



OPEN DIALOGUE

Open Dialogue Foundation
Rond-point Schuman 6/5
1040 Brussels
Belgium

Open Dialogue Foundation
ul. Pirenejska 2C
01-493 Warsaw
Poland

Brussels, 12 March 2021

**FINANCIAL STATEMENTS
OF THE OPEN DIALOGUE FOUNDATION
01-493 WARSZAWA, UL. PIRENEJSKA 2C
– ADDITIONAL INFORMATION AND EXPLANATIONS
FOR 2020**

INTRODUCTION TO THE FINANCIAL STATEMENTS

General information

1. Company, registered office and address or place of residence and address, principal activity of the entity and number in the relevant court register or records

The Open Dialogue Foundation with its registered seat in Warsaw at ul. Pirenejaska 2c, 01-493 Warsaw, was established by Paweł Świdorski and Ivan Sherstyuk by a notarial deed drawn up on the 9th of December 2009, Repertory A 3938/2009.

The Foundation was entered into the National Court Register – Register of Associations, Other Social and Professional Organisations, Foundations and Independent Public Health Care Institutions by the decision of the District Court in Lublin, 11th Commercial Division, on 12.04.2010 under the number KRS 0000353754. The Tax Office in Lublin assigned the Foundation a tax identification number NIP 7123206033 on 17.05.2010. The Statistical Office assigned the statistical number REGON 060615226, PKD 9499Z – Activities of other membership organisations not elsewhere classified.

The aim of the Foundation is to defend human rights, democracy and the rule of law in the post-Soviet area and in European countries where these values are under threat.

2. An indication of the duration of the entity's activities, if limited

The Foundation is established for an indefinite period.

3. An indication of the period covered by the financial statements

The financial statements cover the period from 1.01.2020 to 31.12.2020.

4. An indication that the financial statements include aggregate data if the entity has internal organisational units preparing separate financial statements.

The entity does not prepare combined statements.

5. An indication as to whether the financial statements have been prepared on the assumption that the entity will continue as a going concern in the foreseeable future and whether there are any circumstances that indicate a threat to its ability to continue as a going concern

The financial statements have been prepared on the assumption that the statutory activities will continue, using the current assets held as at 31.12.2020 and the anticipated income from donations

and grants in 2021. There are no known circumstances indicating a threat to the continuation of the Foundation's activities in future years.

6. For financial statements drawn up for the period during which the merger occurred, an indication that these are the financial statements drawn up following the merger of companies, and an indication of the method used to account for the merger (acquisition, pooling of interests).

Not applicable.

7. A description of the accounting policies adopted, including methods of valuation of assets and liabilities (including depreciation and amortisation), determination of the financial result and method of preparation of the financial statements to the extent that the act allows the entity to choose.

The bookkeeping has been entrusted to Magdalena Pietrzak, holding permission number 26800/01, conducting business in the field of bookkeeping services under the name Adiutor Magdalena Pietrzak, at ul. Pirenejska 2C in Warsaw. The Foundation's accounting documents are posted and stored at this location.

The financial statements have been prepared on the basis of the books of account kept during the financial year in accordance with the documentation of the accounting principles (policies) adopted, setting out:

- the financial year from 1 January to 31 December;
- the company principles for the valuation of assets and liabilities;
- the rules for keeping the accounting books taking account of the provisions of the Accounting Act of 29 September 1994, as amended. The contents of these statements take into account the legal circumstances as at 31.12.2020.

The assets and liabilities shown in the balance sheet at the end of the financial year have been valued using the following valuation methods, resulting from the adopted accounting principles:

- short-term receivables at the amount due with caution;
- short-term investments at nominal value;
- current liabilities at the amount due;
- statutory fund – at nominal value;
- accruals and prepayments at nominal value of subsidies received.

The financial result for the financial year includes all revenue earned and related costs in accordance with the principles of accrual accounting, matching of revenue and costs, and prudence.

ADDITIONAL INFORMATION AND EXPLANATIONS

1. SUPPLEMENTARY DATA ON ASSETS

- Fixed assets

1) detailed scope of changes in the value of groups of types of tangible and intangible assets and long-term investments, including the state of those assets at the beginning of the financial year, increases and decreases due to: revaluation, purchase, disbursement, internal transfer and final state, and for depreciated assets – a similar presentation of states and titles of changes in depreciation or amortisation to date

- Initial values

Fixed asset name	2019	Increase	Decrease	2020
Intangible assets	0.00 zł	0.00 zł	0.00 zł	0.00 zł
Tangible fixed assets	0.00 zł	0.00 zł	0.00 zł	0.00 zł
Real estate	0.00 zł	0.00 zł	0.00 zł	0.00 zł
General-purpose machinery and apparatus	0.00 zł	0.00 zł	0.00 zł	0.00 zł
Means of transport	0.00 zł	0.00 zł	0.00 zł	0.00 zł
Other fixed assets	0.00 zł	0.00 zł	0.00 zł	0.00 zł
Total:	0.00 zł	0.00 zł	0.00 zł	0.00 zł

- Depreciation

Fixed asset name	2019	Increase	Decrease	2020
Intangible assets	0,00 zł	0,00 zł	0,00 zł	0,00 zł
Tangible fixed assets	0,00 zł	0,00 zł	0,00 zł	0,00 zł
Real estate	0,00 zł	0,00 zł	0,00 zł	0,00 zł
General-purpose machinery and apparatus	0,00 zł	0,00 zł	0,00 zł	0,00 zł
Means of transport	0,00 zł	0,00 zł	0,00 zł	0,00 zł
Other fixed assets	0,00 zł	0,00 zł	0,00 zł	0,00 zł
Total:	0,00 zł	0,00 zł	0,00 zł	0,00 zł

2) the amount of revaluation write-offs made during the financial year, separately for long-term non-financial assets and long-term financial assets

Not present.

3) the amount of costs of development work completed and the amount of goodwill, and an explanation of the period over which they are to be written off, as specified in Articles 33(3) and 44b(10) respectively

Not present.

4) the value of land in perpetual use

Not present.

5) the value of tangible assets not depreciated or amortised by the entity, used under rental, lease or other agreements, including lease agreements

Until the end of May 2020, the Foundation subleased premises in Warsaw, al. Szucha 11a/21 – the cost amounted to 35.67 zlotys, from June 2020, the Foundation is leasing out premises in Warsaw, ul. Pirenejska 2c – the cost in 2020 was 492.00 zlotys.

6) the number and value of securities or rights held, including certificates representing shares, convertible debt securities, warrants and options, with an indication of the rights conferred by them

Not present.

7) data on receivable write-offs, indicating the balance at the beginning of the financial year, increases, exercise, release and balance at the end of the financial year

Not present.

- **Current assets**

- **Short-term receivables**

	Details	31.12.2019	31.12.2020
1	Settlements with suppliers and customers	4 245.41 zł	4 115.47 zł
2	Settlements with employees	0.00 zł	0.00 zł
3	Deposits paid	10 314.15 zł	0.00 zł
4	Receivables from state budget	0.00 zł	0.00 zł
5	Other settlements to be clarified	121.00 zł	121.00 zł
	Total	14 680.56 zł	4 236.47 zł

- **Short-term investments**

	Details	31.12.2019	31.12.2020
1	Cash at hand	92,88 zł	92,88 zł
2	Cash in current bank accounts	45,60 zł	29 002,84 zł
	Total	138,48 zł	29 095,72 zł

2. ADDITIONAL DATA ON LIABILITIES

8) information on the ownership structure of the share capital and the number and nominal value of subscribed shares, including preference shares

- **Foundation's own fund**

The own fund includes the statutory fund and the financial result for the financial year, which is the excess of revenues over costs.

9) opening balance, increases and exercise and closing balance of supplementary capital (funds), reserve capital and revaluation capital (fund), in so far as the entity does not prepare a statement of changes in equity (fund)

Not present.

10) proposals on how to distribute profits or cover losses for the financial year

The financial result – the excess of revenues over costs of the Foundation less income tax (in the amount of 2 zlotys) **in the amount of 19,749.54 zlotys (net profit)** will be used to cover losses from previous years (12,183.52 zlotys) and for statutory activities (7,566.02 zlotys).

11) data on the state of reserves according to the purpose of their creation at the beginning of the financial year, increases, exercise, release and final state

Not present.

12) breakdown of long-term liabilities by balance sheet item with a contractual repayment period remaining after the balance sheet date:

- a) up to 1 year;**
- b) from 1 to 3 years;**
- c) from 3 to 5 years;**
- d) over 5 years**

There are no long-term liabilities.

- **Short-term liabilities**

	Details	31.12.2019	31.12.2020
1	Settlements with suppliers	6 007.13 zł	1 344.61 zł
2	PIT-4 settlements	0.00 zł	0.00 zł
3	Payroll liabilities	0.00 zł	0.00 zł
4	ZUS liabilities	437.93 zł	3 417.06 zł
5	Other settlements with employees	0.00 zł	446.00 zł
6	Other settlements	0.00 zł	0.00 zł
7	CIT-8 settlements	199.00 zł	200.00 zł
8	Loans	5 358.50 zł	5 358.50 zł
	Total	12 002.56 zł	10 766.17 zł

13) the total amount of liabilities secured on the entity's assets with an indication of the nature and form of such securities

Not present.

14) a list of significant items of accruals and prepayments, including the amount of prepayments that represent the difference between the value of financial assets received and the obligation to pay for them

- **Short-term accruals and prepayments**

Not present.

- **Deferred revenue**

Not present.

15) where an asset or liability is disclosed under more than one balance sheet item, its relationship between those items; this applies in particular to the distinction between short- and long-term receivables and liabilities

Not present.

16) total amount of contingent liabilities, including guarantees and sureties granted by the entity, including avals, not disclosed in the balance sheet, with an indication of the liabilities secured on the entity's assets, as well as the nature and form of these securities; information concerning contingent liabilities regarding pensions and similar benefits and towards related or associated entities should be disclosed separately

Not present.

17) where assets that are not financial instruments are measured at fair value:

- a) significant assumptions applied in determining fair value when the data used to determine that value are not derived from an active market;**
- b) for each category of asset that is not a financial instrument, the fair value as shown in the balance sheet and, where appropriate, the effects of revaluation recognised as financial revenue or expense or took to revaluation reserve (fund) during the reporting period;**
- c) a table of changes in the revaluation reserve (fund) comprising the opening and closing balances of the reserve (fund) and its increases and decreases during the financial year**

Not present.

3. EXPLANATIONS TO THE PROFIT AND LOSS ACCOUNT

3.1 Revenue structure:

- Revenue from statutory activities

	Listing of major donors	31.12.2019	31.12.2020
	INSTITUTIONAL DONORS:	1 313 420.17 zł	327 901.56 zł
1	Google Ireland Ltd (provision of web services)	311 138.17 zł	304 309.68 zł
2	Silk Road Biuro Analiz i Informacji sp. z o.o.	993 680.40 zł	5 996.91 zł
3	Italian Federation of Human Rights	8 601.60 zł	615.68 zł
4	Freedom Kazakhstan Foundation	0.00 zł	16 979.29 zł
	INDIVIDUAL DONORS:	12 824.22 zł	5 200.00 zł
1	Bartosz Kramek	554.16 zł	200.00 zł
2	Lyudmyla Kozlovska	9 886.56 zł	0.00 zł
4	Mikołaj Ciukij	100.00 zł	0.00 zł
5	Sebastian Rafał Luty	0.00 zł	5 000.00 zł
6	Przemysław Kobyliński	140.00 zł	0.00 zł
7	Maximilian Steinbeis	2 143.50 zł	0.00 zł
	CROWDFUNDING CAMPAIGNS:	0.00 zł	839 316.68 zł
1	individual payments through the Zrzutka.pl portal	0.00 zł	713 882.00 zł
2	donations in kind	0.00 zł	125 434.68 zł
	Total income from statutory activities	1 326 244.39 zł	1 172 418.24 zł

In 2020, the Foundation ran three public campaigns to raise funds for three specific projects/actions using the Zrzutka.pl portal.

1. **"Meal for a Doctor"** (Pol. Posiłek dla Lekarza) – the sum of funds transferred to the Foundation's account in the reporting year: 681,012.00 zlotys and in-kind donations with a total value of: 125,434.68 zlotys. The campaign was used to fund support for medical facilities across Poland in connection with the COVID-19 pandemic. In addition to meals, it also financed the purchase of medical equipment for the City Hospital No. 4 in Gliwice. The campaign is over – detailed information and accounts have been published in its financial summary on the Foundation's website: <https://odfoundation.eu/sprawozdania/>. The campaign also attracted a number of in-kind donations, which are listed later in the statements.

2. **"Let's Save Krystian"** (Pol. Uratujmy Krystiana) – total funds transferred to the Foundation's account in the reporting year: 19,970.00 zlotys. The aim of the campaign was to support the family of Krystian Surmach, a Ukrainian boy in the advanced stage of autism. The campaign continues in 2021.

3. **"The List of Shame"** (Pol. Listy hańby) – total funds transferred to the Foundation's account in the reporting year: 12,900.00 zlotys. The aim of the campaign was to promote and enforce accountability for crimes committed by officials in Poland under the rule of the Law and Justice (PiS) party (since 2015). The campaign continues in 2021.

"MEAL FOR A DOCTOR": INSTITUTIONAL DONORS – IN-KIND DONATIONS			
	Donor	31.12.2020	31.12.2019
1	Tchibo Warszawa Sp.z o.o.	47 383.63 zł	0.00 zł
2	Maczfit Foods Sp. z o.o.	40 500.00 zł	0.00 zł
3	Metro-Plast Paweł Klimas, Anna Andruszkiewicz Sp. J.	13 781.91 zł	0.00 zł
4	Nestle S.A.	12 613.10 zł	0.00 zł
5	Jeronimo Martins Drogerie i Farmacja Sp. z o.o.	11 156.04 zł	0.00 zł
Total value of in-kind donations		125 434.68 zł	0.00 zł

The in-kind donations collected were donated to medical facilities across Poland. These donations included food with a longer shelf life, household appliances, hygiene and personal care items and specialised packaging. Detailed records and accounts of in-kind donations have been included in the financial summary of the "Meal for a Doctor" aid campaign dated 31.07.2020 and an addendum (donation from Nestle Polska S.A.) dated 18.09.2020, which were published on the Foundation's website: <https://odfoundation.eu/sprawozdania/> and <https://odfoundation.eu/a/32330,uzupelnienie-podsumowania-akcji-posilekdlalekarza-darowizna-od-nestle-polska/>.

The total amount of revenues from statutory activities received in the form of donations is 1,172,418.24 zlotys.

- **Business revenues** – the company had no business activities in 2020.
- **Other operating revenues**

	Details	31.12.2019	31.12.2020
1	Settlement of overpaid VAT	770.26 zł	0.00 zł
2	Derecognition of settlement account balances	1 003.48 zł	1 083.39 zł
3	PIT tax refund for 12/2016	0.00 zł	9 773.40 zł
Total		1 773.74 zł	10 856.79 zł

- **Financial revenues**

	Details	31.12.2019	31.12.2020
1	Interest on funds in bank account	0.21 zlotys	0.00 zlotys
2	Positive realised exchange differences	0.00 zlotys	0.00 zlotys
Total		0.21 zlotys	0.00 zlotys

3.2 Cost structure:

- Costs of carrying out statutory tasks**

Details	31.12.2019	31.12.2020
1 Office supplies, small office equipment	10 453.98 zł	0.00 zł
2 Expenses related to the "Meal for a Doctor" campaign – meals for medical facilities	0.00 zł	616 407.81 zł
3 Expenses related to the "Meal for a Doctor" campaign – donation to the City Hospital No. 4 in Gliwice	0.00 zł	58 104.19 zł
4 Expenses related to the "Meal for a Doctor" campaign – in-kind donations to medical facilities	0.00 zł	125 434.68 zł
5 Translation services	88 293.96 zł	0.00 zł
6 Legal services	46 896.64 zł	0.00 zł
7 Other services (cleaning, transportation, telecommunications, insurance)	44 522.03 zł	0.00 zł
8 Internet services (Google)	311 138.17 zł	304 309.68 zł
8 Remuneration under employment contracts	0.00 zł	0.00 zł
10 Remuneration under civil law contracts	58 190.13 zł	8 601.48 zł
11 Employer's social security (ZUS) contributions on employment contracts	0.00 zł	0.00 zł
12 Employer's social security (ZUS) contributions on civil law contracts	12 662.65 zł	1 761.58 zł
13 Business travel – air tickets	75 036.92 zł	0.00 zł
14 Business travel – hotels	37 431.32 zł	0.00 zł
15 Business travel – travel allowances	6 804.67 zł	0.00 zł
16 Business travel – train tickets and taxis	17 892.17 zł	0.00 zł
17 Representation	2 115.39 zł	0.00 zł
18 Statutory donation to Hromadska Spilka "Fundatsyya Vidkrytyy Dialoh"	245 215.07 zł	0.00 zł
19 Statutory donation to the Open Dialogue Foundation (Belgium)	223 703.90 zł	24 854.95 zł
20 Donation to Volodymyr and Krystian Surmach as part of the "Save Krystian" campaign	0.00 zł	6 000.00 zł
Total operating costs, statutory	1 180 357.00 zł	1 145 474.37 zł

Due to the global COVID-19 pandemic, there were no business delegations and related expenses during the reporting year.

- Administrative costs**

Description	31.12.2019	31.12.2020
1 Consumption of materials and energy	74.80 zł	653.91 zł
2 Telecommunications services (internet)	0.00 zł	1 436.58 zł
3 IT and hosting services (servers)	21 481.55 zł	6 150.00 zł
4 Accounting services	15 547.20 zł	7 011.00 zł
5 Bank commissions	1 407.29 zł	352.16 zł
6 Office rental in Brussels	91 155.82 zł	0.00 zł
7 Office rental in Warsaw	12.00 zł	527.67 zł
8 Taxes and charges, including applicable VAT	884.00 zł	1 548.00 zł
Total	130 562.66 zł	17 679.32 zł



- **Other operating costs**

	Details	31.12.2019	31.12.2020
1	Derecognition of differences and roundings	2 213,36 zł	129,94 zł
	Total	2 213,36 zł	129,94 zł

- **Finance costs**

	Details	31.12.2019	31.12.2020
1	Budget interest	0,21 zł	16,60 zł
2	Bank interest, due to counterparties	0,00 zł	0,00 zł
3	Negative realised exchange differences	496,69 zł	223,26 zł
	Total	496,90 zł	239,86 zł

- **Structure of the income statement**

	Details	rok 2019	rok 2020
1	Revenues	1 328 018.34 zł	1 183 275.03 zł
2	Costs	1 313 617.91 zł	1 163 523.49 zł
3	Excess of revenues over costs	14 400.43 zł	19 751.54 zł

4. SETTLEMENT OF MAJOR ITEMS DIFFERENTIATING THE INCOME TAX BASE FROM THE ACCOUNTING PROFIT

	Details	rok 2019	rok 2020
I	Revenue disclosed in the profit and loss account	1 328 018.34 zł	1 183 275.03 zł
-	Excess of revenues over costs for the previous year	- zł	- zł
-	Grants received in the previous year in the part to be spent in the current year	- zł	- zł
-	Grants received in the previous year in the part to be spent in the next year	- zł	- zł
-	Non-tax revenue	- zł	- zł
-	Off-balance sheet tax revenue – free of charge rental of space at ul. Nowy Świat 63	- zł	- zł
	Taxable revenue	1 328 018.34 zł	1 183 275.03 zł
II	Costs disclosed in the profit and loss account	1 313 617.91 zł	1 163 523.49 zł
-	unpaid salaries and delegations	- 3 500.00 zł	- zł
-	non-taxable costs	468 918.97 zł	129.94 zł
-	budgetary costs and interest paid	2 213.36 zł	16.60 zł
	Tax deductible expenses	845 985.58 zł	1 163 376.95 zł
III	Income according to the Corporate Tax Act	482 032.76 zł	19 898.08 zł
IV	Tax-free income (revenue), including:	482 032.76 zł	19 898.08 zł
	Non-taxable (revenues) income (Article 17(1)(4))	482 032.76 zł	19 898.08 zł
V	Taxable non-statutory expenses	2 213.00 zł	17.00 zł
VI	Income tax	199.00 zł	2.00 zł

The Foundation enjoys exemption from corporate income tax pursuant to art. 17 of the Corporate Income Tax Act, pint 1 section 4 – in the part allocated to statutory activities.

1. For financial statement items expressed in foreign currencies, the rates adopted for their valuation.

The average exchange rates of the National Bank of Poland (NBP), table 255/A/NBP/2020 of 31.12.2020, were used for the balance sheet valuation.

USD	3.7584
EUR	4.6148
RUB	0.0501
CAD	2.9477
GBP	5.1327
HRK	0.6112

2. An explanation of the structure of the cash flows used in the cash flow statement, and, where the cash flow statement is prepared using the direct method, a

reconciliation of the net cash flows from operating activities using the indirect method should also be provided; where there are differences between the movements of certain items in the balance sheet and the movements of the same items in the cash flow statement, the reasons for those differences should be explained.

The Foundation is not required to prepare a cash flow statement.

5. ADDITIONAL INFORMATION AND EXPLANATIONS

- The average annual employment under employment contracts in the financial year was:
2020 – the Foundation had no employees
2019 – the Foundation had no employees

The amount of gross wages and salaries under employment contracts amounted to:

2020 – 0.00 zlotys
2019 – 0.00 zlotys

- Employment under civil law contracts in the financial year was:
2020 – 2 contracts, 1 contractor
2019 – 11 contracts, 8 contractors

The amount of gross salaries under civil law contracts amounted to:

2020 – 8,601.48 zlotys
2019 – 58,190.16 zlotys

- The members of the Management Board and Foundation Board did not receive remuneration for their functions.
- The Foundation did not grant any guarantees, sureties or contingent liabilities.
- There are no contracts not included in the balance sheet.
- The Foundation did not grant any loans or benefits to members of its governing bodies.
- The Foundation has not paid and has no remuneration due to an expert auditor or an entity authorized to audit financial statements for the financial year.
- After the balance sheet date, there were no significant events not included in the financial statements.

- There has been no change in the accounting policy.
- The entity does not operate a joint venture within the meaning of the Accounting Act.
- The entity is not required to prepare consolidated statements.
- No adjustments to prior years were made in the 2020 financial year.

Brussels, 12 March 2021

.....
Magdalena Pietrzak
(person responsible
for keeping the books of accounts

.....
Lyudmyla Kozlovska
(President of the Management Board)

.....
Marcin Mycielski
(Vice-President of the Management Board)