

INDEPENDENT AUDITOR'S REPORT

on the financial statements

**of Člověk v tísni, o.p.s.
(PEOPLE IN NEED)**

as at 31 December 2013



Identification data:

Name of the accounting entity:	Člověk v tísni, o.p.s.
Registered office:	120 00 Prague 2 Šafaříkova 635/24
ID number:	257 55 277
Legal status:	Public Benefit Organization
Director:	Šimon Pánek
Auditing firm:	AUDIT SERVIS, spol. s r. o. 140 00 Praha 4, Kloboučnická 14 Licence of the Chamber of Auditors of the Czech Republic no. 10
Auditor:	Ing. Květoslava Vyleťalová Licence of the Chamber of Auditors of the Czech Republic no. 256
Verified period:	1 January 2013 – 31 December 2013
Date of the execution of the Report:	27 June 2014



INDEPENDENT AUDITOR'S REPORT

**Recipient: Executive Board and founders of the Člověk v tísní, o.p.s.
(PEOPLE IN NEED)**

Report on the Financial Statements:

We have audited the accompanying financial statements of Company Člověk v tísní, o.p.s. (PEOPLE IN NEED), which comprise the balance sheet as of 31 December 2013, the profit and loss account from the 1 January 2013 to 31 December 2013 and cash flow statement for the year then ended as of 31 December 2013, and notes to financial statements including summary of significant accounting policies and other explanatory notes. Information about Company Člověk v tísní, o.p.s. is presented in Note 1.1. to these financial statements.

Responsibility of the Statutory Body of the accounting entity for the financial statements

The statutory body of Company Člověk v tísní, o.p.s. is responsible for the preparation of financial statements that give a true and fair view in accordance with Czech accounting regulations and for such internal control as statutory body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Hereafter the statutory body is responsible for the selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

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 related application guidelines issued by the Chamber of Auditors of the Czech Republic. Those laws and regulations require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 control relevant to the entity's preparation of the financial statements that give a true and fair view 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 control. 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.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Company Člověk v tísni, o.p.s. as of 31 December 2013, and of its financial performance and its cash flows for the year then ended as of 31 December 2013 in accordance with Czech accounting regulations.

Audited Financial Statements of the Company of the year 2013 (i.e. Balance Sheet, Profit and Loss Account, Notes to Financial Statements incl. Cash Flow Statement) are enclosure to this report.

In Prague on 27 June 2014

Auditing firm: AUDIT SERVIS, spol. s r.o.
140 00 Praha 4, Kloboučnická 14
Licence of the Chamber of Auditors of the Czech Republic no. 10



Auditor: Květoslava Vyleťalová
Licence of the Chamber of Auditors of the Czech Republic no. 256

Ministry of Finance CR

Approved by MF CR

in accordance with decree No. 504/2002 Coll.

Applies to accounting units

using tax forms applicable

to non-profit organizations

FINANCIAL BALANCE SHEET

As of 31 December 2013

(In thousands of CZK)

Úč NO 1 - 01

Name and address of
the accounting unit

Člověk v tísni, o.p.s

PEOPLE IN NEED

Šafaříkova 635/24

120 00 Praha 2

Organization Identification Number (IČ)

25755277

The accounting unit is to
deliver 1 copy hereof to the Tax
Administration of competence

ASSETS

		Line	As of 1.1.2013	As of 31.12.2013
		No.	(Thousands of CZK)	(Thousands of CZK)
			1	2
A.	Fixed Assets line 02 + 10 + 21 + 29	01	45 624	42 075
A. I.	Intangible fixed assets subtotal line 03 through 09	02	10 853	13 531
1.	Research and development (012)	03	0	0
2.	Software (013)	04	9 713	11 914
3.	Royalties (014)	05	343	854
4.	Small intangible fixed assets (018)	06	21	21
5.	Other intangible fixed assets (019)	07	0	0
6.	Acquisition of intangible fixed assets (041)	08	776	241
7.	Advance payments for intangible fixed assets (051)	09	0	501
A. II.	Tangible fixed assets subtotal line 11 through 20	10	61 967	64 219
1.	Land (031)	11	2 647	2 647
2.	Fine art & collections (032)	12	0	0
3.	Buildings, halls and structures (021)	13	18 474	18 474
4.	Property, plant and equipment (022)	14	34 546	38 610
5.	Cultivated area (025)	15	0	0
6.	Livestock (026)	16	0	0
7.	Small tangible fixed assets (028)	17	3 513	3 471
8.	Other tangible fixed assets (029)	18	0	0
9.	Acquisition of tangible fixed assets (constructions) (044)	19	2 290	1 017
10.	Advance payments for tangible fixed assets (052)	20	497	0
A. III.	Long-term investments subtotal line 22 through 28	21	5 483	3 724
1.	Investments in group undertakings (061)	22	1 231	0
2.	Investments in associated companies (062)	23	0	0
3.	Other long-term securities and ownership interests (063)	24	4 252	3 724
4.	Intercompany loans (066)	25	0	0
5.	Other long-term loans (067)	26	0	0
6.	Other long-term investments (069)	27	0	0
7.	Acquisition of financial investment (043)	28	0	0
A. IV.	Adjustments to fixed assets subtotal line 30 through 40	29	-32 679	-39 399
1.	Adjustments to research and development (072)	30	0	0
2.	Adjustments to software (073)	31	-5 711	-8 698
3.	Adjustments to royalties (074)	32	-260	-414
4.	Adjustments to small intangible fixed assets (078)	33	-21	-21
5.	Adjustments to other intangible fixed assets (079)	34	0	0
6.	Adjustments to buildings, halls and structures (081)	35	-740	-1 351
7.	Adjustments to property, plant and equipment (082)	36	-22 434	-25 444
8.	Adjustments to cultivated area (085)	37	0	0
9.	Adjustments to livestock (086)	38	0	0
10.	Adjustments to small tangible fixed assets (088)	39	-3 513	-3 471
11.	Adjustments to other tangible fixed assets (089)	40	0	0

ASSETS		Line	As of 1.1.2013	As of 31.12.2013
		No.	(Thousands of CZK)	(Thousands of CZK)
	a	b	1	2
B.	Current assets line 42 + 52 + 72 + 81	41	267 163	351 306
B.I.	Inventory subtotal line 43 through 51	42	10 995	26 393
1.	Inventories (112)	43	9 446	17 924
2.	Inventory in transit (119)	44	0	882
3.	Work-in-progress (121)	45	0	0
4.	Semi-finished own production (122)	46	0	0
5.	Finished goods (123)	47	69	68
6.	Livestock (124)	48	13	0
7.	Merchandise in stock (132)	49	883	1 158
8.	Merchandise in transit (139)	50	518	0
9.	Advance payments for inventory (314)	51	66	6 361
B.II.	Receivables subtotal line 53 through 71	52	66 686	85 900
1.	Trade receivables (311)	53	5 662	16 087
2.	Receivables from bills of exchange (312)	54	0	0
3.	Receivables from discount securities (313)	55	0	0
4.	Advance payments for operational expenditures (314 except the line 51)	56	15 285	26 131
5.	Other receivables (315)	57	1 334	714
6.	Receivables from employees (335)	58	1 105	2 439
7.	Receivables from social security (336)	59	0	0
8.	Income tax (341)	60	57	291
9.	Other direct taxes (342)	61	0	0
10.	VAT (343)	62	493	0
11.	Other taxes & fees (345)	63	0	0
12.	State subsidies & other budgetary contributions (346)	64	0	0
13.	Local administration budgetary contributions (348)	65	0	0
14.	Intercompany accounts (358)	66	0	0
15.	Purchased options (373)	67	0	0
16.	Bonds issued (375)	68	0	0
17.	Other different receivables (378)	69	18 231	16 405
18.	Estimated receivables (388)	70	24 519	23 833
19.	Adjustment to receivables (391)	71	0	0
B.III.	Financial assets subtotal line 73 through 80	72	165 663	214 424
1.	Cash (211)	73	7 928	9 370
2.	Valuables (213)	74	0	53
3.	Bank accounts (221)	75	151 915	196 840
4.	Equity shares (251)	76	0	0
5.	Bonds & Debentures (253)	77	0	0
6.	Other securities (256)	78	5 708	5 724
7.	Acquisition of financial assets (259)	79	0	0
8.	Cash in transit (261)	80	112	2 437
B.IV.	Other assets subtotal line 82 through 84	81	23 819	24 589
1.	Prepaid expenses (381)	82	3 049	3 254
2.	Accrued revenue (385)	83	20 111	19 906
3.	Unrealised exchange rate losses (386)	84	659	1 429
TOTAL ASSETS line 01 + 41		85	312 787	393 381

LIABILITIES AND EQUITY

		Line	As of 1.1.2013	As of 31.12.2013
		No.	(Thousands of CZK)	(Thousands of CZK)
a		b	1	2
A.	Equity and Funds line 87 + 91	86	242 826	321 502
A.I.	Funds subtotal line 88 through 90	87	241 000	320 121
1.	Equity (901)	88	38 541	41 022
2.	Funds (911)	89	202 419	278 996
3.	Gains and losses from the revaluation of assets (921)	90	40	103
A.II.	Operating results subtotal line 92 through 94	91	1 826	1 381
1.	Profit & loss for account year (+/-963)	92	0	1 381
2.	Profit/loss under approval (+/-931)	93	1 826	0
3.	Retained earnings/losses from previous years (+/-932)	94	0	0
B.	Liabilities line 96 + 98 + 106+ 130	95	69 961	71 879
B.I.	Provisions line 97	96	0	0
1.	Tax deductible provisions (941)	97	0	0
B.II.	Long-term liabilities subtotal line 99 through 105	98	0	0
1.	Long-term bank loans (951)	99	0	0
2.	Bonds issued (953)	100	0	0
3.	Leasing payables (954)	101	0	0
4.	Long-term advances received (955)	102	0	0
5.	Long-term bills of exchange payable (958)	103	0	0
6.	Estimated payables (389)	104	0	0
7.	Other long-term liabilities (959)	105	0	0
B.III.	Short-term liabilities subtotal line 107 through 129	106	59 707	61 738
1.	Trade payables (321)	107	8 849	13 486
2.	Payables of exchange (322)	108	0	0
3.	Prepayments received (324)	109	2 452	876
4.	Other payables (325)	110	1 877	1 124
5.	Payables to employees (331)	111	8 802	9 882
6.	Other payables to employees (333)	112	152	236
7.	Social security & health insurance institutions (336)	113	3 318	3 826
8.	Income tax (341)	114	0	0
9.	Other direct taxes (342)	115	971	1 287
10.	VAT (343)	116	0	204
11.	Other taxes and fees (345)	117	698	807
12.	State budget payables (346)	118	776	1 959
13.	Local administration budgets payables (348)	119	0	0
14.	Subscriptions & deposits payable (367)	120	0	0
15.	Payables to partners and consortium members (368)	121	0	0
16.	Financial derivatives payables (373)	122	0	0
17.	Other payables (379)	123	24 476	14 930
18.	Short-term bank loans (231)	124	0	0
19.	Credits for discounted securities (232)	125	0	0
20.	Short-term bonds issued (241)	126	0	0
21.	Own bonds issued (255)	127	0	0
22.	Estimated payables (389)	128	7 336	13 121
23.	Other short-term borrowings (249)	129	0	0

LIABILITIES AND EQUITY		Line	As of 1.1.2013	As of 31.12.2013
		No.	(Thousands of CZK)	(Thousands of CZK)
a		b	1	2
B.IV.	Other liabilities subtotal line 131 through 133	130	10 254	10 141
1.	Accrued expenses (383)	131	929	4 149
2.	Deferred revenues (384)	132	8 676	3 789
3.	Unrealised exchange rate gains (387)	133	649	2 203
TOTAL LIABILITIES AND EQUITY line 86 + 95		134	312 787	393 381

Company stamp:

Signature of statutory
representative:

* Prepared by:

Date of creation:
25th June, 2014

Simon Pávek

Jan

Telephone: 226 200 402

ČLOVĚK V TÍSNI, o.p.s.

Šafaříkova 24, 120 00 Praha 2

IČO: 25 75 52 77, DIČ: CZ25755277



Ministry of Finance CR
Approved by MF CR
in accordance with decree No. 504/2002 Coll.
Applies to accounting units
using tax forms applicable
to non-profit organizations

PROFIT & LOSS ACCOUNT

Úč NO 2 - 01

As of 31 December 2013

(In thousands of CZK)

Name and address of
the accounting unit

Člověk v tísni, o.p.s

PEOPLE IN NEED

Šafaříkova 635/24

120 00 Praha 2


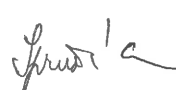
The accounting unit is to
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Administration of competence

Organization Identification Number (IČ)

25755277

Name of indicator		No.	Activity		
			Main	Supplem.	Total
A.	Costs	01			
A.I.	Consumption subtotal line 03 through 06	02	54 350	357	54 707
1.	Material consumption (501)	03	50 038	66	50 104
2.	Energy consumption (502)	04	3 857	40	3 897
3.	Consumption of other not-for-stock materials (503)	05	0	0	0
4.	Costs of goods sold (504)	06	455	251	706
A.II.	Services subtotal line 08 through 11	07	223 070	919	223 989
5.	Repair & maintenance (511)	08	2 312	32	2 344
6.	Travel expenses (512)	09	28 163	0	28 163
7.	Entertainment expenses (513)	10	1 574	16	1 590
8.	Other services (518)	11	191 021	871	191 892
A.III.	Personnel expenses subtotal line 13 through 17	12	191 871	1 637	193 508
9.	Wages & salaries (521)	13	157 621	1 267	158 888
10.	Mandatory social security expenses (524)	14	34 067	370	34 437
11.	Other social security expenses (525)	15	0	0	0
12.	Mandatory social expenses (527)	16	183	0	183
13.	Other social expenses (528)	17	0	0	0
A.IV.	Taxes & fees subtotal line 19 through 21	18	661	6	667
14.	Road tax (531)	19	39	0	39
15.	Real estate tax (532)	20	0	6	6
16.	Other fees and taxes (538)	21	622	0	622
A.V.	Other expenses subtotal line 23 through 30	22	201 592	47	201 639
17.	Contractual penalties & late interest (541)	23	0	0	0
18.	Other fines & penalties (542)	24	7	0	7
19.	Write off bad receivables (tax deductible) (543)	25	954	25	979
20.	Interest (544)	26	0	0	0
21.	Currency exchange loss (545)	27	5 733	0	5 733
22.	Gifts (546)	28	182 231	0	182 231
23.	Deficits & damages (548)	29	150	0	150
24.	Other expenses (549)	30	12 517	22	12 539
A.VI.	Depreciation, assets sold, additions to provisions & adjustments line 32 through 37	31	10 966	27	10 993
25.	Depreciation of tang. & intang. fixed assets (551)	32	9 795	27	9 822
26.	Net book value of disposed tang. & intang. fixed assets (552)	33	112	0	112
27.	Net book value of securities & deposits sold (553)	34	996	0	996
28.	Net book value of material sold (554)	35	63	0	63
29.	Additions to mandatory provisions (556)	36	0	0	0
30.	Additions to mandatory adjustments (559)	37	0	0	0
A.VII.	Contributions subtotal line 39 through 40	38	700	0	700
31.	Intercompany contributions (581)	39	0	0	0
32.	Membership contributions (582)	40	700	0	700
A.VIII.	Income tax line 42	41	0	0	0
33.	Additional income tax (595)	42	0	0	0
	TOTAL COSTS line 02+07+12+18+22+31+38+41	43	683 210	2 993	686 203

	Name of indicator	Line No.	Activity		
			Main	Supplem.	Total
B.	Revenues	44			
B.I.	Revenues from production and goods sold subtotal line 46 through 48	45	42 795	4 120	46 915
	1. Sale of own products (601)	46	1	0	1
	2. Sale of own services (602)	47	42 214	3 624	45 838
	3. Sales of goods purchased for resale (604)	48	580	496	1 076
B.II.	Change in inventory subtotal line 50 through 53	49	-2	0	-2
	4. Change in work-in-progress (611)	50	0	0	0
	5. Change in semi-finished product inventory (612)	51	0	0	0
	6. Change in finished product inventory (613)	52	-2	0	-2
	7. Change in livestock (614)	53	0	0	0
B.III.	Capitalization subtotal line 55 through 58	54	0	0	0
	8. Capitalization of material & merchandise (621)	55	0	0	0
	9. Capitalization of intercompany services (622)	56	0	0	0
	10. Capitalization of intangible fixed assets (623)	57	0	0	0
	11. Capitalization of tangible fixed assets (624)	58	0	0	0
B.IV.	Other revenues subtotal line 60 through 66	59	635 676	30	635 706
	12. Contractual penalties & late interest (641)	60	0	0	0
	13. Other fines & penalties (642)	61	0	0	0
	14. Payments for written-off receivables (643)	62	14	0	14
	15. Interest (644)	63	127	2	129
	16. Exchange rate gains (645)	64	12 720	0	12 720
	17. Accounting for funds (648)	65	573 617	0	573 617
	18. Other revenues (649)	66	49 198	28	49 226
B.V.	Revenues from assets sold, accounting for provisions & adjustm. line 68 through 74	67	1 754	0	1 754
	19. Sale of intang. & tang. fixed assets (652)	68	415	0	415
	20. Revenues from securities sold (653)	69	892	0	892
	21. Revenues from material sold (654)	70	235	0	235
	22. Revenues from short-term financial assets (655)	71	80	0	80
	23. Accounting for mandatory provisions (656)	72	0	0	0
	24. Revenues from long-term financial assets (657)	73	132	0	132
	25. Accounting for mandatory adjustments (659)	74	0	0	0
B.VI.	Contributions received subtotal line 76 through 78	75	3 337	0	3 337
	26. Intercompany contributions received (681)	76	0	0	0
	27. Contributions received (gifts) (682)	77	3 337	0	3 337
	28. Membership contributions received (684)	78	0	0	0
B.VII.	Operating subsidy line 80	79	0	0	0
	29. Operating subsidy (691)	80	0	0	0
	TOTAL REVENUES line 45+49+54+59+67+75+79	81	683 560	4 150	687 710
C.	Profit/loss before tax line 81 minus 43	82	350	1 157	1 507
	Income tax (591)	83	39	87	126
D.	Profit/loss after tax line 82 minus 83	84	311	1 070	1 381

Signature of statutory representative:	Prepared by:	Date of creation:
		25th June, 2014
Company stamp:		Telephone:
		226 200 402

ČLOVĚK V TÍSNI, o.p.s.

Šafaříkova 24, 120 00 Praha 2

IČO: 25 75 52 77, DIČ: CZ25755277



Notes to Financial Statements as of December 31, 2013

1. General Data

1.1. Company headquarters – Czech Republic

Accounting entity: Člověk v tísni, o.p.s. (PEOPLE IN NEED)

Registered office: Šafaříkova 635/24, 120 00 Praha 2

ID Number: 25755277

Tax ID Number: CZ25755277

Legal status: Public Benefit Organization

Date of the foundation of the Benevolent Society: April 16, 1999

Registration: The Organization has been entered in the Register of Public Benefit Organization,
kept with the Municipal Court in Prague,
Section O., insert 119

Statutory bodies of the Organization as of the date of drawing up of the financial statements (i.e. as of June 25, 2014) are:

Executive Board: Kristina Taberyová – Chairwoman
Jan Pergler
Petr Jančárek

Supervisory Board: Vlasta Lajčáková – Chairwoman
Václav Mazánek
Jan Urban

Director of the Benevolent Society: Šimon Pánek

Founders: Česká televize
Ing. Jaromír Štětina
Šimon Pánek

Benevolent services:

- Organizing humanitarian and development aid both abroad and in the Czech Republic
- Providing assistance to politically, racially or otherwise persecuted persons both abroad and in the Czech Republic
- Providing assistance to young journalists and independent press both abroad and in the Czech Republic
- Providing assistance to local governments and other local organizations
- Organizing assistance to minorities both abroad and in the Czech Republic
- Social consultancy
- Public education
- Organization of workshops and trainings
- Organization of cultural and sports events
- Providing social services
- Community planning and organization
- Organization of education and leisure activities for children and youth
- Supporting and operation of work-therapeutic and re-socialization workshops including the sales of products manufactured in these workshops both abroad and in the Czech Republic
- Publishing activities
- Providing consultancy and assistance in the field of protection against discrimination based on the gender, racial or ethnic origin, religion, world view, handicap, age or sexual orientation

- Operating in the field of protection of rights and justified interests of consumers
- Operating of the multicultural center.

Supplementary activity:

Apart from the basic scope of activities specified in the previous section of this article, for the purpose of which the Organization has been founded, the Organization pursues also additional activities that are provided on principle as a paid service. These **supplementary activities** include:

- Creation and distribution of audio-visual programs
- Advertising activities
- Brokerage in the field of advertising and promotion
- Production, trade and services not listed in annexes 1-3 Trade Act
- Rental of properties, apartments and commercial spaces
- Catering services.

The Organization pursues the supplementary activities exclusively with the aim to make a more efficient use of the property and at the same time these activities must not affect the quality, scope and availability of benevolent services. Any profit made on these supplementary activities may be used only for the improvement and extension of benevolent services.

Members of the organization's corporate bodies, i.e. the executive and supervisory boards, have not been paid any remuneration for the activity in corporate bodies. The organization neither has provided any advance payment or credit nor any guarantee for the liabilities of members of statutory bodies. Family members of the members of statutory bodies do not have any employment or similar relationships with regard to the accounting entity. Neither members of statutory bodies nor their family members are part of a legal entity, with which the accounting entity concluded a business contract or other contract relationships in the respective period.

1.2 Organization unit in another country of the EU:

Under the decision of the Ministry of Internal Affairs of Slovakia of August 2, 2004 the organization unit of the company was founded in Slovakia, which is entered in the Register of Public Benefit Organization, kept with the Municipal Court in Prešov.

Name: Člověk v tísni, o.p.s.

Registered office: Palešovo námestie 34, 053 04 Spišské Podhradie

ID Number: 35562617

Tax ID Number: 2021920923

Statutory representative: Šimon Pánek

The sphere of business of the organization unit is identical with activities of the company in the Czech Republic.

2. Breakdown of personnel costs for the accounting period 1.1. to 31.12.2013

Accounting period: 1.1. až 31.12.2013

Number of employees, Personnel costs:!

	Average number of employees*	Gross wages, total in CZK	Average monthly gross wages in CZK	Social, health and other funds contributions, in CZK	Personnel costs, total in CZK
Afghanistan	238,08	25 424 533,97	8 899,16		25 424 533,97
Angola	46,17	5 763 287,45	10 402,29	410 035,44	6 173 322,89
Armenia	6,25	953 298,06	12 710,64		953 298,06
DR Congo	77,83	8 515 195,54	9 117,30	372 316,49	8 887 512,03
Ethiopia	64,50	6 260 162,86	8 088,07	470 222,66	6 730 385,52
Georgia	8,83	1 544 212,12	14 573,54		1 544 212,12
South Sudan	4,92	835 872,15	14 157,73	142 098,24	977 970,39
Combodia	14,83	2 132 310,10	11 981,96		2 132 310,10
Kosovo	2,83	718 095,32	21 145,33	35 904,31	753 999,63
Moldova - od 1.11.2013	3,00	91 591,30	15 265,22	24 271,71	115 863,01
Mongolia	8,92	1 189 665,21	11 114,21	132 942,34	1 322 607,55
Pakistan - till 30.4.2013	24,00	938 882,60	9 780,03		938 882,60
Slovakia	18,83	3 192 722,46	14 129,59	1 179 406,48	4 372 128,94
Sri Lanka - till 31.3.2013	10,67	184 843,91	5 774,57	27 918,08	212 761,99
Missions total	529,66	57 744 673,05		2 795 115,75	60 539 788,80
The Czech Republic: - employments	305,25	93 967 043,00	25 653,03	31 824 837,00	125 791 880,00
Of this executive	9,82	4 904 099,00	41 616,59	1 667 589,00	6 571 688,00
	Number of Contracts of services	Total amount paid for Contracts of services			
The Czech Republic – Contract of Services	1705	7 176 397,00			7 176 397,00
Personnel costs, total in CZK					193 508 065,80

* For missions where labor relations were concluded or terminated during 2013, we adjusted average per month of labor relations

3. Information on used accounting methods and general accounting principles

The company has been processing its accounting records using the computer equipment with the utilization of the Microsoft Dynamics NAV 5.0 software with required adjustments for the company needs. Client's adjustments have been made by AUTOCONT a.s.

Accounting documents are archived in the form of hard copies in place of archiving in registered office of the Organization, the address Šafaříkova 24, 120 00 Praha 2. At the missions abroad, where the local legislation requires archiving of accounting documents in the country of origin, these accounting documents are archived in local archives in registered offices of foreign branch of the entity. Accounting records are also filed in the electronic form on a separate server and simultaneously on an external storage medium deposited outside the Organization's business premises. DMS system ELO is used for archiving documents since 2011.

The Company keeps the accounting according to the Accounting Act no. 593/1991 Coll. as amended and according to the Regulation no. 504/2002 Coll. as amended (hereafter referred to as "accounting principles").

3.1. Tangible, intangible fixed assets and long-term investments

Tangible and intangible fixed assets are assets with a useable life exceeding one year and starting from the following valuation limit:

• Tangible fixed assets	CZK 40,000,-
• Intangible fixed assets	CZK 60,000,-
• Technical tangible fixed assets improvement	CZK 40,000,-
• Technical intangible fixed assets improvement	CZK 40,000,-
• Appreciable rights	CZK 60,000,-
• Livestock and draught animals – regardless the purchase price	

Buildings are considered as tangible fixed assets regardless the purchase price and useable life.

Long-term financial assets are the assets with the due period longer than one year regardless the evaluation.

Fixed assets are valued on the basis of the purchase cost, i.e. including secondary acquisition costs (cost of transport, installation etc.), or replacement cost (assets acquired free of charge).

Depreciation of tangible and intangible fixed assets is regulated by the depreciation plan. Organization applies the method of depreciation evenly. Unless stipulated otherwise in individual cases, the period of depreciation of fixed assets is based on the table below:

<u>Description of assets</u>	<u>Period of depreciation (months)</u>
Software without time limitation	36
Intangible assets with time limitation	According to the validity of the license
Computer and other computer technology	36
Mobile phones and other telecommunication technology	24
Other tangible assets	36
Passenger cars and other motorized vehicles	48
Passenger cars Angola, Congo	24
Passenger cars Ethiopia, South Sudan	36
Motor bikes Angola, Ethiopia, South Sudan, Congo	24
Appreciable rights	18
Livestock and draught animals	36
Buildings	Individually (currently 360 months or for the expected duration of use)
Technical improvements of leased assets	for the duration of the lease agreement in force at the time put into use
Technical improvement of assets brought into operation, that had not been depreciated *)	Remaining period of depreciation of assets with technical improvement
Technical improvement of assets brought into operation, that had been already depreciated	Intangible assets – 18 months Tangible assets – individually according to the type of assets

*) in individual cases, the Company may decide that after the technical improvement the depreciation period is extended to a maximum amount, which is valid for the purchase of a new property.

Small intangible and tangible fixed assets acquired by December 31, 2002 have been recorded in the Organization's assets and are valued at the purchase cost. These assets are registered on asset accounts until their retirement.

The assets acquired after January 1, 2003, that are below the above given valuation limit or with the usable life less than 1 year are reflected in the Organization's expenses at the time of acquisition. However, these assets are during the whole period of use registered in the operational inventory records.

In case of bookkeeping of the depreciation of assets acquired from subsidies and grants the amount of equity will decrease after posting the depreciation against the depreciation reserves account by the depreciation amount and at the same time the other revenues account will increase.

Since 2006, the organization has purchased securities, namely obligations with and without coupons and intends to hold them till their maturity. The company also purchased realizable securities (allotment certificates of the bond unit trust). In the company bookkeeping following principles are applied:

- Purchased realizable securities are recorded within the short time financial assets. Realizable securities as of balance sheet date are revaluated to the real value and the evaluation differences are debited or credited to the account no. 921 under ČÚS (Czech Accounting Standard) no. 406 point 4.4.

- In the end of the balance sheet day bonds are valued at the purchase price increased or decreased by interest revenues or costs
- Current coupon yields and the dissolution of discounts with bonds, which are not settled by the end of the year, are entered in books by the company annually,
- Upon the calculation of the accruing of discount with securities (bonds) held till the maturity the company uses the actual number of days from the day of the purchase to the maturity date from convention 30E/360 of international standard,
- Upon the maturity the organization accounts for the sales of securities in the balance sheet; with securities registered in foreign currencies the exchange difference at the clearing day is accounted at the same time,
- Securities (bonds) in foreign currencies, which are not settled by the end of the year, are recounted by the rate of exchange applicable on December 31 of the respective year; these exchange rate differences are accounted to accounts of the group 38.
- The division of securities to short-term and long-term securities is made at the date of the financial statements depending on the total time of the bond "holding" (i.e. from the purchase to their maturity).

3.2. Inventory

The purchased inventory is valued at the purchase cost that includes the cost of the purchase of inventory and the costs relating to the purchase.

Own products are valued at the own costs (i.e. direct expenses and the part of indirect expenses related to the production).

Finished goods and goods purchased for resale are recorded in a separate module of SW Navision.

Inventory received free of charge and intended for the humanitarian and development aid is registered in the operational records.

3.3. Cash and valuables

Cash and valuables are valued at their respective nominal values.

For funds received from collections and grants separate bank accounts are opened, on which these resources are filed and recorded.

3.4. Receivables

Receivables are valued at their initial nominal value. The Organization does not have receivables transferred from other entities.

3.5. Payables

Payables are valued at their initial nominal value. Organization has not assumed payables of other entities.

3.6. Use of foreign currency in accounting

3.6.1. Use of foreign currency in the course of the accounting period

During the accounting period receivables and payables registered in foreign currencies declared by ČNB (Czech National Bank) are converted to the Czech currency at the ČNB exchange rate declared at the first day of the calendar month after 2:30 p.m. On the first working day of the month, till the declaration of the exchange rate at 2:30 p.m. the exchange rate of the previous month is used.

Receivables and payables in other currencies not declared by ČNB on a daily basis were converted to the Czech currency at the exchange rate declared by the ČNB as exchange rates of other currencies except the following examples, when the actual exchange rate is as follows:

- Exchange rate of the Cuban Convertible Peso (CUC) to EUR, converted to CZK declared by the Cuba National Bank as the first one in the month
- Exchange rate of the Transnistrian Ruble (PDR) to EUR, converted to CZK declared by the Dniester Republican Bank as the first one in the month
- Exchange rate of the Myanmar kyat (MMK), which is determined by the rate of exchange to EUR declared by European Commission (InfoEuro) for the month and converted to CZK
- Exchange rate of South Sudanese pound (SSP) to USD, converted to CZK declared by the Bank of South Sudan as the first one in the month

3.6.2. Use of foreign currency at the end of the balance sheet day

Exchange differences identified at the end of the balance sheet day or at another moment of financial statements drawing up, with the exception of interim financial statements, are specified:

- a) According to their nature in the Profit and Loss Account in the item "A.V.21 Currency exchange losses" or "B.IV.16. Exchange rate gains", if these exchange differences relate to accounts of groups of accounts 21, 22 and 26,
- b) According to their nature in the Balance Sheet in assets under "B.IV.3. Unrealised exchange rate losses" or in liabilities item "B.IV.3. Unrealised exchange rate gains", if these exchange differences relate to accounts of the group of accounts 05, 06 and to the accounts of receivables, payables, loans and financial assistance.

The value of financial means, payables and receivables reported as of December 31, 2013 and recorded in foreign currency declared by ČNB is converted by the ČNB exchange rate valid as of December 31, 2013. If the foreign currency is not declared by ČNB daily, the exchange rate declared by the ČNB as of December 31, 2013 as exchange rate of other currencies with exception of the under-mentioned examples, the exchange rate as of December 31, 2013 is used:

- The rate of exchange of Cuban Convertible Peso (CUC), calculated for a given accounting period as of December 31, 2013
- The rate of exchange of Transnistrian Ruble (PDR), calculated for a given accounting period as of December 31, 2013
- The rate of exchange of Myanmar kyat (MMK), calculated for a given accounting period as of December 31, 2013
- The rate of exchange of South Sudanese pound (SSP), calculated for a given accounting period as of December 31, 2013

3.7. Funds and equity

In compliance with the valid accounting principles, the items are accounted for in the funds on public collections announced pursuant to Act no. 117/2001 Coll., furthermore funds received by the Organization from other persons and companies for the purpose of the implementation of the Organization's main mission: gifts, grants, reserve fund and operating reserve fund.

At the equity accounts the company accounts for the assets acquired from grants, and donated assets and material. Part of the balance are also economic results to 2003.

The list of important donors is a part of the company annual report.

The company divides funds and equity of the bound and free:

- Bound funds are the funds whose use is primarily in terms of the purpose of regulating the conditions of service, or it is covered by other legislation.
- Free funds are the funds whose use is in full charge of PIN and is not covered by any other legislation, eventually is covered only very generally.

The company opened synthetic accounts 914 (funds - prepayments for tangible assets), 916 (funds – animals in transit) and 919 (funds - inventory in transit) in the account classification within the account group 91 (funds).

At the account 914 part of resources of funds allocated for the coverage of expenses incurred for structures in-process or non-commissioned structures are recorded as of December 31, 2012. At the account 916 a part of resources of funds allocated for the coverage of purchased animals and animals in transit as of December 31, 2012 is recorded. At the account 919 a part of financial resources of funds allocated for the coverage of purchased inventories and inventories in transit as of December 31, 2012 is reported. Draw down (accounting) of funds reported at accounts 914, 916 and 919 will be made in the next accounting period under the physical handover of completed structures, animals or inventories in compliance with respective contracts.

On September 20, 2012 the Board of Directors decided to establish a Fund of operating reserves. The fund will consist from net profit after tax and based on the decision of the Board on accounting of the profit. Resources from the fund will be used for co-financing of projects if their operation result is a loss that cannot be covered by the project resources, or stability, sustainability and development of the Company. Fund of operating reserves is recorded on account 917.

Additional information to selected data from the company financial statement

4. Fixed assets (thousand CZK)

All numeral values specified below are in thousands CZK, unless specified otherwise in the text.

Fixed assets – purchase costs – assets A. I. to A. III.

	Status as of December 31, 2012	Increase	Decrease						Status as of December 31, 2013
			Liquidation	Sale	Donation	Deficits/damages	Revaluation of assets	Advance payment accounting / subsumption / transfers	
Intangible fixed assets	10 853	5 391	0	0	0	0	0	2 713	13 531
Of this:									
Software	9 713	2 201							11 914
Royalties	343	511							854
Small intangible assets	21								21
Acquisition of intangible fixed assets	776	2 178						2 713	241
Provided advances for the fixed intangible assets	0	501							501
Tangible fixed assets	61 967	15 137	1 955	1 031	544	43	0	9 312	64 219
Of this:									
Grounds	2 647								2 647
Buildings	18 474								18 474
Cars and motorcycles	22 393	6 123	200	1 001	119				27 196
Other tangible fixed assets (*)	12 153	1 111	1 713	30	64	43			11 414
Small tangible fixed assets	3 513		42						3 471
Acquisition of tangible fixed assets (constructions)	1 941				361			1580	0
Acquisition of tangible fixed assets (non attached property)	349	7 903						7 235	1 017
Provided advances for the fixed tangible assets	497							497	0
Long term investments	5 483	1 968	1 358	2 582	0	0	-213	0	3 724
Of this:									
Securities (**)	4 252	1 968		2 582			-86		3 724
Investments in group undertakings	1 231	0	1 358				-127		0
Total	78 303	22 496	3 313	3 613	544	43	-213	12 025	81 474

Note: * line in other fixed assets - liquidation value is also included property that was used for spare parts; ** in the securities line, in the decrease-sales column also settlement values at the time of bond sheath or bond coupon maturity are reported.

Fixed assets – depreciation reserves (adjustments to fixed assets) – assets A. IV.

	Status as of December 31, 2012	Increase	Decrease				Status as of December 31, 2013
			Liquida- tion	Sale	Dona- tion	Deficits/ dama- ges	
Intangible fixed assets	5 992	3 141	0	0	0	0	9 133
Of this:							
Software	5 711	2 987					8 698
Royalties	260	154					414
Small intangible assets	21						21
Tangible fixed assets	26 687	6 791	1 955	1 031	183	43	30 266
Of this:							
Buildings	740	611					1 351
Cars and motorcycles	11 896	5 184	200	1 001	119		15 760
Other tangible fixed assets	10 538	996	1 713	30	64	43	9 684
Small tangible fixed assets	3 513		42				3 471
Total	32 679	9 932	1 955	1 031	183	43	39 399

Fixed assets – depreciated price

	Status as of December 31, 2012	Status as of December 31, 2013
Intangible fixed assets	4 861	4 398
Of this:		
Software	4 002	3 216
Royalties	83	440
Small intangible fixed assets	0	0
Acquisition of intangible fixed assets	776	241
Provided advances for the fixed intangible assets	0	501
Tangible fixed assets	35 280	33 953
Of this:		
Grounds	2 647	2 647
Buildings	17 734	17 123
Cars and motorcycles	10 497	11 436
Other tangible fixed assets	1 615	1 730
Small tangible fixed assets	0	0
Acquisition of tangible assets (construction)	1 941	0
Acquisition of tangible fixed assets (nonattached property)	349	1 017
Provided advances for the fixed tangible assets	497	0
Long-term investments	5 483	3 724
Of this:		
Securities	4 252	3 724
Investments in group undertakings	1 231	0
Total	45 624	42 075

4.1. Detailed information on the long-term investments - assets A. III. 3.

Number of bonds as of December 31, 2012	Value as of December 31, 2012 (in thousands CZK)	Number of bonds as of December 31, 2013	Value as of December 31, 2013 (in thousands CZK)
206	4252	173	3724

These are mainly government bonds issued by creditworthy banking institutions.

The Company holds a maximum conservative investment strategy.

Long-term securities are managed by ČSOB Asset Management, Inc., investiční společnost.

5. Current assets

5.1. Inventory – assets B. I.

Inventory (thousand CZK)	As of December 31, 2012	As of December 31, 2013
Inventories	9 446	17 924
Inventories in transit	0	882
Finished goods	69	68
Animals	13	0
Merchandise in stock	883	1 158
Advance payments for inventory - DR Congo, Turkey	66	6 361
Merchandise in transit	518	0
Zásoby celkem	10 995	26 393

Material in stock consists mainly of:

- Unsent supplies in humanitarian and development aid, which will be donated in the next period
- Educational DVDs and VHS tapes of One World in Schools, the publication "Normalizace"
- goods in cove Langhans

Inventories in transit - Materiál na cestě – this is material for donation purchased in Turkey, which was delivered to the company in 2014, but has been invoiced in 2013.

Products are stocks of the book "(Ne)bolí (Does (not) pain)" and publication "Mýty o socialistických časech (Myths about socialist times)".

Goods in stock and stores are products from Namibia, which were purchased at the store in Prague

Advance payments for inventory are mainly advance payments for purchase of inventory for humanitarian and development aid.

5.2. Receivables (thousands CZK) – assets B. II.

Status as of
December
31, 2012

Status as of
December
31, 2013

Matters written in the cursive relate to the year 2013

Trade receivables total	22 281	42 932
Of this		
receivables from customers	5 662	16 087
Receivables overdue more than 365 days	0	8
Receivables overdue 181 up to 364 days	971	410
Receivables overdue 91 up to 180 days	30	81
Receivables overdue 0 up to 90 days	3 824	12 080
Receivables prior to maturity	837	3 508
<i>The amount of outstanding receivables as of the date of drawing up of the financial statement: 310</i>		
Advance payments for operational expenditures	15 285	26 131
<i>The most important amounts are the advances to suppliers who implement partial part of the project mostly in Angola, Armenia, Czech Republic, Ethiopia, Georgia and Cambodia. Another part consists of advance payments for services (electricity, gas, rent.)</i>		
Other receivables	1 334	714
<i>The most important amounts are receivables to suppliers of services, for credited performance, not paid refunds from accounted prepayments and overpayments.</i>		
Receivables from employees	1 105	2 439
<i>Advance payments for not finished long term business journey; prepayments employees charged in 2013</i>		
Receivables from the state budget	550	291
<i>Advance payments for income tax 2013</i>		
Other different receivables	18 231	16 405
<i>The most significant part are receivables from not invoiced advance payments paid to the partners of particular common projects realized from the grants of the European Commission. Related received advance payments for common projects are recorded in the balance sheet on the line no.123 other payables.</i>		
Estimated receivables	24 519	23 833
<i>These are performance in 2013 v Afghanistan, which were not invoiced up to the date of drawing up of the financial statements.</i>		
<i>Furthermore, the speculation on the outstanding revenue grants, which in 2012 and 2013 company used under a valid contract, but the donor funds were not paid to date of the preparation of the reports. A major part of the estimated receivables is the performance of the project of humanitarian aid in Angola, Barma a Ethiopia, these projects are financed from resources of European Commission</i>		
Total receivables	66 686	85 900

5.3. Short-term financial assets (thousands CZK) - assets B. III.

	Status as of December 31, 2012	Status as of December 31, 2013
Cash	7 928	9 370
Valuables	0	53
Bank accounts	151 915	196 840
Other securities	5 708	5 724
Cash in transit	112	2 437
Total	165 663	214 424

5.3.1. More detailed information on Other securities – assets B. III. 6.

Realizable securities (allotment certificates of the investment funds)

Number of securities as of December 31, 2012	Value as of December 31, 2012 (in thousands CZK)	Number of securities as of December 31, 2013	Value as of December 31, 2013 (in thousands CZK)
987 064,18	5 708	689 893,38	5 724

5.4. Other assets (thousands CZK) – assets B. IV.

	Status as of December 31, 2012	Status as of December 31, 2013
Prepaid expenses	3 049	3 254
<p><i>A significant part is made of the expenses of the year 2014, paid in 2013, for air tickets and insurance.</i></p> <p><i>There, the accounting unit accounts for current expenses related to the accrued expenses.</i></p> <p><i>Accounting for accrued expenses for the respective expenses account will be performed by the accounting unit in the accounting period, to which expenses are factually related.</i></p>		
Accrued revenues	20 111	19 906
<p><i>These are contractually assured and received incomes in the following accounting period for projects that were partially realized in 2013.</i></p> <p><i>The most significant part of revenues comes from: European Union, partly through partners Concern Worldwide and DanChurchAid, additionally to German government - Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung.</i></p>		
Unrealised exchange rate losses	659	1 429
<p><i>These are unrealized exchange rate differences which will be accounted for at the payment of payables or collection of receivables and liabilities in the next accounting period in compliance with regulations.</i></p> <p><i>Amount of unrealized exchange rate losses that is related to securities and is included in above mentioned amount, is noted in chapter of financial assets.</i></p>		
Total other assets	23 819	24 589

6. Equity

6.1. Equity (CZK) – liabilities and equity A. I. 1.

	Status as of December 31, 2012	Increase	Decrease	Status as of December 31, 2013
Equity total	38 540 788,46	10 203 868,45	-7 722 468,33	41 022 188,58

Of this:

6.1.1. Equity - bound

	Status as of January 1, 2013	Increase - acquisition of fixed assets and material gifts accepted	Decrease - dispose of fixed assets, depreciation, material gifts to other parties	Status as of December 31, 2013
Depreciation of assets from grants for own production	12 200 330,56	9 429 365,21	-6 391 806,09	15 237 889,68
Material gifts	1 500	774 503,24	-774 502,24	1 501,00
Equity - bound - TOTAL	12 201 830,56	10 203 868,45	-7 166 308,33	15 239 390,68

Major additions include: additional receipt of funds for purchase of a building (CZK 1.434 thousand) and land (CZK 686 thousand) which were bought in 2012, given software (1 204 tis. Kč), purchased cars (3 957 tis. Kč.), creation of a website (576 tis. Kč).

Major decreases include: depreciation of assets from grants for own activities (6 824 tis. Kč), depreciation of book value on disposal of assets (123 tis. Kč).

6.1.2. Equity - free

	Status as of January 1, 2013	Increase incl. increase of donated properties	Decrease, depreciation of donated properties	Status as of December 31, 2013
Equity from previous years	8 176 418,90	0,00	0,00	8 176 418,90
Depreciated price of donated properties	18 162 539,00	0,00	-556 160,00	17 606 379,00
Equity - free - TOTAL	26 338 957,90	0,00	-556 160,00	25 782 797,90

Major item is depreciated price of donated properties, which are not tied to a specific project. Specifically an apartment building Koněvova and apartment building Slavkov, including land.

6.2. Funds – accounting group 91 (CZK) – liabilities and equity A. I. 2.

In compliance with valid accounting principles, the following items are accounted for in the funds:

- Public collections announced pursuant to Act no. 117/2001 Coll.
- Funds received by Organization from other persons for the purpose of the implementation of the Organization's main mission: donations, dotation and grants,
- Creation and utilization of the reserve fund
- Creation and utilization of the operating reserve fund

Bound funds are the funds whose use is primarily in terms of the purpose of regulating the conditions of service, or it is covered by other legislation.

Free funds are the funds whose use is in full charge of PIN and is not covered by any other legislation, eventually is covered only very generally.

	Initial status as of January 1, 2013	Increase - donations accepted, gifts	Decrease - utilization, provision of gifts	Decrease – refunds of not used resources	Balance for utilization in 2014
Funds total	202 419 025,08	664 434 827,58	579 477 117,86	8 380 788,82	278 995 945,98

Of this:

6.2.1. Funds bound

	Initial status as of January 1, 2013	Increase - donations accepted, gifts	Decrease - utilization, provision of gifts	Decrease – refunds of not used resources	Balance for utilization in 2014
Collections (number / name)					
S-MHMP/292449/2009					
SOS „Povodně“ (Flood) in Pakistan	501 987,53	0,00	501 987,53	0,00	0,00
SOS Haiti	74 654,28	0,00	74 654,28	0,00	0,00
SOS Somali	109 208,02	0,00	109 208,02	0,00	0,00
S-MHMP/610953/2010 (now S-MHMP/578034/2013)					
Support education in Africa	2 629 349,20	3 732 722,73	4 599 773,82	0,00	1 762 298,11
S-MHMP/294050/2010 (now S-MHMP/352276/2013)					
Banat (Romania)	12 521,17	76 246,00	47 732,60	0,00	41 034,57
SVK-OVVS3-2011/024413					
Skutočný darček	90 887,00	61 005,19	77 261,21	0,00	74 630,98
S-MHMP/334787/2012					
SOS Sýrie	3 961 686,45	4 169 181,61	6 271 581,66	0,00	1 859 286,40
S-MHMP/123004/2012					
„Povodně“ (Flood) v ČR	20 619,28	59 114 820,64	50 658 774,37	0,00	8 476 665,55
Filipiny – typhoon Haiyan	0,00	16 905 580,58	4 188 664,82	0,00	12 716 915,76
S-MHMP/333942/2013					
„Sbírka PSI provoz Klubu pro děti a mládež“ (Collection of PSI fro operating of Club for children and youth)	0,00	2 163,00	2 163,00	0,00	0,00
Total collections	7 400 912,93	84 061 719,75	66 531 801,31	0,00	24 930 831,37

State and local administration budgetary contributions, budgetary contributions of EU and subsidies of other foreign governments

	Initial status as of January 1, 2013	Increase - donations accepted, gifts	Decrease - utilization, provision of gifts	Decrease - refunds of not used resources	Balance for utilization in 2014
State budget subsidies	7 568 702,51	139 675 450,33	139 749 120,88	2 649 836,58	4 845 195,38
Local administration subsidies	245 367,12	4 565 096,37	4 562 256,18	88 159,78	160 047,53
EU funds subsidies	50 457 236,59	203 625 559,19	158 010 286,40	2 639 933,57	93 432 575,81
Subsidies from funds of other foreign governments	8 866 933,05	103 353 501,50	83 579 438,87	2 786 791,59	25 854 204,09
Total subsidies	67 138 239,27	451 219 607,39	385 901 102,33	8 164 721,52	124 292 022,81

	Initial status as of January 1, 2013	Increase - donations accepted, gifts	Decrease - utilization, provision of gifts	Decrease - refunds of not used resources	Balance for utilization in 2014
Funds – bound gifts (grants)					
Bound gifts (grants) - UN Agencies	8 289 099,15	31 568 521,33	36 168 593,03	0,00	3 689 027,45
Bound gifts (grants) - funds of other foreign governments	157 731,85	87 425,57	0,00	0,00	245 157,42
Bound gifts (grants) - NGO	14 008 440,92	33 031 764,83	37 547 431,46	216 067,30	9 276 706,99
Total funds (grants)	22 455 271,92	64 687 711,73	73 716 024,49	216 067,30	13 210 891,86

	Initial status as of January 1, 2013	Increase - donations accepted, gifts	Decrease - utilization, provision of gifts	Decrease - refunds of not used resources	Balance for utilization in 2014
Other funds					
Other	14 067 565,29	6 149 111,16	9 763 175,75	0,00	10 453 500,70
Non-monetary gifts	59 865,09	108 722,82	71 904,81	0,00	96 683,10
Social fund Slovakia	0,00	16 328,72	0,00	0,00	16 328,72
Total of Other funds	14 127 430,38	6 274 162,70	9 835 080,56	0,00	10 566 512,52

Total bound funds	111 121 854,50	606 243 201,57	535 984 008,69	8 380 788,82	173 000 258,56
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6.2.2. Funds free

	Initial status as of January 1, 2013	Increase - donations accepted, gifts	Decrease - utilization, provision of gifts	Decrease - refunds of not used resources	Balance for utilization in 2014
Collections (number / name)					
S-MHMP/166354/2008 Collection "Skutečná pomoc" (Real Help)	1 865 206,67	0,00	1 592 295,67	0,00	272 911,00
S-MHMP/204638/2011 "Dlouhodobá" sbírka Skutečná pomoc II	30 276 486,06	29 130 310,80	15 069 720,23	0,00	44 337 076,63
Total collections	32 141 692,73	29 130 310,80	16 662 015,90	0,00	44 609 987,63

	Initial status as of January 1, 2013	Increase - donations accepted, gifts	Decrease - utilization, provision of gifts	Decrease - refunds of not used resources	Balance for utilization in 2014
Ostatní fondy					
Fund created from resources of: Charles Stewart Mott Foundation, The Ford Foundation, Šimon Pánek - Quđruga prize, Unilever prize - purchase of securities	9 259 433,02	0,00	0,00	0,00	9 259 433,02
Club of Friends	43 247 519,24	27 235 610,62	26 831 093,27	0,00	43 652 036,59
Reserve fund (created from profit from previous periods)	6 648 525,59	1 825 704,59	0,00	0,00	8 474 230,18
Total of Other funds	59 155 477,85	29 061 315,21	26 831 093,27	0,00	61 385 699,79

Total free funds	91 297 170,58	58 191 626,01	43 493 109,17	0,00	105 995 687,42
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7. Profit/Loss

7.1. Profit/Loss and tax calculation as of December 31, 2013

Economic result for 2013 is the accounting profit in the amount of CZK 1.381 thousand (after tax).

The Income statement includes revenues and costs for:

- Implementation of activities, which are in compliance with the company mission - in the main activity column
- Implementation of additional activities - column supplementary activity

In compliance with the Act no. 248/1995 Coll about Public Benefit Organization, costs and revenues related to the administration of the public benefit organization are recorded in the bookkeeping of the company separately according to the centers.

Tax liability for 2013 taxation period relating to corporate income tax is CZK 126 thousand. The Company has used the option of exemption pursuant to § 20 par. 7 of Income Tax Act no. 586/1992 Coll.

Tax calculation (CZK)

Revenues total	687 709 518,51
Costs total (except 591)	686 202 646,80
Taxable income	1 506 871,71
Tax base from main activity	534 542,22
Tax base from additional activity	1 185 515,72
Total tax base	1 720 057,94
Adjustment of the tax base under §20 of the Income Tax Act	516 017,38
Adjusted tax base	1 204 040,56
Tax base after rounding	1 204 000,00
19 % tax	228 760,00
Tax discount	102 900,00
19% tax after discount	125 860,00

In 2012 the deduction under § 20 within the income tax of corporate bodies in the amount of **CZK 571.409,14** was applied. Resources acquired by the attained tax obligation saving under § 20 of the Act no. 586/92 Coll. from previous years were used to cover costs related to activities, the incomes generated from which were not tax subject in 2013.

7.2. Approval of the financial statements for 2012

The Executive Board at its meeting on June, 2013 approved the financial statements of the Organization for the accounting period 2012 showing a profit in the amount of CZK 1 825 704,59 after tax that was in compliance with the decision of the Executive Board accounted on June 26, 2013 as the increase of the company general reserve.

8. Liabilities

	Status as of December 31, 2012	Status as of December 31, 2013
8.1. Short-term liabilities (thousands CZK) liabilities and equity B.III.		
<i>Matters written in cursive relate to the year 2013</i>		
Liabilities (trade payables, prepayments received, other payables) - total	13 178	15 486
Of this		
Trade payables total	8 849	13 486
Payables overdue more than 365 days	24	7
Payables overdue 181 to 364 days	16	1 093
Payables overdue 91 to 180 days	275	449
Payables overdue 0 to 90 days	2 400	6 867
Payables prior to the maturity	6 134	5 070
<i>Amount of unpaid payables as of the date of drawing up of the financial statements: 258</i>		
prepayments received	2 452	876
<i>The most significant part are prepayments for services related to rent of house. Then received advance payables from the European Social Fund for providing social service in Kladno through Civic association Prostor</i>		
other payables	1 877	1 124
<i>PIN commitment to the subsidiary in Jordan. Subsidiary is since 2012 in liquidation, so the bank's cash is held for security reasons PIN. PIN Jordan was liquidated on February 11, 2013</i>	1 261	0
<i>This is essentially a restraint on realized deliveries in Etiopia and Afghanistan</i>	585	370
<i>Other</i>	31	754
Payables to employees	8 954	10 118
<i>Amount of unpaid payables as of the date of drawing up of the financial statements: 122</i>		
Payables to social security institution (Czech republic)	2 144	2 505
<i>As of the date of drawing up of the financial statements no of these liabilities are overdue</i>		
Payables to health insurance institutions (Czech republic)	922	1 077
<i>As of the date of drawing up of the financial statements no of these liabilities are overdue</i>		
Payables to social and health insurance institutions	252	244
Angola, Armenia, Ethiopia, DR Congo, Kosovo, Moldavia, Mongolia, Slovakia, Sri Lanka		
<i>Amount of unpaid payables as of the date of drawing up of the financial statements: 9</i>		
State budget payables (Czech republic)	1 488	3 001
<i>These are refunds of unutilized parts of subsidies from the state budget and employment tax for employees. As of the date of drawing up of the financial statements no of these liabilities are overdue</i>		
State budget payables	957	1 256
Afghanistan, Angola, Armenia, DR Congo, Ethiopia, Georgia, South Sudan, Cambodia, Kosovo, Moldavia, Mongolia		
<i>this is essentially a tax on employment and other taxes. Amount of unpaid payables as of the date of drawing up of the financial statements: 103</i>		

Other payables	24 476	14 930
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Majority is formed by advance payments received from the European Commission that are intended for partners of common projects.

These resources are transferred to partners of particular projects by means of advance payments.

After approval of the final financial report by the European Commission, advanced payments received and advance payment paid are accounted for and settled.

Related advance payment of partners are recorded in the balance sheet on the line no.69 other receivables.

Then refunds from unspent funding from European Union.

Estimated payables (electricity, gas, sewage charges)	7 336	13 121
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These are the costs of the accounting period that have not been invoiced to the company yet.

Total liabilities	59 707	61 738
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	Status as of December 31, 2012	Status as of December 31, 2013
8.2. Other liabilities (thousands CZK) – liabilities and equity B. IV.		

Accrued expenses	929	4 149
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Through this account, the company accounts for expenses, which are related to the current accounting period but payments were made in the following period, especially travel expenses. It is mainly project costs of partners and travel expenses of employees.

Deferred revenues	8 676	3 789
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These are received resources used for help in v Afghánistan and in Ethiopia and performance will be in 2014.

Unrealised exchange rate gains	649	2 203
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These are unrealized exchange rate gains, which will be accounted at the payment of payables or collection of receivables in the next accounting period in compliance with regulations.

Total other liabilities	10 254	10 141
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9. Profit and loss account - costs

Item A.I.1. 'Material consumption' has a value of CZK 50.104 thousand, it includes purchased and consumed material for the operation and maintenance of offices and vehicles; construction material used in the provision of social services abroad, with a particular focus on supporting education and health, improving access to water and improving sanitary conditions; Acquired assets charged as supplies.

Item A.II.8 "other services" has a value of CZK 191.892 thousand, it includes the cost of other purchased services, which consist primarily of accounted costs of partners in the implementation of joint projects, the cost of renting and operating offices and purchase of services in the provision of social services abroad, focusing on the promotion of education and health care, social services, improving access to water and improving sanitary conditions, securing livelihoods, poverty reduction and environmental protection.

Item A.V.22 "gifts" has a value of CZK 182.231 thousand, it mainly includes the financial donations provided to people who have been affected by the floods in 2013 in the Czech Republic and donated supplies within the activities of humanitarian and development aid.

10. Profit and loss account - revenues

Item B.I.2. "Sale of own services" has a value of CZK 45.838 thousand, it mainly includes income from the brokerage infrastructural development of local communities in Afghanistan and the provision of social services in the Czech Republic.

Item B.IV.17. "Accounting for funds" has a value of CZK 573.617 thousand, it includes revenues associated with the use of the funds reported under liabilities and equity item A.I.2. "Funds" on the main activities of the company.

Item B.IV.18. "Other revenues" has a value of CZK 49.226 thousand and relates to the main business of the company, it mainly includes revenue estimates for the grants still outstanding when in 2013 the company benefited by a valid contract, but the funds from the donor were not paid to the date of drawing up of the financial statements; There are also contracted and received incomes in the next financial year for projects that have already been partially implemented in 2013.

11. Other important facts

The Organization's assets are not encumbered with any lien.

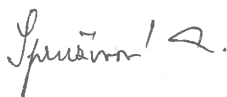
The Organization does not register any payables not included in the financial statements.

On February 11, 2013 was successfully completed liquidation of the subsidiary PIN Jordan.

Between the balance sheet date and the date of drawing up the financial statements, no important facts and unusual changes in the status of assets and liabilities occurred, which would significantly influence values of assets and liabilities, financial situation and economic result of the company stated in the financial statement as of December 31, 2013.

In Prague, June 25, 2014

Prepared by: Ařna Spruřinová
Accountant



Šimon Pánek
Finance Director
Člověk v tísni, o.p.s.

Cash flow statement

as of 31 December 2013

(In thousands of CZK)

		current period	prior period
P.	Cash and cash equivalents, beginning of year	165 663	106 559
	Net operating cash flow		
Z.	accounting profit (loss) before taxation	1 507	2 035
A.1.	Non-cash transactions	13 527	40 348
A.1.1.	Depreciation of fixed assets	9 822	9 591
A.1.2.	Change in provisions and other adjustments	0	0
A.1.3.	Profit(-) Loss(+) on sale of fixed assets	-303	73
A.1.4.	Expense and revenue interests accounted for	-127	-321
A.1.5.	Other non-cash transactions	2 195	632
A.1.6.	Gifts (buildings)	1 940	30 373
	Net operating cash flow before taxation, changes in working capital and extraordinary items	15 034	42 383
A.2.	Current assets	-34 476	25 442
A.2.1.	Change in receivables and other temporary assets	-20 724	8 404
A.2.2.	Change in short-term liabilities and other temporary liabilities	1 646	12 803
A.2.3.	Change in inventory	-15 398	4 235
A.2.4.	Change in short term financial assets	0	0
	Net operating cash flow before financial balances, taxation and extraordinary items	-19 442	67 825
A.3.	Interest paid excluding amounts capitalised	0	0
A.4.	Interest received	127	249
A.5.	Income tax paid on ordinary income and income tax relating to prior periods	-365	-369
A.***	Net operating cash flow	-19 680	67 705
	Investment activity		
B.1.	Acquisition of fixed assets	-11 692	-29 464
B.1.1.	Acquisition of tangible fixed assets	-7 405	-22 863
B.1.2.	Acquisition of intangible fixed assets	-2 679	-3 213
B.1.3.	Acquisition of long-term investments	-1 608	-3 388
B.2.1.	Proceeds from sales of fixed assets	415	745
B.2.2.	Proceeds from sales of long-term investments	2 486	2 573
B.***	Net cash flow from investment activity	-8 791	-26 146
	Financial activity		
C.1.	Change in long-term liabilities and bank loans	0	0
C.1.1.	Increase and decrease in long-term loans	0	0
C.1.2.	Increase and decrease in other long-term payables	0	0
C.2.	Increase and decrease in equity	77 232	17 545
C.2.1.	Change in own equity	655	1 921
C.2.2.	Change in funds	76 577	15 624
C.***	Net cash flow from financial activity	77 232	17 545
F.	Net increase or decrease in cash balance	48 761	59 104
R.	Cash and cash equivalents, end of period	214 424	165 663

