



Our Children Foundation

Al. J. Piłsudskiego 92

41-308 Dąbrowa Górnicza

KRS 0000377619

Public Benefit Organization

Financial Statement

for the period

January 1, 2014, to December 31, 2014

Dąbrowa Górnicza, maj 2015

I. GENERAL INFORMATION

1. Our Children Foundation operates on the basis of KRS 0000377619.
2. The duration of the Our Children Foundation is not predetermined.
3. This financial statement covers the accounting period starting on January 1, 2014 and ends on December 31, 2014. The Company maintains its accounting records in Polish zloty (PLN) and the financial statement is prepared in this currency.
4. Our Children Foundation prepares financial statements for micro entities referred to in Art. 46 paragraph. 5 point 4, Art. 47 section 4 pkt4, Art. 48 section 3, Art. 48a section 3, Art. Section 4 or Article 48b. And Article 49 paragraph 4. 3. 1a point 2 in accordance with the principles set out in Annex 4 to the Act of 29 September 1994, Accounting Act (Journal of Laws of 2013. pos. 300 and 613, and from 2014 pos. 1100)
 - Balance Sheet
 - Profit and Loss Account
 - General and complementary information to the balance sheet
5. The financial statement contains data on the Foundation's statutory activity and is prepared on basis of business continuity assumption.
6. Our Children Foundation uses the following methods of valuation of individual assets and liabilities:
 - Tangible and intangible assets – at purchase price decreased by accumulated amortization and impairment write-offs;
 - Shares in foreign entities and long-term investments - purchase price;
 - Short-term investments - market price (value) or purchase price, depending on which one is lower, whereas short-term investments, for which there is no active market;
 - Receivables and loans - in the amount of due payment;
 - Payables - in the amount of due payment;
 - Provisions - in reasonable, credible and estimated value;
 - Equity - in the nominal value pursuant to the notarial deed.

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Stocktaking is carried out in accordance with the principles contained in the Accounting Act.

Accounting books are maintained by ArcelorMittal Shared Service Centre Europe Sp. z o.o. located in Dąbrowa Górnicza; address ul. Piłsudskiego 92, 41-308 Dąbrowa Górnicza.

Accounting documents of the Foundation are registered in SAP PRO RP1.

The accounting principles applied by the entity are consistent with the rules and regulations under the Accounting Act of September 29, 1994 (Journal of Laws of 2002, No. 76, item 694 as amended). The Foundation does not prepare financial statements according to IAS, as in the first place it follows provisions of the above-mentioned Accounting Act. In the case of issues not regulated by the provisions of the Accounting Act, the Foundation applies National Accounting Standards issued by the Accounting Standards Committee. In case there is no relevant national standard available, the Foundation may apply International Accounting Standards.

Prepared: Dąbrowa Górnicza, May 26, 2015.

Katarzyna Kulik

first and last name of the person who prepared the report

FOUNDATION MANAGEMENT BOARD

Fundacja Nasze Dzieci
Prezes Zarządu
Katarzyna Kulik
Katarzyna Kulik

II. B ALANCE SHEET

BALANCE SHEET as on 31.12.2014

| Item | ASSETS | As at the end | |
|----------|---|----------------------|---------------------|
| | | of the previous year | of the current year |
| 1 | 2 | | |
| A | Fixed Assets | 12 026,25 | 9 416,25 |
| I | Intangible assets | 5 842,50 | 3 997,50 |
| II | Tangible fixed assets, including fixed assets | 6 183,75 | 5 418,75 |
| B | Current assets | 22 124,80 | 53 052,01 |
| I | Stocks of tangible current assets | 117,00 | - |
| II | Short-term receivables | - | - |
| III | Short-term investments | 21 761,93 | 52 806,14 |
| 1. | Cash | 21 761,93 | 52 806,14 |
| IV | Short-term prepayments | 245,87 | 245,87 |
| | Total Assets | 34 151,05 | 62 468,26 |

| Item | LIABILITIES | As at the end | |
|----------|--|----------------------|---------------------|
| | | of the previous year | of the current year |
| 1 | 2 | | |
| A | Equity, including: | 1 983,97 | 19 549,50 |
| I | Share capital (fund) | 2 500,00 | 2 500,00 |
| II | Contributions to paid-in share capital (negative amount) | | - |
| III | Net financial result for the financial year | - 516,03 | 17 049,50 |
| B | Liabilities and provisions for liabilities | 32 167,08 | 42 918,76 |
| I | Long-term liabilities on account of credits and loans | - | - |
| II | Provisions for liabilities | - | - |
| III | Other liabilities | 32 167,08 | 42 918,76 |
| | Total liabilities | 34 151,05 | 62 468,26 |

Date of preparation: 26.05.2015

Signatures


Fundacja Nasze Dzieci
Prezes Zarządu

Katarzyna Kulik

III. PROFIT AND LOSS ACCOUNTS

Profit and loss account on the basis of Annex 4 of the Accounting Act for non-commercial organization adapted to the requirements of the Public Benefit Department

| Item. | Specification | Amount for the previous year | Amount for the current year |
|------------|---|------------------------------|-----------------------------|
| 1 | 2 | 3 | 4 |
| A. | Income from basic operating activity and equivalent, including a change in products (increase - positive value, decrease - negative value) | 480 588,86 | 572 413,02 |
| I. | Income from public benefit activity and equivalent: | 480 588,86 | 572 413,02 |
| 1. | Income from non-profit public benefit activity | 480 588,86 | 571 413,02 |
| 2. | Income from paid basic operating activity and equivalent, including a change in products (increase - positive value, decrease - negative value) | - | 1 000,00 |
| B. | Basic operating costs | 481 762,52 | 556 265,02 |
| I. | Costs of public benefit activity | 481 762,52 | 556 265,02 |
| 1. | Costs of non-profit public benefit activity | 481 762,52 | 555 229,02 |
| a) | Depreciation & amortization | 2 610,00 | 2 610,00 |
| b) | Materials and energy consumption | 848,85 | 1 554,19 |
| c) | Salaries, social security and other benefits | 95 294,67 | 105 382,08 |
| d) | Other costs | 383 009,00 | 445 682,72 |
| 2. | Costs of paid public benefit activity | - | 1 036,00 |
| a) | Depreciation & amortization | - | - |
| b) | Materials and energy consumption | - | - |
| c) | Salaries, social security and other benefits | - | 1 036,00 |
| d) | Other costs | - | - |
| C. | Other income and profit, including revaluation of assets | 657,63 | 901,50 |
| D. | Other costs and losses, including revaluation of assets | - | - |
| E. | Total net financial result | - 516,03 | 17 049,50 |
| I. | Excess of income over costs (positive value) | | 17 049,50 |
| II. | Excess of costs over income (negative value) | - 516,03 | |

Date of preparation: 16.05.2015

Signatures

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Fundacja Nasze Dzieci
Prezes Zarządu
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Katarzyna Kuliś

Profit and Loss Account for micro entities referred to in Art. 3. 1a, point 2 of the Accounting Act

| | Amount for the previous year | Amount for the current year |
|--|------------------------------|-----------------------------|
| A. Revenues core operating activities and equivalents, including change in the balance of products (increase - positive value, decrease - negative value) | 480 588,86 | 572 413,02 |
| B. Operating costs: | 481 762,52 | 556 265,02 |
| I. Depreciation & amortization | 2 610,00 | 2 610,00 |
| II. Materials and energy consumption | 848,85 | 1 554,19 |
| III. Salaries, social security and other benefits | 75 188,42 | 106 418,08 |
| IV. Other costs | 403 115,25 | 445 682,75 |
| C. Other income and profit, including revaluation of assets | 657,63 | 901,50 |
| D. Other costs and losses, including revaluation of assets | 0,00 | 0,00 |
| E. Income Tax | | |
| G. Total net financial result (A-B+C-D-E), includes: | -516,03 | 17 049,50 |
| I. Excess of income over costs (positive value) | | 17 049,50 |
| II. Excess of costs over income (negative value) | 516,03 | |

Date of preparation: 26.05.2015

Signatures

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Fundacja Nasze Dzieci
Prezes Zarządu

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Katarzyna Kulik

**IV. ADDITIONAL INFORMATION TO THE BALANCE SHEET OUR CHILDREN FOUNDATION FOR
THE PERIOD 01.01.2014-31.12.2014**

- 4.1** The amount of any financial obligations, including debt financial instruments and guarantees or contingent liabilities not included in the balance sheet, the nature and form of debts secured by collateral; any commitments concerning pensions and its affiliates or associates are disclosed separately – NOT EXISTS
- 4.2** The amount of advances and credits granted to the members of the administrative, management and supervisory authorities, indicating the interest rates, main conditions and any amounts repaid, written off or redeemed, as well as any commitments incurred on their behalf as the guarantees of any kind, with an indication of the total amount for each category - NOT EXISTS
- 4.3** of own shares (stocks) including:
- a) the reason for the acquisition of own shares (stocks) made during the year - NOT FOR UNITS
 - b) the number and nominal value of shares (stocks) acquired and sold during the financial year; in case where no nominal value is provided, their book value, as well as part of the core capital that these shares (stocks) represent - NOT FOR UNITS
 - c) in the case of acquisition or disposal against money, the equivalent of those shares (stocks) - NOT FOR UNITS
 - d) the number and nominal value or, in case no nominal value is available, the book value of all shares (stocks) acquired and retained, as well as part of the core capital that these shares (stocks) represent - NOT FOR UNITS



4.4 Information of balance sheet structure as on December 31, 2014

| a. Tangible fixed assets | | | | | | |
|---|---|-------------|-------------|-------------|-------------|--|
| Identification of fixed assets | Balance at the beginning of the business year | Updated | Revenues | Flows | Charges | Amount at the end of the business year |
| 1. land (including perpetual usufruct right) | | | | | | 0,00 |
| 2. buildings, premises and civil engineering facilities | | | | | | 0,00 |
| 3. Plant and equipment | 7 650,00 | | | | | 7 650,00 |
| 4. Transport means | | | | | | 0,00 |
| 5. other fixed assets | | | | | | 0,00 |
| Total | 7 650,00 | 0,00 | 0,00 | 0,00 | 0,00 | 7 650,00 |

| b. Fixed asset depreciation | | | | | | | | |
|---|---|-------------|---------------------|-----------------|-------------|--|---|---|
| Identification of fixed assets | Balance at the beginning of the business year | Updated | Yearly depreciation | Other increases | Decrease | Amount at the end of the business year | Balance at the beginning of the accounting year | Balance at the end of the accounting year |
| 1. land (including perpetual usufruct right) | | | | | | 0,00 | 0,00 | 0,00 |
| 2. buildings, premises and civil engineering facilities | | | | | | 0,00 | 0,00 | 0,00 |
| 3. Plant and equipment | 1 466,25 | 0,00 | 765,00 | 0,00 | 0,00 | 2 231,25 | 6 183,75 | 5 418,75 |
| 4. Transport means | | | | | | 0,00 | 0,00 | 0,00 |
| 5. other fixed assets | | | | | | 0,00 | 0,00 | 0,00 |
| Total | 1 466,25 | 0,00 | 765,00 | 0,00 | 0,00 | 2 231,25 | 6183,75 | 5 418,75 |

| c. Intangible assets | | | | |
|--------------------------------|---|-------------|-------------|--|
| Identification of fixed assets | Balance at the beginning of the business year | Revenues | Charges | Amount at the end of the business year |
| 1. Other intangible assets | 9 225,00 | 0,00 | 0,00 | 9 225,00 |
| Total | 9 225,00 | 0,00 | 0,00 | 9 225,00 |

| d. Depreciation & amortization of intangible assets | | | | | | | |
|---|---|---------------------|-----------------|-------------|--|---|---|
| Identification of fixed assets | Balance at the beginning of the business year | Yearly depreciation | Other increases | Decrease | Amount at the end of the business year | Balance at the beginning of the accounting year | Balance at the end of the accounting year |
| 1. Other intangible assets | 3 382,50 | 1 845,00 | 0,00 | 0,00 | 5 227,50 | 5 842,50 | 3 997,50 |
| Total | 3 382,50 | 1 845,00 | 0,00 | 0,00 | 5 227,50 | 5 842,50 | 3 997,50 |

| e. Distribution of liabilities as per the balance sheet items unpaid as on the balance sheet day with payment period governed by an agreement | | | | | | |
|--|--------------------------|--------------------|--------------------------|--------------------|--------------------------|--------------------|
| Liabilities on account of | Payable | | | | Total | |
| | up to 1 year | | above 1 year | | | |
| | stan na | | | | | |
| | financial year beginning | financial year end | financial year beginning | financial year end | financial year beginning | financial year end |
| 1. loans and credits | | | | | 0,00 | 0,00 |
| 2. deliveries and services | 22 820,20 | 33 312,60 | | | 22 820,20 | 33 312,60 |
| 3. taxes | 1 020,00 | 111,02 | | | 1 020,00 | 111,02 |
| 4. social insurance | 3 085,01 | 3 169,24 | | | 3 085,01 | 3 169,24 |
| 5. remuneration | 5 241,87 | 5 380,92 | | | 5 241,87 | 5 380,92 |
| 6. bill of exchange liabilities | | | | | 0,00 | 0,00 |
| 7. other liabilities | | | | | 0,00 | 0,00 |
| Total | 32 167,08 | 41 973,78 | 0,00 | 0,00 | 32 167,08 | 41 973,78 |

| f. Prepayments and accruals | | |
|--|--------------------------|--------------------|
| Title: | as on | |
| | financial year beginning | financial year end |
| 1.Total prepayments by type: | 245,87 | 245,87 |
| a. advance payment of rental for rooms rented | 0,00 | 0,00 |
| b. advance payment of subscriptions for magazines and other publications | 0,00 | 0,00 |
| c. advance payment of property and personal insurance | 0,00 | 0,00 |
| d. other prepayments | 245,87 | 245,87 |
| 2.Total accruals by type: | 0,00 | 0,00 |
| a) other accruals | 0,00 | 0,00 |

| g. Employment and salaries | |
|---|--------------------------------------|
| Specification | Average employment level in the year |
| Blue collars (kitchen assistant) | 1,00 |
| White collar (President of the Foundation Management Board) | 1,00 |
| Total | 2,00 |

| h. Information on salaries exceeding the limits specified in art. 9 cl. 1 item 2 of the Act on Public Benefit and Volunteer Work (Journal of Laws, No. 96 item 873, as amended). | |
|---|------------------|
| Specification | Number of people |
| Number of employees whose remuneration exceeded the set limit | N/A |

4.5 Information on the income structure - sources and amount

| | |
|---|-------------------|
| a. Income from statutory activity | 572 413,02 |
| Gross contributions arising from the statute | 0,00 |
| Income from non-profit statutory activity | 571 413,02 |
| Cash donations of AMP | 529 756,78 |
| Donations from other entities and individual cash donations | 7 985,94 |
| income on account of 1% income tax donations | 33 670,30 |
| Public collection of donations in kind | 0,00 |
| Income from profit-earning statutory activity | 1 000,00 |
| income on account of preparing statistical data ordered | 1 000,00 |
| Other income arising from the statute | 0,00 |

| | |
|---|--------------|
| b. Other income | 50,00 |
| Revenues from the sale of fixed assets, fixed assets under construction and intangibles | 0,00 |
| Revenues from fixed assets liquidation | 0,00 |
| Other: BANK CHARGES REFUNDED | 50,00 |

| | |
|---------------------------------|---------------|
| c. Financial income | 851,50 |
| Shares selling price | 0,00 |
| Interest on deposits in banks | 851,50 |
| Interest on loans | 0,00 |
| Interest on securities held | 0,00 |
| Dividends on third party shares | 0,00 |
| Other financial income | 0,00 |

4.6 Information on cost structure

Operating costs are all costs related to the main statutory activity of the Foundation.

Prime costs by type are included in the set of accounts "4".

| | |
|--|-------------------|
| a. Costs of unpaid statutory activity in public benefit area | 472 981,15 |
| <i>Payments:</i> | 472 864,15 |
| 1. Maintenance of the kindergarten in Dąbrowa Górnicza incl.: | 315 794,93 |
| - costs related to educational services | 267 267,67 |
| - social aid involving tuition fees coverage | 17 715,46 |
| - cost of employing a kitchen assistant (gross salary, Social Insurance Institution contributions, additional costs) | 30 811,80 |
| 2. Maintenance of the kindergarten in Kraków incl.: | 93 112,81 |
| - costs related to educational services | 76 433,75 |

| | |
|--|------------------|
| - social aid involving tuition fees coverage | 15 770,16 |
| - prizes in the competition called "Kraków - my city" | 398,00 |
| - purchase of sports equipment | 510,90 |
| 3. Implementation of the "Secret Garden" project | 194,13 |
| 4. Other social aid, incl.: | 12 514,00 |
| - one-off payments | 1 300,00 |
| - monthly payments | 11 214,00 |
| 5. Carryover of 2013 costs | 516,03 |
| 6. Donations for seriously ill children | 49 636,49 |
| 7. Santa Clause meeting | 549,64 |
| 8. Active People Festival | 525,21 |
| 9. Survey on parents' interest in enrolling children to a day care center | 20,91 |
| non-cash support: | 117,00 |
| In kind donations | 117,00 |
| b. Costs of paid profit-earning statutory activity in public benefit area | 1 036,00 |
| Payments: | 0,00 |
| non-cash support: | 1 036,00 |
| cost of remuneration for the time spent on the preparation of statistical data | 1 036,00 |
| c. Other costs of fulfilling statutory activities | 0,00 |
| Cash supports | 0,00 |
| non-cash support | 0,00 |
| d. Administrative costs | 82 247,87 |
| - materials and energy consumption | 1 135,28 |
| - external services | 3 897,31 |
| - taxes and charges | 0,00 |
| - salaries, social security and other benefits | 74 605,28 |
| - amortization and depreciation | 2 610,00 |
| - other costs | 0,00 |

| | |
|--|-------------|
| e. Other income – NOT APPLICABLE | 0,00 |
| Revenues from sale of fixed assets, fixed assets under construction and intangibles net value arising from liquidation of fixed assets, intangible assets resulting from events within the limits of general business risk | 0,00 |
| Other | 0,00 |

| | |
|--|-------------|
| f. Financial costs – NOT APPLICABLE | 0,00 |
| Record value of share/stock sold, constituting long-and short-term financial assets | 0,00 |
| Interest on credits and loans apart from interest on investment credits in the period of investment implementation | 0,00 |
| Commission paid on credits taken, except for commission on investment credits | 0,00 |
| Default interest paid | 0,00 |
| Interest and additional charges on fixed assets subject to financial leasing | 0,00 |
| Other financial cost | 0,00 |

4.5 Sources of growth and utilization of statutory fund

| a. Sources of growth and utilization of statutory fund | | |
|--|-----------|-------------|
| Specification | Fund | |
| | Statutory | Revaluation |
| 1. Balance at the beginning of the financial year | 2 500,00 | 0,00 |
| a. increase | 0,00 | 0,00 |
| - from profit | 0,00 | 0,00 |
| - other | 0,00 | 0,00 |
| b. decrease | 0,00 | 0,00 |
| - covering losses | 0,00 | 0,00 |
| - other | 0,00 | 0,00 |
| 2. Balance at the end of the financial year | 2 500,00 | 0,00 |

| b. Settlement of the result on statutory activity | |
|---|------------|
| Result on statutory activity | 16 148,00 |
| of which: | |
| Revenues from donations in 2014 | 537 742,72 |
| income on account of paid activity received in 2014 | 1 000,00 |
| 1% | 33 670,30 |
| Costs of statutory tasks in 2014 | 556 265,02 |

Excess of income over costs (positive value) will be used in the next operating year in line with the organization's statutory goals.

4.6 Data on guarantees, warranties and other liabilities related to statutory activity.

| Liabilities related to statutory activity: - N.A. | | |
|---|--------------------------|--------------------|
| Title: | as on | |
| | financial year beginning | financial year end |
| 1. guarantees | 0,00 | 0,00 |
| 2. warranties | 0,00 | 0,00 |
| 3. security deposits | 0,00 | 0,00 |
| 4. other liabilities | 0,00 | 0,00 |
| Total | 0,00 | 0,00 |

4.7 Other information with high impact on the financial position of the organization

Standard of educational services in kindergartens over which Our Children Foundation exercises custody is equal in both nurseries - Little Ones Academy in Krakow and Equal Preschoolers in Dąbrowa. At the same time, the cost of educational services deriving from the budgets of both nurseries is comparative.

The differences existing in the amount of social assistance and costs of educational services rendered by the Foundation, as well as the amount of tuition paid by parents, derive directly from the size of the grants submitted by municipalities to individual kindergartens.

It should be noted that the obligation for grants to non-public kindergartens comes from the Act on the education system, but its amount in the large extent is determined by municipal governments.

Table: The amount of grant per child depending on the location in a given year:

| The location of non-public nursery | Rok 2014 | | Rok 2015 |
|------------------------------------|--|--|--|
| | The grant from the municipality plan zł. / Child / month | The grant from the municipality plan zł. / Child / month | The grant from the municipality plan zł. / Child / month |
| Dąbrowa Górnicza | 388,74 | 426,34 | 335,39 |
| Kraków | 559,98 | 667,29 | 632,15 |

Prepared: Dąbrowa Górnicza, 16.05.2015.....

THE MANAGEMENT BOARD
OF THE FOUNDATION

Fundacja Nasze Dzieci
Prezes Zarządu
Katarzyna Kulik

Grzegorz Hajda
.....
first and last name of the person who prepared the report