. The received funds has been recorded in accoting books in deferred income and will be used in the future period. At the time of spending, it will be transferred to income and the expense will be presented as the cost.

Ad 2. (REVALUATION OF FIXED ASSETS)

Not applicable

Ad 3. (REVALUATION OF INVENTORY)

Not applicable

Ad 4. (RESULT ON DISCONTINUED OPERATION)

Not applicable

Ad 5. (TAXABLE PROFIT)

Revenue	8 795 343,25
Taxfree inflows from grants	-78 859,46
Tax revenue	8 716 483,79
Financial revenue	225 557,61
Donations from US and Polish Government	8 480 339,65
Other revenue	10 586,53
Costs	8 829 468,75
Non-deductible expenses as per art.16 sec.1p.58 of the CIT Act	8 829 468,75
Tax expenses	0,00
Tax income	8 716 483,79
Tax exempted income as per art. 17 sec. 1 p. 4,23, 24 and 47 of the CIT Act	8 716 483,79
Taxable income	0,00

Ad 6. (COSTS BY TYPE)

Breakdown of statutory activity costs defined by the statute and general administrative costs

Itemized	Cost for year	
	Previous	Financial
Total cost, including:	11 693 925,73	8 829 468,75
1. Cost of statutory tasks, including:	10 888 210,88	7 901 017,09
1) Fulbright Program (US government grants)	5 301 953,95	3 954 059,56
2) Fulbright Program (Polish government grants)	4 500 599,00	2 740 000,00
3) Other statutory costs	1 085 657,93	1 206 957,53
2. General administrative costs, including:	698 415,69	805 895,25
1) Depreciation	7 775,77	20 713,57
2) Materials and energy	14 464,00	22 269,39
3) Third party services	265 225,38	321 702,83
4) Taxes and bank charges	0,00	0,00
5) Salaries	342 212,43	356 494,11
6) Social insurance contributions and other benefits	59 212,49	60 259,90
7) Other costs by type	9 525,62	24 455,45
3. Other operating expenses	107 299,16	5 242,21
4. Financial expenses	0,00	117 314,20

Ad 7. (CONSTRUCTION IN PROGRESS)

Not applicable

Ad 8. (NON-FINANCIAL FIXED ASSETS)

Not applicable

Ad 9. (EXTRAORDINARY GAINS AND LOSSES)

Not applicable

Ad 10. (INCOME TAX ON GAINS ON EXTRARDINARY OPERATIONS)

Not applicable

SECTION 2a

Ad 1. (FX RATES USED FOR TRANSLATION OF FX AMOUNTS)

Cost and revenue documents are converted into PLN at the average exchange rate of the National Bank of Poland as of the date preceding the transaction date.

Bank operations are valued at the average exchange rate of the National Bank of Poland as of the date preceding the transaction date.

Outflows from bank accounts are valued according to the historical rate using the FIFO method.

SECTION 3

Ad 1. (EXPLANATIONS TO THE CASH FLOW STATEMENT)

Not applicable

SECTION 4

Ad 1. (MATERIAL AGREEMENTS NOT INCLUDED IN THE BALANCE SHEET)

Not applicable

Ad 2. (TRANSACTIONS WITH AFFILIATED ENTITIES)

Not applicable

Ad 3. (EMPLOYMENT)

As of 31 December 2020 the Foundation employed 10 persons based on the employment contracts.

Ad 4. (REMUNERATION OF THE MEMBERS OF THE FOUNDATION GOVERNING BODIES)

Description	Amount in PLN
Gross remuneration paid under employment contracts	578 477,57
Remuneration paid from profit	0,00
Other remuneration - Contracts of Mandate and Contracts for Specific Tasks	0,00
Total remuneration paid to members of the Management Board	578 477,57

Ad 5. (LOANS TO MEMBERS OF THE FOUNDATION GOVERNING BODIES)

Not applicable

Ad 6. (SERVICES OF AUDITORS AND ENTITIES AUTHORIZED TO AUDIT FINANCIAL STATEMENTS)

Not applicable

SECTION 5

Ad 1. (EVENTS OF PREVIOUS YEARS)

Not applicable

Ad 2. (EVENTS AFTER THE BALANCE SHEET DATE)

Not applicable

Ad 3. (CHANGES OF ACCOUNTING POLICIES)

Not applicable

Ad 4. (COMPARABILITY OF ANNUAL FINANCIAL STATEMENTS)

Not applicable

SECTION 6

Ad 1. (JOINT VENTURES AND AFFILIATED ENTITIES)

Not applicable

SECTION 7

Ad 1. (MERGER OF ENTITIES)

Not applicable

SECTION 8

Ad 1. (GOING CONCERN UNCERTAINTY)

From the information held by the Management Board there is no uncertainty as to the Foundation's ability to continue as a going concern.

SECTION 9

Ad 1. (OTHER MATERIAL INFORMATION)

The Management Board has no knowledge of any information other than mentioned above, which if disclosed might have a material effect on the assessment of the entity's assets, financial situation and financial result.

The Management Board is monitoring the situation related to the coronavirus pandemic on an ongoing basis and will take all possible steps to mitigate any negative effects on the entity.

Warsaw, May 10, 2021

Prepared by
Paweł Jakubowski

.....

Justyna Janiszewska
Executive Director
Member of the Management Board

.....

Aneta Kluszczyńska
Member of the Management Board

.....

Justyna Kozyra-Bober
Member of the Management Board

.....