



• • •







"Bakala Foundation alumni include successful scientists, entrepreneurs, teachers, business managers, and professionals in the public and private sectors. But while every one of our scholars is unique, they are linked by a shared belief that a world based on cooperation, dialogue, and understanding is possible. This is what brings us the greatest joy, and what drives our foundation forward."

> **Michaela Bakala** Chairwoman of the Board of Trustees

Dear Friends and Supporters,

For the ninth year in a row, the Bakala Foundation was proud to support the education of young people, scholars that Zdeněk and I believe are the future of our country and beyond. With every Czech student we help study abroad, my husband and I grow even more convinced that an education built on firm values is the key to maintaining and developing a strong democracy. Bakala Foundation alumni include successful scientists, entrepreneurs, teachers, business managers, and professionals in the public and private sectors. But while every one of our scholars is unique, they are linked by a shared belief that a world based on cooperation, dialogue, and understanding is possible. This is what brings us the greatest joy, and what drives our foundation forward.

Of course, the awarding of scholarships is just one facet of our educationfocused activities. In 2018, we also organized a number of events at our Student Hub to help connect students with each other, and to provide assistance to those interested in studying outside the Czech Republic. We also held a roundtable discussion with representatives of the government, universities, non-profit groups, and the business sector to examine how education is developing in the Czech Republic. These types of dialogues are ones we hope to continue far into the future.

To be sure, making sense of the world around us is more complicated than ever, as trends like "fake news" and disinformation seek to skew the truth. Sending young people into the world to study is one way to fight back; supporting journalism education is another. That's why last year saw the fourth annual instalment of Journey: Journalism Bootcamp, which, since 2015, has brought young journalism students to Prague to train with some of the industry's leading professionals. Critical thinking is a skill that the next generation of journalists will need in abundance, and we are proud of the Bootcamp's contribution to strengthening the journalism field.

There are many more projects worth highlighting, and what follows are stories and updates from all of the activities that our foundation carried out in 2018. Of course, none of these successes would be possible without the dedication of my many colleagues, all of whom believe in the value of what we do; they deserve my sincerest thanks.

I would also like to thank the foundation's Board of Trustees and Supervisory Board for their work and continued support. I hope you will find the information within these pages as inspirational as I do.

Michaela Bakala Chairwoman of the Board of Trustees

12 YEARS OF THE BAKALA FOUNDATION EDUCATION IS THE BEST INVESTMENT

The Bakala Foundation is a Czech family foundation that has been promoting the education and development of talented young people since 2007. It was established by Zdeněk and Michaela Bakala, and awards scholarships and financial aid to exceptional Czech students, allowing them to study at the best foreign universities. Grants also help educate young journalists, support young architects, and contribute to educational, cultural, and health-associated projects. Because of the broad scope of support it provides to talented young people, the Bakala Foundation is one of the most unique organizations of its type in the Czech Republic.

137 scholars

have been awarded more than CZK 123 million to study at 43 universities in 8 countries.

Our **SCHOLARSHIP** program enables talented Czech students to study at the best universities abroad.

80 ASPIRING JOURNALISTS

from **14** countries have completed our summer program led by professionals from renowned international media organizations.

Our international summer program JOURNEY: JOURNALISM BOOTCAMP supports young

journalists and independent journalism.

YOUNG ARCHITECTS

have completed **internships at 4** leading architectural **studios** in London.

Our KAPLICKY INTERNSHIP

program is designed for early-career architects, and helps them obtain experience at prestigious architectural firms.

74 INDIVIDUALS AND ORGANIZATIONS

have received grants totaling more than CZK 83 million.

We award **FOUNDATION GRANTS** to support the development of education, culture, and health in the Czech Republic.

57 LECTURES AND WORKSHOPS

have been led by our scholars, alumni, and other **inspirational individuals.**

The **STUDENT HUB** provides

a platform for education, networking, and training. In addition to workshops, the hub offers counselling services and has a library.



"Even though I knew that my mother is a superwoman and would somehow manage to ensure that I could realize my dream of studying at Oxford, I wanted to take the financial responsibility on myself in order to relieve my family of the stress. So, I decided to try and apply for a Bakala Foundation Scholarship. Everyone was simply unbelievable, and without them I would never have submitted my application. Not only did they pay for my studies, they also supported and advised me and stood by me whenever I needed it. We have remained in contact even after my return to the Czech Republic."

Sara Boutall

Scholarship program alumna, 2014 graduate in archaeology and anthropology from the University of Oxford

SCHOLARSHIP

Our Scholarship program is designed for talented students from the Czech Republic who would like to earn a bachelor's or master's degree at a prestigious university abroad. Since 2010, the foundation has awarded scholarships to 137 students who are active in various branches of the natural sciences, the humanities, and cultural and public life. Students have gone on to work in the non-profit and private sectors in the Czech Republic and abroad. Grants totaling more than CZK 123 million have helped to support our scholars in their educational efforts. The Bakala Foundation organizes its Scholarship program in collaboration with the Swiss-based Fondation Zdenek et Michaela Bakala.

A RECORD NUMBER OF 17 NEW SCHOLARS IN 2018

Last year, 200 students applied for the Scholarship program. Of these, 95 were from Prague and the Central Bohemian Region, and 105 were from other parts of the Czech Republic. The majority of the applicants wished to study in the United Kingdom; top universities included Cambridge, Oxford, and University College London. While interest in studying in the UK is increasing every year, fewer students are selecting American universities. Still, the United States remains the second-most popular destination for applicants. In 2018, most of the applicants wanted to study in fields such as social sciences and humanities, followed by the natural sciences and engineering.

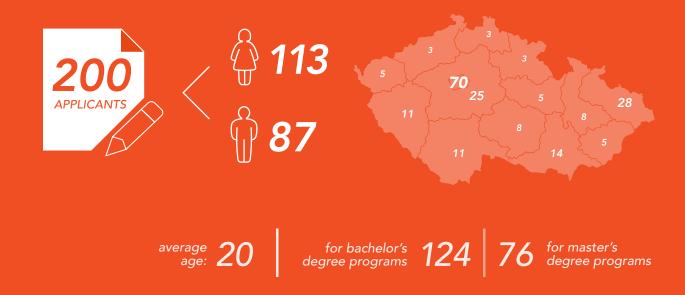
Twenty-one applicants progressed to the second round of the selection process, and it was from this group that the evaluation committee selected 17 new scholars – a record number. Nine of the selected students have either already started or are about to start studying for their bachelor's degree, while eight are working towards a master's degree.

During the 2018/2019 academic year, the foundation is providing financial aid to 40 students. Twenty-two of these scholars are first-time scholarship recipients and the remaining 18 are continuing studies they started in previous years.

In late 2018, the foundation visited 28 of our scholars and alumni in London, Oxford, and Cambridge, and discussed not only their studies, work, and life abroad, but also how they can help future scholars succeed. We ended 2018 with our traditional Christmas get-together with our scholars and alumni.



WHO SOUGHT SUPPORT FOR STUDYING ABROAD IN 2018?



SCHOLARSHIP 2010–2018



WHERE DID OUR SCHOLARS AND ALUMNI DECIDE TO STUDY?

UK 58%



University of Cambridge University of Oxford University 20 University College London University College London University 6 Imperial College London UNIVE 6 London School of Economics UNI 4 King's College London UNIVE 3

US 28%

Columbia University 1115 Harvard University 1115 Dartmouth College 1114 University of Pennsylvania 1114 Yale University 1114 Northwestern University 1113 Julliard School 112 New York University 112

FRANCE 4% Sciences Po III 3

NETHERLANDS 1%

GERMANY 1%

ISRAEL 1%

SWITZERLAND 5% ETH Zürich IIIII 5

NEW ZEALAND 1%

Natural Sciences:	Biology, chemistry, immunology, mathematics, physics	36% 🛞
Engineering:	Architecture, artificial intelligence, astronautics, computer science, mechanical engineering	15%
Health and Welfare:	Medicine, neuroscience, psychology, public health	5%
Humanities and Arts:	Acting, archaeology, history, philosophy, music	11% 💹
Education:	Educational studies, literature	2%
Social Sciences:	Criminology, economics, law, political theory, security studies	31% ûûû



"Those of us who have been in the business for years have developed certain ways of approaching sources, ways of dealing with information and dealing with governments. And now we have an opportunity here with younger students of journalism, those who are entering, to share those best practices with them so that they are more effective and more able to do their jobs."

Adam Entous

Lecturer at Journey 2018, staff writer for The New Yorker, and a 2018 Pulitzer Prize winner

JOURNEY: JOURNALISM BOOTCAMP

The Journey: Journalism Bootcamp is a 10-day international summer program for students studying journalism or with an interest in entering the profession. The course is led by a team of professionals from renowned news organizations such as CNN, The Washington Post, The New Yorker, Reuters, and The Associated Press. Over the four years that we have been organizing this program, guest lecturers have included several Pulitzer Prize winners such as Seymour Hersh, Jesse Eisinger, and Tracy Weber.

SUMMER PROGRAM ON TODAY'S JOURNALISTIC PRACTICE

In 2018, Journey was open to students from 13 countries. Of the 99 young people who submitted applications, 20 students from 11 countries were chosen to participate.

Each year the program aims to familiarize aspiring journalists with current trends in news gathering – from working with sources and leading interviews to writing texts and creating news reports. Emphasis is placed on the myriad challenges that exist in journalism today, especially on the issue of disinformation and propaganda. Through seminars and workshops that are interactive and practical – including an individual journalism project completed in collaboration with a mentor – participants gain a deeper appreciation of the skills needed to succeed as a working journalist.

Last year's introductory keynote speech was delivered by Adam Entous, a staff writer at The New Yorker, who received a Pulitzer Prize in 2018 for his work at The Washington Post on Russian interference in the 2016 presidential election. Other lecturers included Evan Perez from CNN and Jessica Bruder from Columbia University.

International speakers and mentors were also joined by journalists active in the Czech media landscape. Anna Shamanska from RFE/RL focused on how to verify information on social networks; photographer Petr Josek from The Associated Press led a photojournalism workshop; Pavla Holcová, the founder of the Czech Centre for Investigative Journalism, lectured on themes related to her work; and Tomáš Etzler greatly motivated participants by discussing his career path from Ostrava to CNN headquarters.



WHO PARTICIPATED IN THE 2018 JOURNEY: JOURNALISM BOOTCAMP?



Czech Republic	Estonia	Belarus
Slovakia	Bulgaria	UK
Hungary	Romania	US
Lithuania	Ukraine	



12 experienced lecturers

CNN	Reuters	Czech Centre
The New Yorker	The Associated Press	for Investigative Journalism
RFE/RL	Columbia University	Optum

KAPLICKY INTERNSHIP

The Kaplicky Internship program offers current or recent Czech architecture students the opportunity to enjoy a three-month paid internship at one of London's prestigious architectural studios. Each year, this internship is awarded to the winner of our student architectural competition. In previous years, recipients have completed internships at Eva Jiricna Architects, Zaha Hadid Architects, and Allies and Morrison. The program, named in honor of the famous Czech architect Jan Kaplický, is organized in collaboration with the Design Museum in London and the Kaplicky Centre Foundation.

WINNER ENJOYS INTERNSHIP AT ADJAYE ASSOCIATES

Petr Kousal, the winner of the fourth Kaplicky Internship competition, had the opportunity to gain professional experience at Adjaye Associates. This London-based studio works internationally and has completed projects on four continents and is best known for its work on cultural institutions. One example is the building for the National Museum of African American History and Culture, in Washington D.C., which received awards in two "Design of the Year" competitions in 2017.

Petr graduated from the Brno University of Technology in 2018. He captured the jury's interest with his thoughtful design for a pavilion at the Brno Exhibition Centre. His aim was to make the exhibition center more accessible to the public so that it can be used for activities beyond trade fairs. The jury included Glenn DeRoche from Adjaye Associates; Deyan Sudjić, the Director of the Design Museum; architect and architectural historian Zdeněk Lukeš; and Michal Kohout, an architect and university professor.

Petr's winning entry was announced on October 24 at the DOX Centre for Contemporary Art during an evening that included a lecture given by Glenn DeRoche entitled "Context: Informing Architecture."



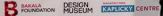
"The internship simply exceeded my expectations. I consider it the greatest benefit to have had the opportunity to work and learn during major projects spanning more than one continent, and to collaborate on these projects with an international team of architects, all of whom have different approaches. Not only did the internship help to expand my horizons, but it also literally opened the door of architecture for me, as, after my internship, Adjaye Associates offered me a position and I am thus remaining in London."

> **Petr Kousal** 2018 Kaplicky Internship winner

KAPLICKY INTERNSHIP

Soutěž pro studenty architektonických oborů o stáž v jednom z prestižních stu v Londýně. Příležitost pro mladé české architekty vyzkoušet si práci v nejlepšíc světových ateliérech.

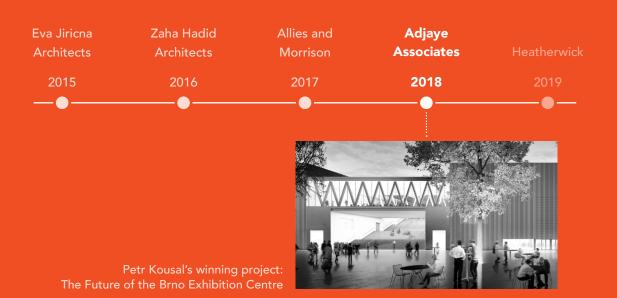
A student competition for internships at prestigious architecture studios in London. A great opportunity for young Czech architects to work at world's best architecture studios.



WHERE HAVE THE WINNERS COMPLETED THEIR INTERNSHIPS?

ALA

NDATION





"To receive a scholarship to study at the school of one's dreams – for some Cambridge, for others Harvard – is not as unattainable as it may seem. However, excellent study results and extracurricular activities are not all that is important. One must chiefly know how study can help achieve one's dreams and goals. In that respect, being honest and sincere is enough. If you are looking for advice, come and see us."

> Kristýna Burdová Borsodi Bakala Foundation Study Advisor

STUDENT HUB

The Bakala Student Hub is a space that offers events, counselling, and educational resources to scholars and the general public. Its aim is to educate, inspire, and develop students and young professionals, and to connect them with Bakala Foundation scholars, alumni, and prominent individuals from various spheres of public life. The Student Hub is also a venue for lectures and consultations organized by the Bakala Foundation's Study Advisor, Kristýna Burdová Borsodi.

EDUCATION, COUNSELLING, AND INSPIRATION

In 2018, the Student Hub organized 19 workshops, lectures, and discussions, which were attended by 257 participants. Thirteen Bakala Foundation scholars and alumni were involved in these events. For instance, Barbora Zavadilová and Lenka Štěpánová discussed the topic of changes in the Czech educational system, and Jitka Štollová advised students on how to write a good essay.

Lecturers also included nine professionals from public life, including Ondřej Kundra, who presented a talk on fake news and disinformation; Pavlína Amálie Kvapilová, who led a workshop on developing a personal brand on social networks; and Tomáš Šebek, who presented his experience at Médecins Sans Frontières. One workshop that attracted great interest was on public communication; that event was led by Martin Maska and Mariell Raisma from European Youth Press.

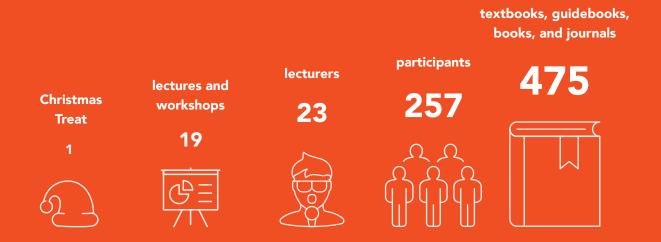
Study Advisor Kristýna Burdová Borsodi also organized several lectures regarding studying at universities abroad and the application process. Over the course of the year, Ms. Borsodi also offered personal consultations to students, parents, school administrators, and teachers.

The Student Hub library grew by 25 textbooks and guidebooks in 2018, including books on preparing for the SAT, GMAT, GRE, TOEFL, and IELTS admissions tests. Currently, students can choose from 475 titles of specialized literature, novels, and journals that are intended particularly for those interested in studying abroad.

We ended the year with our now-traditional Christmas Treat, which consists of a series of workshops for secondary-school students. The fourth year of this event took place in December 2018 at the Center for Architecture and Metropolitan Planning (CAMP). As in previous years, Bakala Foundation scholars and alumni shared their experiences of studying abroad and talked about their projects.



WHAT PROJECTS DID OUR FOUNDATION SUPPORT IN 2018?



FOUNDATION CONTRIBUTIONS

EDUCATION IS THE BEST INVESTMENT

The Bakala Foundation is strengthening its reputation as a leading funder of projects associated with education. In 2018, we distributed CZK 1.5 million between four organizations that work with disadvantaged students: Eurotopia.CZ, the IQ Roma Servis, Neposeda, and ROMEA, all of which help students in their final year of primary or secondary schools, or at a vocational college, to overcome social and economic disadvantages. Data demonstrate that scholars from these organizations achieve strong academic results and consequently a higher level of education overall.

The foundation also provided grants to further the education and work of past Scholarship winners. With our support, pianist and composer Tomáš Kačo produced his debut album, "My Home," and Jitka Štollová, one of the leading Czech experts of English literature, was able to continue her research at Oxford University. In connection with the 2017 Journey: Journalism Bootcamp, the foundation provided aid to Lynda Gonzales, the author of that year's winning project, to help support her during her journalism studies at the University of Texas. And the foundation supported Dominika Kodadová, a fashion-design student at the University of the Arts London.

Finally, our foundation supported the TrainBra.in initiative by the Matika.in organization, which uses a web application to help adolescents develop critical-thinking skills.

CULTURE AND EXCEPTIONAL PROJECTS

The Bakala Foundation is continuing in its endeavors to support cultural events and activities. For example, we have traditionally provided aid to the band "The Tap Tap," and in 2018 we once again helped finance their popular St. Nicholas Day Concert. For the third year in a row, the foundation also supported the "Na hlavu" educational film festival organized by the National Institute of Mental Health, which aims to challenge the prejudices associated with mental illness.

Other projects we helped fund included support for pianist Marek Kozák to record his first album; the renovation of the devastated Church of Saint Wenceslaus on Chloumek Hill in the municipality of Habřina; and the DOT Glasses project, which provides universal, inexpensive, and long-lasting glasses to people with no access to vision care.



WHAT PROJECTS DID OUR FOUNDATION SUPPORT IN 2018?

CZK 3.3 million



OVERVIEW OF FOUNDATION GRANTS AND DONATIONS

AWARDED FOUNDATION GRANTS

In 2018, the Bakala Foundation awarded grants totaling CZK 3,349,802.35. All grants were awarded in accordance with the law and the Statutes.

AAA Techlabs s.r.o. – DOT Glasses
Dominika Kodadová – Scholarship at the University of the Arts London
EUROTOPIA.CZ, o.p.s. – Scholarships for disadvantaged students
IQ Roma servis, z.s. – Scholarships for disadvantaged students
Jitka Štollová – Scholarship at the University of Oxford
Lynda Gonzales – Scholarship as part of the Journey program
Marek Kozák – Production of music album "Piano"
Matika.in z. s. – TrainBra.in project
Neposeda, z.ú. – Scholarships for disadvantaged students
ROMEA, o.p.s. – Scholarships for disadvantaged students
Spolek na obnovu kostela sv. Václava na Chloumku – Church renovation documentation CZK 300,000.00
Spolek NUDZ – "Na hlavu" film festival
Tomáš Kačo – Production of music album "My Home"
Z.s. TAP – St. Nicolas Day Concert of The Tap Tap band

RECEIVED FOUNDATION DONATIONS

In 2018, the foundation received donations totaling CZK 12,495,520.00.

Fondation Zdenek et Michaela Bakala	CZK 12,486,000.00
Avast Foundation	CZK 9,520.00



Our team in 2018 (from left): Václav Pecha, Petra Judová, Paulína Turisová, Katarína Svitková, Kristýna Burdová Borsodi, Zuzana Masná, Igor Klimeš

FINANCIAL STATEMENTS | 2018

• • •

	BALANCE SHEET	
		BALANCE SHEET by 504/2002 Sb. amended in 2016
		Business name
	asat. 31.12.2018	Nadace The Bakala Foundation
	in thousands CZK	Registered office
		Tržiště 366/13
	ID no. 2 7 9 2 1 2 4 7	Praha 1 - Malá Strana
		118 00
Seal		

Ident.	ASSETS	ASSETS		Accounting period		
			line	at the first day	balance at the last day	
Α.	Fixed assets	A.I.++A.IV.	001		+0	
A. I.	Intangible assets	A.I.1++A.I.x	002	+96	+96	
A. I. 1.	Research and development	účet 012	003			
2.	Software	účet 013	004			
3.	Valuable rights (patents, copyrights,trademarks and brands)	účet 014	005			
4.	Low-value intangible fixed assets	účet 018	006			
5.	Other intangibles	účet 019	007	+96	+96	
6.	Intangible assets under construction	účet 041	008			
7.	Advances for intangible assets Intangible assets	účet 051	009			
A. II.	Tangible fixed assets	A.II.1++A.II.x	010			
A. II. 1.	Land	účet 031	011			
2.	Artworks and collections	účet 032	012			
3.	Buildings and structures	účet 021	013			
4.	Machinery, equipment, vehicles, fixtures and fittings	účet 022	014			
5.	Orchards and vineyards	účet 025	015			
6.	Livestock (herd and draught animals)	účet 026	016			
7.	Low-value fixed assets	účet 028	017			
8.	Other tangible fixed assets	účet 029	018			
9.	Tangible fixed assets under construction	účet 042	019			
10.	Advances for tangible fixed assets	účet 052	020			
A. III.	Financial assets	A.III.1++A.III.x	021			
A. III. 1.	Investments in subsidiaries	účet 061	022			
2.	Investments in associates	účet 062	023			
3.	Bonds, debentures and similar securities held until maturity	účet 063	024			
4.	Loans to organisations teams	účet 066	025			
5.	Other long-term loans		026			
6.	Other financial assets	účet 067 účet 069	027			
A. IV.	Accumulated depreciations of long term property total		028	-96	-96	
A. IV. 1.	Depreciations to immmaterial results of sciene survey	A.IV.1++A.IV.x účet 072	029	•••		
2.	Accumulated depreciations of software		030			
	Accumulated depreciations of valuable rights	účet 073	031			
4.	Accumulated depreciations of long - term immaterial property	účet 074	032			
5.	Accumulated depreciations of other long - term property	účet 078	033	-96	-96	
6.	Accumulated depreciations of buildings	účet 079	034			
7.	Accumulated depreciations of movable assets and sets of movable assets	účet 081	035			
8.	Accumulated depreciations of cultivated areas	účet 082	036			
9.	Accumulated depreciations of lifestock	účet 085	037			
10.	Accumulated depreciations of small long - term property	účet 086	038			
11.	Accumulated depreciations of other long term property	účet 088	039			
3.	Short-term property total	účet 089	039	+8.052	+6.252	
s. 3. 1.	Inventory	B.I.++B.IV.	040	T0 ,032	+0,232	
3. I. 1.	Materials in store	B.I.1++B.I.x	041			
2.	Materials in transit	účet 112	042			
۷.		účet 119	040			

Ident.	ASSETS	line	Accountir	ng period
			at the first day	balance at the last day
3.	Work-in-progress účet 1	044		
4.	Semi-finished products účet 1	045		
5.	Finished products účet 1	046		
6.	Livestock (herd and draught animals)	047		
7.	Merchandise in store účet 1	048		
8.	Merchandise in transit účet 1	049		
9.	Advance payments for inventory účet 3	050		
B. II.	Receivables total B.II.1++B.	054	+299	+761
B. II. 1.	Customers účet 3	050		
2.	Bills of exchange to be collected účet 3	050		
3.	Receivables for discounted securities účet 3	054		
4.	Advance payments made účet 314 - ř.	055	+298	+761
5.	Other receivables účet 3	056		
6.	Receivables from employees účet 3	057		
7.	Receivables from social security and health insurance institutions účet 3	050		
8.	Income taxes účet 3	050		
9.	Other direct taxes účet 3	000		
10.	Value added tax účet 3	061		
11.	Other taxes and fees účet 3	062		
12.	Subsidies receivable from state budget účet 3	000		
13.	Subsidies receivable from self-governing local area's budgets účet 3	064		
14.	Receivables from participants in an association účet 3	005		
15.	Receivables from fixed-term financial transactions účet 3	066		
16.	Receivables from issued bonds účet 3	007		
17.	Sundry receivables účet 3	000		
18.	Estimated receivables účet 3	060	+1	
19.	Depreciations to receivables účet 3	070		
B. III.	Short-term financial assets total B.III.1++B.I	074	+7.735	+5.467
B. III. 1.	Cash on hand účet 2	070	+86	+65
2.	Stamps and vouchers účet 2	072		
3.	Bank accounts účet 2	074	+7.649	+5.402
4.	Shares and similar securities for trading účet 2	075	,	,
5.	Bonds, debentures and similar securities for trading účet 2	076		
6.	Other bonds, debentures and securities účet 2	077		
7.	Cash is transit	070		
B. IV.	Other exects total	070	+18	+24
B. IV. 1.	B.IV.1++B.I	.x	+18	+24
2.	decent de	001	710	787
	Accrued revenue účet 3 TOTAL ASSETS A-4	15	+8,052	+6.252

Ident.	LIABILITIES	line	Accountin	ng period
ident.		in re	at the first day	balance at the last day
A.	Own resources A.I.+	+A.II. 00*	+6,956	+5,142
A. I.	Facility (A.I.x 002	+6,956	+5,142
A.I. 1.	Own equity úče	t 901 003	+2,000	+2,000
2.	Funds úče	t 911 004	+4,956	+3,142
3.	Gains or losses from revaluation of assets and liabilities	t 921 005	5	
A. II.	Profit or loss A.II.1++	A.II.x 000	3	+0
A. II. 1.	Profit and loss account účet +	00	xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	+0
2.	Profit or loss to be approved účet +	009	3	XXXXXXXXXXXXXXXXX
3.	Retained earnings, accumulated losses from previous years účet +	/-932 009	9	
В.	Not-own capital total B.I.+	-B.IV. 010	+1,096	+1,110
B. I.	Reserves Total B.I.1+	B.I.x 011		
B. I. 1.	Reserves úče	t 941 012	2	
B. II.		B.II.x 010	3	
B. II. 1.		t 951 014	4	
2.	Quert have de la constat	t 953 015	5	
3.	Develope of loope	t 954 016	3	
4.	Long term educances received	t 955 017	7	
5.	Long term hills of evenenge to be poid	t 958 018	3	
6.	Estimated psychology	t 389 019	9	
7.		t 959 020)	
B. III.	Short-term payables B.III.1++	00	+1,096	+1,110
B. III. 1.	Duralian Durit. T	t 321 022		+144
2.	Dille of suchases to be asid	t 322 023		
3.	Advance payments received	t 324 024	4	
4.	Other psycholog	t 325 025	5	
5.	En al la casa de la cas	t 331 026	3 +257	+290
6.		00	_	
		1333		+175
8.	Income taxes	000	_	
9	Other direct toyog	020		+78
10.	Value added tax	03-		
	Other target and free	1343		
	Pavables to state hudget	03		
	Develop te peté pervenent legal evenie levele te deste	1.340		
	Develop for unnid subscribed above and entitientions	t 348 034	5	
	Develop to positivize to a consistion	00/		
	Develope to financial transmission	00		
10.	Ourselse due	13/3		
	Ohad Jacob Kati Jacob	00/0		
10.	Cradite for discounted popurities	040		
-	UCt	04		
20.		04		
	Uct	1200		+423
	Other short term (increase)	04		74 23
23. 3. IV.	000	t 249 044		
	Other liabilities B.IV.1++			
	Accrued expenses	t 383 046	,	
B. IV. 1. 2.	Deforred revenue	t 384 047	7	

Date of compilation 21.6.2019	Signature of statutory body		
Legal form			
Entrepreneurial activity	Za >		

PROFIT AND LOSS STATEMENT

		PROFIT AND LOSS STATEMENT by 504/2002 Sb. amended in
)	Business name
	asat. 31.12.2018	Nadace The Bakala Foundation
	From: 1.1.2018 To: 31.12.2018	
	in thousands CZK	Registered office
		Tržiště 366/13
	ID no. 2 7 9 2 1 2 4 7	Praha 1 - Malá Strana
		118 00
Seal	J	

Ident.	PROFIT AND LOSS STATEMENT	line	Accounting period		
			Main	Business	Total
Α.	Expenses A.I.++A.VIII.	001	+10,964		+10,964
A. I.	Consumed spendings total A.I.1++A.I.x	002	+4,761		+4,761
A.I. 1.	Consumed materials, energy consumption, consumption of other non-inventory items účty 501, 502, 503	003	+239		+239
2.	Merchandise sold účet 504	004			
3.	Repairs and maintenance účet 511	005	+2		+2
4.	Travelling expenses účet 512	006	+243		+243
5.	Representation expenses účet 513	007	+607		+607
6.	Other services účet 518	008	+3,670		+3,670
A. II.	Change in work-in-progress and activation All.1++All.x	009			
A. II. 7.	Change in work-in-progress účty 561, 562, 563, 564	010			
8.	Aktivation of material, goods and internal services účty 571, 572	011			
9.	Aktivation of intangibles účty 573, 574	012			
A. III.	Personal expenses total A.III.1++A.III.x	013	+6,131		+6,131
A. III. 10.	Wages and salaries účet 521	014	+4,578		+4,578
11.	Legal social insurance účet 524	015	+1,552		+1,552
12.	Other social insurance účet 525	016			
13.	Legal social security expenses účet 527	017	+1		+1
14.	Other social security expenses účet 528	018			
A. IV.	Taxes total A.IV.1++A.IV.x	019	+9		+9
A. IV. 15.	Taxes total účty 531, 532, 538	020	+9		+9
A. V.	Other expenses total A.V.1++A.V.x	021	+63		+63
A. V. 16.	Contractual fines, interest on late payments, other fines and penalties účty 541, 542	022			
17.	Write-off of receivables účet 543	023			
18.	Interest expense účet 544	024			
19.	Foreign exchange losses účet 545	025	+25		+25
20.	Gifts účet 546	026			
21.	Shortages and damage účet 548	027			
22.	Other expenses účet 549	028	+38		+38
A. VI.	Depriciations, sold property, aditions to reserves total	029			
A. VI. 23.	Depreciation expenses of intangible and tangible fixed assets účet 551	030			
24.	Not beak value of intensible and tansible fixed assets cald	031			
25.	Oberes and everyonis interests and	032			
26.	Materials cold	033			
27.	Additions to reserves and provisions	034			
A. VII.	Membership food total	035			
A. VII. 28	Manhambia face and appreting contributions and its harmals	036			
A. VIII.	uciy 561, 562	037			
A. VIII. 29	A. VII. I++A. VII.X	038			
	účet 591 Expenses Total	039	+10,964		+10,964
В.	Revenues	040	+10,964		+10.964
B. I.	Operating autoidian	041	,		,
B. I. 1.	Orandia a halifar	042			
B. II.		042			
B. II. 2.	Dill. ITTD.II.A	043			
B. II. 2. 3.	Dessived denotions	044			
	ucer 662				
	Devenues from our officient				
4. B. III.	Received membership fees účet 684 Revenues from own efficient účty 601, 602, 603	046 047			

Ident.	PROFIT AND LOSS STATEMENT	line	Accounting period		
			Main	Business	Total
B. IV.	Other revenues total B.IV.1++B.IV.x	048	+10,964		+10,964
B. IV. 5.	Contractual fines, interest on late payments and other fines and penalties účty 641, 642	049			
6.	Revenue from written-off receivables účet 643	050			
7.	Interest účet 644	051	+2		+2
8.	Foreign exchange gains účet 645	052	+2		+2
9.	Accounting for funds účet 648	053	+10,960		+10,960
10.	Other revenues účet 649	054			
B. V.	Revenues from sales of property B.V.1++B.V.x	055			
B. V. 11.	Revenues from sales of intangible and tangible fixed assets účet 652	056			
12.	Revenues from sale of shares and ownership interests účet 653	057			
13.	Revenues from sales of materials účet 654	058			
14.	Revenues from short-term financial assets účet 655	059			
15.	Revenues from long-term financial assets účet 657	060			
	Total revenues	061	+10,964		+10,964
C.	Profit (loss) before taxation (r. 63 - 33) B A.I.1A.VII.x + C. x.	062	+0		+0
D.	Profit (loss) after taxation B A. + D. x.	063	+0		+0

Date of compilation 21.6.2019	Signature of statutory body
Legal form	4
Entrepreneurial activity	La >

NOTES TO THE CZECH STATUTORY FINANCIAL STATEMENTS 2018

1/ DESCRIPTION AND PRINCIPAL ACTIVITIES

ACCOUNTING UNIT:	Nadace The Bakala Foundation ("the Foundation")
IDENTIFICATION NUMBER:	279 21 247
REGISTRATION:	The Register of Foundations kept by the Municipal Court in
	Prague, Section N, Insert 646
REGISTERED OFFICE:	Pernerova 676/51, Praha 8 – Karlín, 186 00
FOUNDER:	Zdeněk Bakala
DATE OF RECORDING THE FOUNDATION IN THE REGISTER:	July 24, 2007
STATUTORY BODY:	Board of Trustees

Members of the Board of Trustees as at December 31, 2018:

CHAIRPERSON:	Michaela Bakala
MEMBER:	Christopher Lehmann
MEMBER:	Michal Pěchouček
MEMBER:	Melissa Maria Durda

The Chairperson of the Board of Trustees, or any member of the Board of Trustees authorized by the Chairperson, may represent the Foundation. Signing on behalf of the Foundation is done by affixing a signature to the written or printed name of the Foundation.

Members of the Supervisory Board as at December 31, 2018:

CHAIRPERSON:	Pepper De Callier
MEMBER:	Irma Comstocková
MEMBER:	Zuzana Řezníčková
MEMBER:	Daniel Rosický
THE FOUNDATION'S CAPITAL:	TCZK 2,000 (consisting of a monetary contribution deposited in account no. 229774637/0300 with ČSOB)

The Foundation's mission:

The principal activity is to:

- a) support individuals during their studies in the Czech Republic and abroad or during their work on a thesis or scientific project;
- b) support and creation of projects in the field of education, media, science, healthcare, charity, sports, and environmental protection;
- c) support the cultural development and arts at any social level;
- d) support the development of civil society.

The Foundation did not carry out any other activities in the given period.

Changes in the Register of Foundations

The Supervisory Board membership of Mr. Aleš Konrád terminated on April 15, 2018, and the change was recorded in The Register of Foundations on May 17, 2018. Ms. Zuzana Řezníčková was elected as a new member of the Supervisory Board for the term starting on April 16, 2018, the change was recorded in The Register of Foundations on May 17, 2018.

2/ SIGNIFICANT ACCOUNTING POLICIES APPLIED BY THE FOUNDATION

a) Method of keeping and processing accounting records and place of their storage

The Foundation maintains bookkeeping in compliance with Act No. 563/1991 Sb., on Accounting, as amended, and Decree of the Ministry of Finance No. 504/2002 Sb., implementing certain provisions of the Act on Accounting, and internal policies. It also adheres to Act No. 586/1992 Sb., on Income Tax, as amended, regulating the reporting and taxation of profit or loss of non-profit organizations.

The books are kept using the BYZNYS VR accounting software by VGD FN, s.r.o. The accounting records are deposited at the book-keeping company's registered office.

b) Intangible and tangible fixed assets

Intangible and tangible fixed assets are stated at acquisition cost, which includes the purchase price and other costs associated with the acquisition. Tangible and intangible fixed assets that are reported in the balance sheet are depreciated on a straight-line basis according to the asset type over the appropriate estimated useful life. Fixed assets reported in Class 0 are depreciated in compliance with Act No. 586/1992 Sb., on Income Taxes, as amended. Other intangible fixed assets (website) are depreciated on a straight-line basis over 36 months.

c) Foreign currency translation

The Foundation applies the Czech National Bank official daily rate to foreign currency transactions. During the year, foreign exchange gains and losses are only recognized when realized at the time of settlement.

As at the balance sheet date, foreign currency monetary assets and liabilities are translated at the prevailing Czech National Bank official rates. Unrealized foreign exchange gains and losses are reported in profit or loss.

d) Received and provided donations

The Foundation records funds received based on donation contracts in the "Funds" account, and from this account funds are released according to their planned use or based on a request submitted by their donor as follows:

- they are transferred to the bank account of an individual or a legal entity approved by the Board of Trustees;
- they are transferred to the income statement and credited to the "Utilization of Funds" account up to the amount of expenses which have been approved by a responsible member of the Board of Trustees and which relate to project activities or the administration of the Foundation;
- they are transferred to the Foundation's capital based on a request of the donor and a decision of the Board of Trustees to increase the Foundation's capital.

The Foundation records non-monetary donations based on donation contracts in revenues (received donations) and expenses (provided donations).

3/ INTANGIBLE FIXED ASSETS

	Other intangible	Total	Total
	fixed assets	2018	2017
Acquisition cost			
Balance at 1/1	96	96	96
Additions		—	_
Disposals		_	_
Transfers		_	_
Balance at 31/12	96	96	96
Accumulated amortization			
Balance at 1/1	96	96	96
Amortization expense		_	
Disposals		_	_
Transfers	—	—	—
Balance at 31/12	96	96	96
Net book value 1/1		_	_
Net book value 31/12	_	_	_

4/ SHORT-TERM FINANCIAL ASSETS

Short-term financial assets comprise cash in hand of TCZK 65 (2017 – TCZK 86) and cash at the bank. Funds kept in current bank accounts are denominated in Czech crowns. The balance of bank accounts as at December 31, 2018 was TCZK 5,402 (2017 – TCZK 7,649).

5/ PREPAID EXPENSES

Prepaid expenses total TCZK 24 (2016 – TCZK 18) and comprise primarily deferred costs relating to domains, magazine subscription fees and insurance costs.

6/ OWN RESOURCES

	Registered	E . J.	Retained	Profit /(loss)	T I
	capital	Funds	earnings	for the current period	Total
Balance at 1/1/2018	2,000	4,956	—	_	6,956
Donations received	—	12,496	_	_	12,496
Contributions provided	_	-3,350	_	_	-3,350
Utilization of funds	_	-10,960	_		-10,960
Balance at 31/12/2018	2,000	3,142	_	_	5,142

The structure of received donations is as follows:

Donor	Donation in TCZK
Fondation Zdenek et Michaela Bakala (FZMB)	12,486
Avast Foundation	10
Total	12,496

The structure of provided contributions is as follows:

Recipient Contributio	
Individuals (Scholarship program)	
Other individuals	1,626
Legal entities	1,724
- Total	3,350

In 2018, the Foundation continued to develop the program aimed at awarding scholarships as it has in previous years. However, since mid-January 2013, all scholarship payments within the Scholarship program are, for practical reasons, made directly from the accounts of the "associated entity" – Fondation Zdenek et Michaela Bakala ("FZMB"). The legal grounds of this change are based on a contract of cooperation concluded between the Foundation and FZMB aimed at merging the activities of the Swiss foundation in the provision of scholarship programs supported by Zdeněk Bakala in the Czech Republic and Switzerland.

A detailed overview of provided contributions will be supplied as part of the annual report.

7/ RECEIVABLES AND PAYABLES

Receivables total TCZK 761 (2017 – TCZK 299), none of which are overdue. Short-term payables total TCZK 1,110 (2017 – TCZK 1,096), of which TCZK 62 (2017 – TCZK 120) is overdue.

The Foundation is not aware of any contingencies and commitments not reported in the balance sheet as at the balance sheet date.

8/ INCOME TAX

The Foundation recorded a zero income tax liability for 2018 and 2017.

9/ ADMINISTRATIVE EXPENSES

Administrative expenses for 2018 totaled TCZK 1,893 (2017 – TCZK 2,299) and their structure is as follows:

2018	Administrative expenses (in TCZK)
Consumed purchases and purchased services	701
Change in internally produced inventories and capitalization	_
Personnel expenses	1,141
Taxes and fees	6
Other expenses	45
Depreciation, fixed assets sold, creation of provisions and adjustments	_
Total	1,893

2017 Administrative expens	
Consumed purchases and purchased services	557
Change in internally produced inventories and capitalization	_
Personnel expenses	1,703
Taxes and fees	15
Other expenses	24
Depreciation, fixed assets sold, creation of provisions and adjustments	_
Total	2,299

10/ WAGES AND SALARIES

Average number of employees and personnel expenses for 2018 and 2017:

	Average number	Wages and	Social security and	Social
2018	of employees	salaries	health insurance expenses	expenses
Employees	9	3,437	1,164	1
Executives	1	1,141	388	_
	10	4,578	1,552	1

2017	Average number of employees	Wages and salaries	Social security and health insurance expenses	Social expenses
Employees	7	3,154	1,059	1
Executives	1	1,138	386	_
	8	4,292	1,445	1

11/ REMUNERATION AND LOANS PROVIDED TO THE MEMBERS OF THE BOARD OF TRUSTEES AND THE SUPERVISORY BOARD

The members of the Board of Trustees and the Supervisory Board did not receive any remuneration for their work or any loans and advances in 2018 and 2017.

The members of the Board of Trustees and the Supervisory Board as well as their family members are also not involved in persons and entities which have entered into business contracts or other contractual relations with the Foundation in the reported period, apart from donation contracts in favor of the Foundation.

12/ SOCIAL SECURITY AND HEALTH INSURANCE LIABILITIES

Social security and health insurance liabilities total TCZK 175 (2017 – TCZK 178), of which TCZK 123 (2017 – TCZK 125) relates to social security liabilities and TCZK 52 (2017 – TCZK 53) to health insurance liabilities. None of these liabilities are overdue and all have been paid before their due date.

13/ TAX LIABILITIES AND SUBSIDIES

Tax liabilities totaled TCZK 78 (2017 – TCZK 77). None of these liabilities are overdue and all have been paid before the statutory deadlines.

14/ MATERIAL SUBSEQUENT EVENT

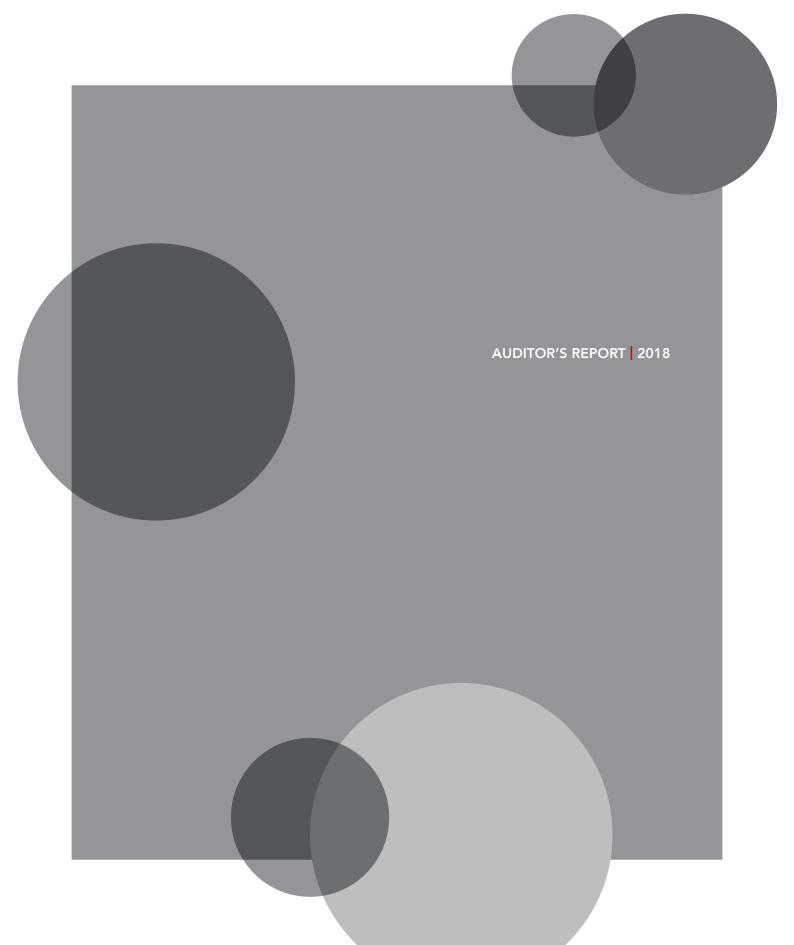
A new registered office of the Foundation at Tržiště 366/13, Malá Strana, Praha 1 was recorded in The Register of Foundations on May 31, 2019.

In 2019, no other material event has occurred that would require an adjustment to the financial statements for 2018.

Prague, June 21, 2019

Signature:

Michaela Bakala Chairwoman of the Board of Trustees





KPMG Česká republika Audit, s.r.o. Pobřežní 1a 186 00 Prague 8 Czech Republic +420 222 123 111

This document is an English translation of the Czech auditor's report. Only the Czech version of the report is legally binding.

Independent Auditor's Report to the Supervisory Board of Nadace The Bakala Foundation

Opínion

www.kpmg.cz

We have audited the accompanying financial statements of Nadace The Bakala Foundation ("the Foundation"), prepared in accordance with Czech accounting legislation, which comprise the balance sheet as at 31 December 2018, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes. Information about the Foundation is set out in Note 1 to the financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Foundation as at 31 December 2018, and of its financial performance for the year then ended in accordance with Czech accounting legislation.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, and Auditing Standards of the Chamber of Auditors of the Czech Republic, consisting of International Standards on Auditing (ISAs) as amended by relevant application guidelines. Our responsibilities under those regulations are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

In accordance with Section 2(b) of the Act on Auditors, other information is defined as information included in the annual report other than the financial statements and our auditor's report. The statutory body is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or



otherwise appears to be materially misstated.

Based on the procedures performed, to the extent we are able to assess it, we report that the other information describing matters that are also presented in the financial statements is, in all material respects, consistent with the financial statements.

In addition, our responsibility is to report, based on the knowledge and understanding of the Foundation obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

Responsibilities of the Statutory Body and Supervisory Board for the Financial Statements

The statutory body is responsible for the preparation and fair presentation of the financial statements in accordance with Czech accounting legislation and for such internal control as the statutory body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the statutory body is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the statutory body either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for the oversight of the Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above regulations, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness



of accounting estimates and related disclosures made by the statutory body.

- Conclude on the appropriateness of the statutory body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statutory Auditor Responsible for the Engagement

Petr Škoda is the statutory auditor responsible for the audit of the financial statements of Nadace The Bakala Foundation as at 31 December 2018, based on which this independent auditor's report has been prepared.

Prague 21 June 2019

KPMB Örda' pustihe Aucht

KPMG Česká republika Audit, s.r.o. Registration number 71

Petr Skoda Partner Registration number 1842



THE BAKALA FOUNDATION

Tržiště 366/13 118 00 Prague 1 – Malá Strana info@bakalafoundation.org

www.bakalafoundation.org

facebook.com/bakalafoundation instagram.com/bakala_foundation twitter.com/bakala_fdn