



Bakala
Foundation

Courage,
freedom,
education

The Bakala Foundation
Annual Report
2019



Michaela Bakala with the selection committee and applicants for the 2019 Scholarship program

"I speak on behalf of our entire foundation team when I say that we feel like proud parents when we find out how well our students are doing. Not only that – we are even prouder when we see the humility and responsibility in how they approach their engagement with civil society. They use their knowledge, contacts, and education to help change the world for the better. In this way, they give hope not only to other young people interested in studying abroad, but to all of us."

Michaela Bakala
Chairwoman of the Board of Trustees

Dear friends and supporters,

The year 2019 marked an important milestone for our foundation: for the tenth year in a row, we selected a group of talented young people to support in their education at some of the world's most prestigious universities. It is an honor for us to be able to offer a helping hand to these students, who are filled with enormous drive. We see each of them as an important link in the chain securing the most precious values of our society, namely freedom and democracy.

I speak on behalf of our entire foundation team when I say that we feel like proud parents when we find out how well our students are doing. Not only that – we are even prouder when we see the humility and responsibility in how they approach their engagement with civil society. They use their knowledge, contacts, and education to help change the world for the better. In this way, they give hope not only to other young people interested in studying abroad, but to all of us.

In 2019, the foundation moved to a new space in the center of Prague and became the open, welcoming place we always envisioned. As part of the Student Hub program, we prepared many activities designed to help students share their experiences and provide advice to others interested in studying abroad. The new space has also served as a venue for meetings with inspirational individuals, and workshops and seminars on topics that have long been at the center of our focus.

Additionally, 2019 brought continued success to our Kaplicky Internship program, when yet another award recipient was offered a permanent position at the prestigious London architectural studio where they interned. This also speaks to the fact that we are finding ways to apply Czech talent and hard work abroad. On the other hand, our Journey: Journalism Bootcamp program brought journalism students from around the world to Prague, and connected them with lecturers who are at the forefront of international journalism. They included, among others, Adam Entous, a recent Pulitzer Prize winner. In 2019, we also launched a program designed for professional journalists, focused on resiliency against the increasing strength of disinformation campaigns. We consider freedom of the press an irreplaceable part of a free and open society.

On the following pages, you will find a summary of all of the activities carried out by the Bakala Foundation last year; we are very pleased that the number of these initiatives continues to increase. However, none of what we do would be possible without the members of our perfectly coordinated foundation team, all of whom strongly believe in what they are doing. For this they deserve our thanks. I would also like to thank the Board of Trustees and the Supervisory Board for their many years of outstanding work, as well as for the valuable support they give to both our activities and to the foundation team. Your inspirational thoughts and combined experience help us continuously move forward.



A handwritten signature in blue ink, which appears to be 'M. Bakala', written in a cursive style.

Michaela Bakala
Chairwoman of the Board of Trustees

13 years of the Bakala Foundation

The Bakala Foundation is a Czech family foundation that has been supporting the education and development of talented young people for more than 10 years. It was established by Zdeněk and Michaela Bakala, and awards scholarships and financial aid to exceptional students from the Czech Republic, 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-related 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 kind in the Czech Republic.



155 scholars
have been awarded more
than CZK **135 million**
to study at **48** universities
in **9** countries.

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

101 aspiring journalists
from **14** countries have
completed our summer program,
led by professionals from
well-known international media
organizations and agencies.

We support young journalists and independent journalism through our international Journey: Journalism Bootcamp project.





Kaplicky Internship

5 young architects have completed internships at **5** leading architectural studios in London.

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

65 workshops and lectures have been led by our scholars, alumni, and other inspirational individuals.

The Student Hub provides a space for education, networking, and inspiration. In addition to workshops, it offers advisory services and a library for those interested in studying abroad.



Student Hub

74 individuals and organizations have received support from us in the form of grants totaling more than CZK **84 million**.

We award foundation grants to support the development of education, culture, and health in the Czech Republic.



Foundation Grants

Scholarship



“Without the support of the Bakala Foundation, I would not have become the first Czech to study acting at the Tisch School in New York. I think about this every day and am doing my utmost to earn this support. Thank you.”

Ronald Prokeš
Scholarship program recipient,
studying acting at New York University

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 155 students 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. To date, we have provided more than CZK 135 million in financial aid to support our scholars. The Bakala Foundation organizes its Scholarship program in collaboration with the Swiss-based Fondation Zdenek et Michaela Bakala.

17 New Scholars Headed for a First-Rate Education

In 2019, we received 235 applications for the Scholarship program. Of these, 135 were from Prague and the Central Bohemian region, and 100 were from other parts of the Czech Republic. 152 of the applicants were pursuing a bachelor’s degree and 83 were aiming for a masters. Despite concerns about Brexit, most students selected British universities, with Oxford, Cambridge, and London continuing to be the most popular. A number of applicants chose universities in the USA, and there has been an increased interest in studying in the Netherlands, Germany, France, and Switzerland. Most applicants wanted to study in fields such as social sciences and natural sciences, followed by humanities, various art disciplines, engineering and IT, medicine, and education.

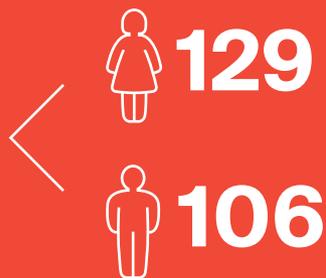
In 2019, 27 applicants progressed to the second round of the selection process, and it was from this group that the selection committee chose 17 new scholars – the same number as in 2018. Of those receiving a scholarship, nine are preparing to complete a bachelor’s program while eight are pursuing a master’s degree. During the 2019/2020 academic year, the foundation is providing financial aid to a total of 46 students. Eighteen of these scholars started their studies in the fall of 2019, while the remaining 28 are continuing their studies from previous years.

In November 2019, we visited London, Oxford, and Cambridge, and met with 39 of our scholars and alumni, as well as with four recipients of the scholarship awarded by the Swiss Fondation Zdenek et Michaela Bakala. We ended 2019 with our traditional Christmas get-together with our scholars, this year in the new Student Hub in Prague’s Lesser Town district.



New Scholarship program recipient, Linda Jarkovská

Scholarship Applicants in 2019



average age **22**

for bachelor's degree programs **152**

83 for master's degree programs

Where did our scholars choose to study?

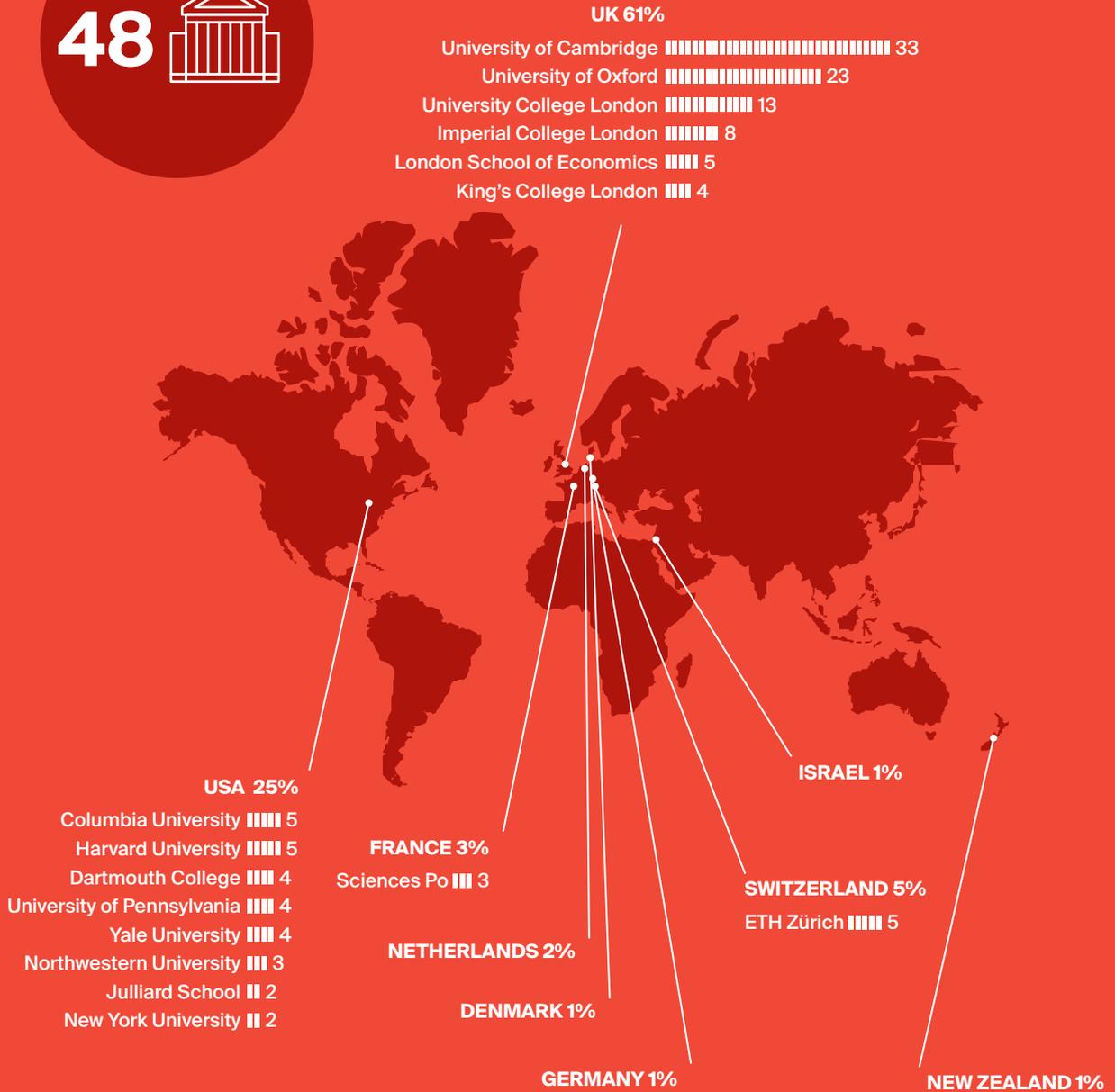
scholars
since 2010

155

10

years of the Scholarship
program

48



Which disciplines did our scholars select?

Natural sciences: biology, chemistry, immunology, mathematics, physics...



Technical fields: architecture, artificial intelligence, astronautics, informatics, mechanical engineering...



Health and social care: medicine, neuroscience, psychology, public health...



Humanities and the arts: acting, archaeology, history, philosophy, violin...



Education: education studies, literature...



Social sciences: criminology, economics, law, political science, security studies...



Journey: Journalism Bootcamp



“The Journalism Bootcamp was one of the greatest professional stimuli I have experienced since I first started in journalism. I spent ten enriching days working with leading journalists from all corners of the world, received practical tips about how to write better and in a more interesting way, and had time to think about the purpose and future of journalism as a whole. They say that there are two axioms that apply to journalism. The first is that it is a trade that you learn only through experience. The second is that this learning never ends. Journalism Bootcamp covered both for me: new experiences and skills as well as a great motivation to continue learning even more in the journalism trade.”

Andrea Procházková

Journey 2019 participant,
journalist for the Respekt weekly

The Journey: Journalism Bootcamp, one of the foundation’s key initiatives, is a 10-day international summer program for students of journalism and related fields. Each year the course is led by a team of professionals from renowned news organizations, including, but not limited to, CNN, The Washington Post, RFE/RL, The New Yorker, Reuters, and The Associated Press. Lecturers regularly include winners of the Pulitzer Prize for Journalism, such as Seymour Hersh, Jesse Eisinger, and Tracy Weber.

Summer School with Two Pulitzer Prize Winners

In 2019, the program’s fifth year, 93 students from 13 different countries submitted applications. We selected the 20 strongest applicants; they were mainly from Central and Eastern Europe, but also included several students from the United Kingdom and the USA.

Participants and lecturers spent 10 days at the Villa Grébovka in Prague, where the program aimed to familiarize aspiring journalists with current trends in news gathering – from ethics in journalism, working with sources, and mobile journalism to writing texts and creating news reports. Throughout the program, emphasis is placed on the many challenges that exist in journalism today, especially on the issue of disinformation and propaganda. Both the seminars and the workshops are highly interactive, and the hands-on section includes improvising in the newsroom as well as producing reports in the field as a team.

The program’s lecturers in 2019 included two Pulitzer Prize winners. Alice Crites, a researcher for The Washington Post, joined the program for the first time and talked to students about existing techniques for gathering information and data on people. The second award-winning lecturer was Adam Entous from The New Yorker magazine, who has participated in the summer program in the past. Other lecturers from previous years who returned in 2019 included Evan Perez from CNN, and Tomáš Etzler, who motivated students with the story of his career path from Ostrava to CNN headquarters.



Preparing a news report from Prague Pride with Petr David Josek

Participants in Journey 2019



20 students selected



12 experienced lecturers and mentors

Czech Republic

Poland

United Kingdom

CNN

Reuters

HídaciPes.org

Bulgaria

Romania

USA

The New Yorker

The Associated Press

UnitedHealth Group

Hungary

Slovakia

The Washington Post

RFE/RL

Lithuania

Ukraine

Kaplicky Internship



“Me and my studio team are thrilled to be welcoming the recipient of this year’s Kaplicky Internship to our London space. As a Czech designer who spent most of his working life in the United Kingdom, Jan not only forged a creative bridge between the two countries, but also developed his own unique style which stood out from the sterile designs that were popping up all over Britain at the end of the last century.”

Thomas Heatherwick
British designer and founder
of the Heatherwick Studio

The Kaplicky Internship offers architecture students and recent graduates from Czech universities the opportunity to complete a three-month paid internship at one of London’s renowned 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, Allies and Morrison, and Adjaye Associates. Last year’s Kaplicky Internship winner, Petr Kousal, was offered a full-time position with Adjaye Associates at the end of his internship, and he is now in his second year in London. The program, named in honor of the famous Czech architect Jan Kaplický, is organized by the Bakala Foundation in collaboration with the Design Museum in London and the Kaplicky Centre Foundation.

Winner Enjoys Internship at Renowned Heatherwick Studio

Ondřej Pokoj, from the Faculty of Architecture at the Czech Technical University of Prague, was selected as the winner of the fifth annual Kaplicky Internship. Ondřej had the unique opportunity to complete his internship at the Heatherwick Studio, one of the world’s best-known architectural studios and the creators of the Vessel, an observation tower in New York’s Hudson Yards. Ondřej was offered an extension at the end of his three-month internship, and he continues to be actively involved in the studio’s current projects and competitions.

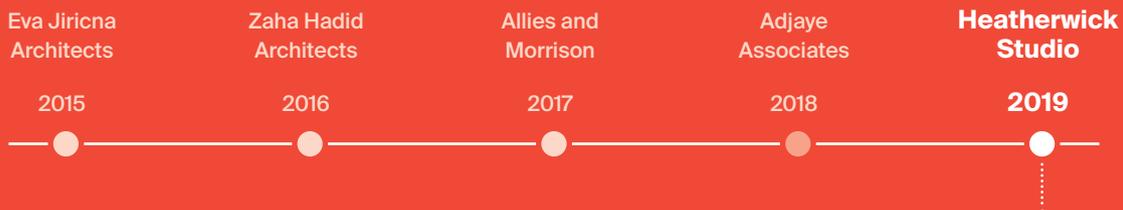
Ondřej captured the attention of last year’s jury with his design for a transfer hub for Prague’s airport, which he called the Transferium. The jury included Mat Cash from Heatherwick Studio; Deyan Sudjic, the Director of the Design Museum in London; Zdeněk Lukeš, architect and architectural historian; and Michal Kohout, architect and university professor.

Ondřej’s winning entry was announced on October 24 at the DOX Centre for Contemporary Art, at an event that included a lecture by Mat Cash entitled “Designing the Human-Centric City.” Mat introduced the Heatherwick Studio’s newest projects, which aim to use sophisticated architectural designs to allow people to perceive their surroundings from a new perspective.



Ondřej Pokoj, winner of the 2019 Kaplický Internship

Internships Completed by the Competition Winners



Ondřej Pokoj's winning project:
The Transferium Prague

Student Hub



“In December, I had the opportunity to speak at two events organized by the Bakala Foundation. The first was the Christmas Treat, where I tried to inspire some already motivated students from several leading secondary schools. I was very much surprised by the authentic interest of the students and admired the professional way in which the event was organized. A few days later, I gave a public lecture at the new Student Hub, specifically about the British parliamentary elections that were under way. If I were a student in Prague, I would surely be using this beautiful, cozy space, partly thanks to the networking opportunities it affords.”

Marek Bičan

Scholarship program recipient,
student of Politics and Contemporary History
at King's College in London

The Bakala Foundation Student Hub is a space that offers events, advisory services, and educational resources to the 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.

New Space for the Student Hub

In 2019, the Student Hub relocated to the foundation's new premises in Prague's Lesser Town district. In nine months, the empty attic was transformed into an enchanting and pleasant space, well-suited to studying and holding lectures.

Throughout the reconstruction, students were still able to meet with our study advisor, and to borrow specialized literature from the Student Hub library, which we expanded in 2019 with the addition of more than 20 textbooks and guidebooks for studying abroad.

Earlier in the year, we organized three information sessions about our Scholarship program at the American Center, during which our study advisor led students through the application and selection processes. This was followed up by a webinar with our alumna Jitka Štollová, who shared valuable advice about how to write a good essay.

Towards the end of the year, we held two workshops and one lecture led by our scholars at the nearly-completed new Student Hub. Marie Salomonová, in conjunction with her organization “Nevypusť duši”, advised participants on how to care for their mental health, while Kateřina Vacková, together with the Loono Initiative, told us how to care for our hearts. The last lecture of 2019 was given by our scholar Marek Bičan, who answered questions about the political situation in Great Britain.

We ended the year with our fifth annual Christmas Treat, which was held at the Scout Institute. Over 70 students from five secondary schools learned from our scholars and alumni how they, too, can fulfill their dreams. They also worked together to analyze the results of the British parliamentary elections, reflected on whether or not to drink coffee, and learned how to manage stress.



New Student Hub in Prague's Lesser Town

Student Hub Program in 2019

Christmas
Treat

1



lectures and
workshops

6



speakers

13



textbooks and
handbooks

98



participants

233



Seminar for Journalists

In 2019, the Bakala Foundation organized an intensive, four-day seminar for 10 journalists from the Czech Republic, Hungary, Bulgaria, Serbia, and Ukraine. The seminar was financially supported by the Institute for War and Peace Reporting, and its aim was to inform journalists about the spread of fake news, disinformation and propaganda. For this program, the foundation closely collaborated with the Sinopsis Project and the Prague Security Studies Institute. The lectures and workshops were held in the Bakala Foundation's new Student Hub. The program offered participants a unique opportunity to speak with leading experts in international affairs, information security, propaganda and disinformation.

Foundation Grants and Donations

Grants Awarded

IQ Roma servis, z.s. – Scholarships for disadvantaged students	CZK 30,000.00
Jitka Štollová – Scholarship at the University of Oxford.	CZK 307,704.80
NUDZ – “Na hlavu” film festival	CZK 100,000.00
Stivín Quodlibet System – Homage to Saint Cecilia concert.	CZK 100,000.00

In 2019, the Bakala Foundation distributed grants totaling CZK 537,704.80, mainly to support individuals and organizations with whom we had collaborated in previous years. All of the grants were distributed in compliance with the law and the foundation's statutes.

The foundation continued in its financial support of the educational “Na hlavu” film festival, organized by the NUDZ Association of the National Institute of Mental Health. The festival disseminates information about mental illness to the general public and contributes to the de-stigmatization of mentally ill individuals through film screenings and discussions.

We also provided support to the IQ Roma Servis scholarship program, which provides disadvantaged students the opportunity to attain a high-quality education. We also continued to provide financial aid to Jitka Štollová, who is carrying out research in the field of English literature as part of her post-doctoral studies at the University of Oxford.

As in previous years, the foundation continued to support culture. In 2019, we supported the Stivín Quodlibet System organization, established by the well-known composer and multi-instrumentalist Jiří Stivín, who, thanks to the foundation's grant, was able to hold the annual concert paying homage to Saint Cecilia at the Rudolfinum in Prague.

Donations Received

Fondation Zdenek et Michaela Bakala	CZK 12,830,000.00
Institute for War and Peace Reporting	CZK 164,902.50
British Embassy in Prague	CZK 58,230.00

In 2019, the foundation accepted donations totaling CZK 13,053,132.50.

Management of the Foundation

The Bakala Foundation remained stable in 2019. It is well-managed and maintains a permanent financial reserve for unexpected emergency situations.

The foundation's stability is guaranteed by the long-term support it receives from the Swiss-based Fondation Zdenek et Michaela Bakala. In 2019, the foundation also received funds from the Institute for War and Peace Reporting as well as from the British Embassy. This is a positive sign, indicating that the foundation will be able to continue diversifying its sources of financing in the future.

The financial statements provide a true and fair view of the Bakala Foundation's assets and liabilities as of December 31, 2019, as well as of the foundation's income and expenses and overall financial performance for the year ending December 31, 2019. These financial statements are fully in compliance with the relevant legislation, and with the foundation's internal rules, budget, and activities plan.



The Bakala Foundation Team in 2019 (from left):

Katarína Svitková, Igor Klimeš, Petra Judová, Kristýna Burdová Borsodi, Paulína Turisová, Václav Pecha



Scholarship

The selection committee interviews scholarship applicants, September 2019







Kaplicky Internship

The expert jury for the competition, with Mat Cash from Heatherwick Studio, October 2019



Student Hub

The Christmas Treat, an annual event for secondary school students, December 2019

Courage,
freedom,
education

Financial Statements 2019

BALANCE SHEET

BALANCE SHEET by 504/2002 Sb., amended in 2016

Business name

Nadace The Bakala Foundation

Registered office

Tržiště 366/13

Praha 1 - Malá Strana

118 00

as at **31.12.2019**

in thousands CZK

ID no. **27921247**

Seal

Ident.	ASSETS	line	Accounting period	
			at the first day	balance at the last day
A.	Fixed assets	A.I.+...+A.IV.	001	+683
A. I.	Intangible assets	A.I.1+...+A.I.x	002	+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
	6. Intangible assets under construction	účet 041	008	
	7. Advances for intangible assets	účet 051	009	
A. II.	Tangible fixed assets	A.II.1+...+A.II.x	010	+594
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	+594
	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	účet 067	026	
	6. Other financial assets	účet 069	027	
A. IV.	Accumulated depreciations of long term property total	A.IV.1+...+A.IV.x	028	-96
A. IV. 1.	Depreciations to immaterial results of sciene survey	účet 072	029	
	2. Accumulated depreciations of software	účet 073	030	
	3. Accumulated depreciations of valuable rights	účet 074	031	
	4. Accumulated depreciations of long - term immaterial property	účet 078	032	
	5. Accumulated depreciations of other long - term property	účet 079	033	-96
	6. Accumulated depreciations of buildings	účet 081	034	
	7. Accumulated depreciations of movable assets and sets of movable assets	účet 082	035	
	8. Accumulated depreciations of cultivated areas	účet 085	036	
	9. Accumulated depreciations of livestock	účet 086	037	
	10. Accumulated depreciations of small long - term property	účet 088	038	
	11. Accumulated depreciations of other long term property	účet 089	039	
B.	Short-term property total	B.I.+...+B.IV.	040	+6,252
B. I.	Inventory	B.I.1+...+B.I.x	041	+5,803
B. I. 1.	Materials in store	účet 112	042	
	2. Materials in transit	účet 119	043	

Ident.	ASSETS	line	Accounting period	
			at the first day	balance at the last day
3.	Work-in-progress	účet 121	044	
4.	Semi-finished products	účet 122	045	
5.	Finished products	účet 123	046	
6.	Livestock (herd and draught animals)	účet 124	047	
7.	Merchandise in store	účet 132	048	
8.	Merchandise in transit	účet 139	049	
9.	Advance payments for inventory	účet 314	050	
B. II.	Receivables total	B.II.1+...+B.II.x	051	+761 +707
B. II. 1.	Customers	účet 311	052	
2.	Bills of exchange to be collected	účet 312	053	
3.	Receivables for discounted securities	účet 313	054	
4.	Advance payments made	účet 314 - f. 51	055	+761 +253
5.	Other receivables	účet 315	056	
6.	Receivables from employees	účet 335	057	
7.	Receivables from social security and health insurance institutions	účet 336	058	
8.	Income taxes	účet 341	059	
9.	Other direct taxes	účet 342	060	
10.	Value added tax	účet 343	061	
11.	Other taxes and fees	účet 345	062	
12.	Subsidies receivable from state budget	účet 346	063	
13.	Subsidies receivable from self-governing local area's budgets	účet 348	064	
14.	Receivables from participants in an association	účet 358	065	
15.	Receivables from fixed-term financial transactions	účet 373	066	
16.	Receivables from issued bonds	účet 375	067	
17.	Sundry receivables	účet 378	068	+454
18.	Estimated receivables	účet 388	069	
19.	Depreciations to receivables	účet 391	070	
B. III.	Short-term financial assets total	B.III.1+...+B.III.x	071	+5,467 +5,077
B. III. 1.	Cash on hand	účet 211	072	+65 +45
2.	Stamps and vouchers	účet 213	073	
3.	Bank accounts	účet 221	074	+5,402 +5,032
4.	Shares and similar securities for trading	účet 251	075	
5.	Bonds, debentures and similar securities for trading	účet 253	076	
6.	Other bonds, debentures and securities	účet 256	077	
7.	Cash in transit	účet 261	078	
B. IV.	Other assets total	B.IV.1+...+B.IV.x	079	+24 +19
B. IV. 1.	Deferred expenses	účet 381	080	+24 +19
2.	Accrued revenue	účet 385	081	
	TOTAL ASSETS	A.+B.	082	+6,252 +6,486

Ident.	LIABILITIES	line	Accounting period		
			at the first day	balance at the last day	
A.	Own resources	A.I.+...+A.II.	001	+5,142	+5,557
A. I.	Equity	A.I.1+...+A.I.x	002	+5,142	+5,557
A. I. 1.	Own equity	účet 901	003	+2,000	+2,000
2.	Funds	účet 911	004	+3,142	+3,557
3.	Gains or losses from revaluation of assets and liabilities	účet 921	005		
A. II.	Profit or loss	A.II.1+...+A.II.x	006		+0
A. II. 1.	Profit and loss account	účet +/-963	007	XXXXXXXXXXXX	+0
2.	Profit or loss to be approved	účet +/-931	008		XXXXXXXXXXXX
3.	Retained earnings, accumulated losses from previous years	účet +/-932	009		
B.	Not-own capital total	B.I.+...+B.IV.	010	+1,110	+929
B. I.	Reserves Total	B.I.1+...+B.I.x	011		
B. I. 1.	Reserves	účet 941	012		
B. II.	Long - term payables total	B.II.1+...+B.II.x	013		
B. II. 1.	Long-term bank loans	účet 951	014		
2.	Own bonds issued	účet 953	015		
3.	Payables of lease	účet 954	016		
4.	Long-term advances received	účet 955	017		
5.	Long-term bills of exchange to be paid	účet 958	018		
6.	Estimated payables	účet 389	019		
7.	Other long-term payables	účet 959	020		
B. III.	Short-term payables	B.III.1+...+B.III.x	021	+1,110	+929
B. III. 1.	Suppliers	účet 321	022	+144	+81
2.	Bills of exchange to be paid	účet 322	023		
3.	Advance payments received	účet 324	024		
4.	Other payables	účet 325	025		+4
5.	Employees	účet 331	026	+290	+248
6.	Other payables to employees	účet 333	027		
7.	Payables to social security and health insurance	účet 336	028	+175	+150
8.	Income taxes	účet 341	029		
9.	Other direct taxes	účet 342	030	+78	+59
10.	Value added tax	účet 343	031		
11.	Other taxes and fees	účet 345	032		
12.	Payables to state budget	účet 346	033		
13.	Payables to self-government local area's budgets	účet 348	034		
14.	Payables for unpaid subscribed shares and participations	účet 367	035		
15.	Payables to participants in association	účet 368	036		
16.	Payables to fixed-term financial transactions	účet 373	037		
17.	Sundry payables	účet 379	038		
18.	Short-term bank loans	účet 231	039		
19.	Credits for discounted securities	účet 232	040		
20.	Short-term bonds issued	účet 241	041		
21.	Own bonds issued	účet 255	042		
22.	Estimated payables	účet 389	043	+423	+387
23.	Other short-term financial assistance	účet 249	044		
B. IV.	Other liabilities	B.IV.1+...+B.IV.x	045		
B. IV. 1.	Accrued expenses	účet 383	046		
2.	Deferred revenue	účet 384	047		
	LIABILITIES	A.+B.	048	+6,252	+6,486

Date of compilation: 29.6.2020	Signature of statutory body
	

PROFIT AND LOSS STATEMENT

PROFIT AND LOSS STATEMENT by 504/2002 Sb. amended in

Business name

Nadace The Bakala Foundation

Registered office

Tržiště 366/13

Praha 1 - Malá Strana

118 00

asat... **3 1 . 1 2 . 2 0 1 9**

From **1.1.2019** To: **31.12.2019**

in thousands CZK

ID no. **2 7 9 2 1 2 4 7**

Seal

Ident.	PROFIT AND LOSS STATEMENT	line	Accounting period		
			Main	Business	Total
A.	Expenses	A.I.+...+A.VIII.	001	+12,557	+12,557
A. I.	Consumed spendings total	A.I.1+...+A.I.x	002	+5,685	+5,685
A. I. 1.	Consumed materials, energy consumption, consumption of other non-inventory items	účty 501, 502, 503	003	+597	+597
	2. Merchandise sold	účet 504	004		
	3. Repairs and maintenance	účet 511	005	+44	+44
	4. Travelling expenses	účet 512	006	+156	+156
	5. Representation expenses	účet 513	007	+763	+763
	6. Other services	účet 518	008	+4,125	+4,125
A. II.	Change in work-in-progress and activation	A.II.1+...+A.II.x	009		
A. II. 7.	Change in work-in-progress	účty 561, 562, 563, 564	010		
	8. Aktivation of material, goods and internal services	účet 571, 572	011		
	9. Aktivation of intangibles	účet 573, 574	012		
A. III.	Personal expenses total	A.III.1+...+A.III.x	013	+6,823	+6,823
A. III. 10.	Wages and salaries	účet 521	014	+5,130	+5,130
	11. Legal social insurance	účet 524	015	+1,693	+1,693
	12. Other social insurance	účet 525	016		
	13. Legal social security expenses	účet 527	017		
	14. Other social security expenses	účet 528	018		
A. IV.	Taxes total	A.IV.1+...+A.IV.x	019		
A. IV. 15.	Taxes total	účty 531, 532, 538	020		
A. V.	Other expenses total	A.V.1+...+A.V.x	021	+48	+48
A. V. 16.	Contractual fines, interest on late payments, other fines and penalties	účet 541, 542	022	+5	+5
	17. Write-off of receivables	účet 543	023		
	18. Interest expense	účet 544	024		
	19. Foreign exchange losses	účet 545	025	+7	+7
	20. Gifts	účet 546	026	+1	+1
	21. Shortages and damage	účet 548	027		
	22. Other expenses	účet 549	028	+35	+35
A. VI.	Depreciations, sold property, additions to reserves total	A.VI.1+...+A.VI.x	029	+1	+1
A. VI. 23.	Depreciation expenses of intangible and tangible fixed assets	účet 551	030	+1	+1
	24. Net book value of intangible and tangible fixed assets sold	účet 552	031		
	25. Shares and ownership interests sold	účet 553	032		
	26. Materials sold	účet 554	033		
	27. Additions to reserves and provisions	účet 556, 559	034		
A. VII.	Membership fees total	A.VII.1+...+A.VII.x	035		
A. VII. 28.	Membership fees and operating contributions paid to branch	účet 581, 582	036		
A. VIII.	Income tax	A.VIII.1+...+A.VIII.x	037		
A. VIII. 29.	Income tax	účet 591	038		
	Expenses Total		039	+12,557	+12,557
B.	Revenues		040	+12,557	+12,557
B. I.	Operating subsidies	B.I.1+...+B.I.x	041		
B. I. 1.	Operating subsidies	účet 691	042		
B. II.	Accepted contributions total	B.II.1+...+B.II.x	043		
B. II. 2.	Received operating contributions	účet 681	044		
	3. Received donations	účet 682	045		
	4. Received membership fees	účet 684	046		
B. III.	Revenues from own efficient	účty 601, 602, 603	047		

Ident.	PROFIT AND LOSS STATEMENT	line	Accounting period		
			Main	Business	Total
B. IV.	Other revenues total	B.IV.1+...+B.IV.x	048	+12,557	+12,557
B. IV. 5.	Contractual fines, interest on late payments and other fines and penalties	účetv 641. 642	049		
6.	Revenue from written-off receivables	účet 643	050		
7.	Interest	účet 644	051	+1	+1
8.	Foreign exchange gains	účet 645	052	+1	+1
9.	Accounting for funds	účet 648	053	+12,555	+12,555
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	+12,557	+12,557
C.	Profit (loss) before taxation (r. 63 - 33)	B. - A.I.1+...+A.VII.x + C. x.	062	+0	+0
D.	Profit (loss) after taxation	B. - A. + D. x.	063	+0	+0

Date of compilation: 29.6.2020	Signature of statutory body
	

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freedom,
education

Notes to the Financial Statements **2019**

1/ Description and Principal Activities

REPORTING ENTITY:	Nadace The Bakala Foundation (“Foundation”)
CORPORATE ID:	279 21 247
REGISTERED AT:	Register of Foundations held by the Municipal Court in Prague, File N, Insert 646
REGISTERED OFFICE:	Tržiště 366/13, Prague 1 – Malá Strana, 118 00
FOUNDER:	Zdeněk Bakala
DATE OF REGISTRATION IN THE REGISTER OF FOUNDATIONS:	July 24, 2007
STATUTORY BODY:	Board of Trustees

Members of the Board of Trustees as of December 31, 2019:

CHAIRWOMAN:	Michaela Bakala
MEMBER:	Christopher Lehmann
MEMBER:	Michal Pěchouček

The Foundation is represented by the chairwoman of the Board of Trustees and a member of the Board of Trustees authorized by the chairwoman. Representatives sign on behalf of the Foundation by adding their signatures to the typed or printed name of the Foundation.

Supervisory Board as of December 31, 2019:

CHAIRMAN:	Pepper (Joseph Michele) De Callier
MEMBER:	Irma Comstocková
MEMBER:	Zuzana Řezníčková
MEMBER:	Daniel Rosický

AMOUNT OF THE FOUNDATION’S EQUITY:	CZK 2,000 thousand (the Foundation’s assets consist of a cash investment deposited on account no. 229774637/0300 at ČSOB)
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Mission of the Foundation:

Principal activities of the Foundation are as follows:

- Support of individuals in their studies in the Czech Republic and abroad and in their study or scientific work;
- Support and creation of projects in education, media, science, healthcare, charity work, sports, and ecology;
- Support of cultural development and arts at all social levels; and
- Support of civil society development.

The Foundation did not engage in any other activities in the reporting period.

Changes made in the Register of Foundations:

On June 27, 2019, the membership of Melissa Marie Durda in the Board of Trustees expired and she was subsequently removed from the Register of Foundations on July 22, 2019. On May 31, 2019, a new registered office of the Foundation was recorded in the Register.

2/ Significant Accounting Policies Used by the Foundation

a) Bookkeeping, accounting records and place of their keeping

The Foundation keeps its books in accordance with Act No. 563/1991 Coll., on Accounting, as amended, and Regulation of the Ministry of Finance No. 504/2002 Coll., which provides implementation guidance on certain provisions of the Accounting Act, and internal regulations. It additionally follows special provisions of Act No. 586/1992 Coll., on Income Taxes, as amended, stipulating reporting and taxation of revenues generated by non-profit organizations.

The accounting records are maintained in compliance with general accounting principles, specifically the historical cost valuation basis (unless stated otherwise), the accruals principle, the prudence concept and the going concern assumption.

The Company's financial statements have been prepared as of the balance sheet date, i.e. December 31, 2019, for the reporting period from January 1, 2019 to December 31, 2019. The comparative period is the reporting period from January 1, 2018 to December 31, 2018.

These financial statements are presented in thousands of Czech crowns (CZK '000), unless stated otherwise.

The accounts are kept by VGD, an external entity, in the BYZNYS VR accounting program. Accounting documents are kept at the registered office of this entity.

b) Intangible and tangible fixed assets

Intangible and tangible fixed assets are carried at cost composed of the purchase price and costs relating to acquisition. Tangible fixed assets and intangible fixed assets reported in the balance sheet are depreciated on a straight-line basis depending on the type of asset over the anticipated useful life. Fixed assets held in class 0 in the accounting books are depreciated by the Foundation in accordance with Act No. 586/1992 Coll., on Income Taxes (as amended). Other intangible fixed assets (website) are amortized on a straight-line basis over 72 months.

c) Foreign currency translation

The Foundation translates transactions denominated in foreign currencies using the daily exchange rate of the Czech National Bank. During the year, the Company accounts only for realized foreign exchange rate gains and losses.

Assets and liabilities denominated in foreign currencies as of the balance sheet date are translated using the exchange rate promulgated by the Czech National Bank. Unrealized foreign exchange rate gains and losses are posted in the profit and loss account.

d) Received donations and awarded grants

The Foundation recognizes the funds received pursuant to donation contracts in the "Funds" account from which these received funds are settled depending on the nature of their use and requirement of the donor as follows:

- In a bank account, if the funds are awarded as the grants to individuals or corporate entities that were approved by the Board of Trustees;
- In the profit and loss account through a credit to the "Settlement of funds" account up to the amount of the costs that are approved by a responsible member of the Board of Trustees and relate to project activities or administration of the Foundation; and
- In Foundation's equity pursuant to a donor's requirement and the Board of Trustees' decision on an increase in the Foundation's equity.

The Foundation recognizes the received non-cash donations pursuant to donation contracts in the relevant funds account and depending on the nature of the provided non-cash donation in the relevant expense account.

3/ Intangible Fixed Assets

	Other intangible fixed assets	Total in 2019	Total in 2018
Cost			
Balance at 1 Jan.	96	96	96
Additions	90	90	–
Disposals	–	–	–
Rebilling	–	–	–
Balance at 31 Dec.	186	186	96
Accumulated amortization			
Balance at 1 Jan.	96	96	96
Amortization	1	1	–
Accumulated amortization of disposals	–	–	–
Rebilling	–	–	–
Balance at 31 Dec.	97	97	96
Net book value at 1 Jan.	–	–	–
Net book value at 31 Dec.	89	89	–

3/ Tangible Fixed Assets

	Acquisition of tangible fixed assets	Total in 2019	Total in 2018
Cost			
Balance at 1 Jan.	–	–	–
Additions	594	594	–
Disposals	–	–	–
Rebilling	–	–	–
Balance at 31 Dec.	594	594	–
Accumulated depreciation			
Balance at 1 Jan.	–	–	–
Depreciation	–	–	–
Accumulated depreciation of disposals	–	–	–
Rebilling	–	–	–
Balance at 31 Dec.	–	–	–
Net book value at 1 Jan.	–	–	–
Net book value at 31 Dec.	594	594	–

5/ Current Financial Assets

Current financial assets include cash on hand of CZK 45 thousand (2018: CZK 65 thousand) and cash at bank. Funds on current accounts are denominated in CZK. The balance on bank accounts as of December 31, 2019 amounted to CZK 5,032 thousand (2018: CZK 5,402 thousand).

6/ Deferred Expenses

Deferred expenses amount to CZK 19 thousand (2018: CZK 24 thousand) and primarily include deferred costs of domains, subscription of newspapers and insurance payments.

7/ Own Funding

	Equity	Funds	Profit/ (loss) of prior years	Profit/(loss) of the current period	Total
Balance at 1 Jan. 2019	2000	3142	–	–	5142
Received donations	–	13508	–	–	13508
Awarded grants	–	-538	–	–	-538
Settlement of funds	–	-12555	–	–	-12555
Balance at 31 Dec. 2019	2000	3557	–	–	5557

The following table shows the structure of received donations:

Donor	Amount of the donation in CZK thousand
Fondation Zdenek et Michaela Bakala (FZMB)	12830
British Embassy in Prague	58
Institute for War and Peace Reporting	620
Total	13508

The following table shows the structure of awarded foundation grants:

Recipient	Amount of the grant in CZK thousand
Individuals in the scholarship provision program (Scholarship)	–
Other individuals	308
Corporate entities	230
Total	538

In 2019, the Foundation continued to develop the program of scholarship provision in the same scope as in prior years, the difference being that all scholarships in the Scholarship program have been paid directly from accounts of the “affiliated organization” Fondation Zdenek et Michaela Bakala (FZMB) for practical reasons since mid-January 2013. The legal grounds for this change are provided by the cooperation contract concluded between the Foundation and FZMB aiming to combine the activities of the Swiss foundation as to the provision of scholarships supported by Zdeněk Bakala in the Czech Republic and in Switzerland.

A detailed list of grants awarded by the Foundation will be contained in the annual report.

8/ Receivables and Payables

Receivables amount to CZK 707 thousand (2018: CZK 761 thousand), none of the receivables are past their due dates.

Short-term payables amount to CZK 929 thousand (2018: CZK 1,110 thousand) of which CZK 31 thousand (2018: CZK 62 thousand) are payables past their due dates.

The Foundation records no payables reported off-balance sheet as of the balance sheet date.

9/ Income Taxation

The Foundation reported zero tax liability for 2019 and 2018.

10/ Administrative Costs

The Foundation's administrative costs for 2019 amount to CZK 1,788 thousand (2018: CZK 1,893 thousand) with the following structure:

2019	Administrative costs in CZK thousand
Consumed purchases and purchased services	521
Change in the balance of internally developed inventory and capitalization	–
Staff costs	1226
Taxes and fees	–
Other costs	41
Depreciation, sold assets, recognition of reserves and provisions	–
Total	1788

2018	Administrative costs in CZK thousand
Consumed purchases and purchased services	701
Change in the balance of internally developed inventory and capitalization	–
Staff costs	1141
Taxes and fees	6
Other costs	45
Depreciation, sold assets, recognition of reserves and provisions	–
Total	1893

11/ Staff Costs

Average number of employees and staff costs for 2019 and 2018:

2019	Average number of employees	Payroll costs	Costs of social security and health insurance	Social costs
Employees	6	3991	1307	–
Managers	1	1139	386	–
	7	5130	1693	–

2018	Average number of employees	Payroll costs	Costs of social security and health insurance	Social costs
Employees	9	3437	1164	1
Managers	1	1141	388	–
	10	4578	1552	1

12/ Bonuses and Loans to Members of Statutory and Supervisory Bodies

In 2019 and 2018, members of the Foundation's Board of Trustees and Supervisory Board received no remuneration for the performance of their offices and no loans and prepayments.

In the reporting period, members of the Foundation's Board of Trustees and Supervisory Board and their family members hold no equity investments in entities with which the Foundation concluded business contracts or other contractual relations, except for donation contracts in favor of the Foundation.

13/ Social Security and Health Insurance Payables

Social security and health insurance payables amount to CZK 150 thousand (2018: CZK 175 thousand) of which social security payables amount to CZK 105 thousand (2018: CZK 123 thousand) and health insurance payables amount to CZK 45 thousand (2018: 52 thousand). None of these payables are past their due dates and all were settled before their due dates.

14/ State – Tax Payables and Subsidies

Tax payables amount to CZK 59 thousand (2018: CZK 78 thousand). None of these payables are past their due dates and all tax payables were settled before their due dates.

15/ Significant Post Balance Sheet Event

There were no significant post balance sheet events in 2020 that would require adjustments to the Foundation's financial statements for 2019.

In 2020, Michal Pěchouček resigned from his position as a member of the Board of Trustees. The Board of Trustees approved his resignation per-rollam in a shortened time period and his position ceased to exist on June 1, 2020. In addition, the Board of Trustees appointed Lenka Černá as a member of the Board of Trustees with effect from May 31, 2020.

Given the current global nature of the COVID-19 pandemic, it is highly probable that the Foundation will feel the economic impact of the crisis in 2020. The Foundation assesses the impact on an ongoing basis; however, it has not yet been able to reliably quantify it. Nevertheless, it takes preventive measures and all necessary steps to minimize operating and financial consequences.

In Prague, on June 29, 2020

Signature:



Michaela Bakala
Chairwoman of the Board of Trustees

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Auditor's Report 2019

INDEPENDENT AUDITOR'S REPORT To the Founder of Nadace The Bakala Foundation

Having its registered office at: Tržiště 366/13, Malá Strana, 118 00 Praha 1

Opinion

We have audited the accompanying financial statements of Nadace The Bakala Foundation (hereinafter also the "Foundation") prepared on the basis of accounting regulations applicable in the Czech Republic, which comprise the balance sheet as at 31 December 2019, and the profit and loss account, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Nadace The Bakala Foundation as at 31 December 2019, and of its financial performance for the year then ended in accordance with accounting regulations applicable in the Czech Republic.

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, which are International Standards on Auditing (ISAs), as amended by the related application guidelines. Our responsibilities under this law and regulation 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 Matter

The financial statements of Nadace The Bakala Foundation for the year ended 31 December 2018 were audited by another auditor who expressed an unmodified opinion on those statements on 21 June 2019.

Other Information in the Annual Report

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Management Board 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. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

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 of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

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Responsibilities of the Foundation's Management Board and Supervisory Board for the Financial Statements

The Management Board is responsible for the preparation and fair presentation of the financial statements in accordance with accounting regulations applicable in the Czech Republic and for such internal control as the Management Board 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 Management Board of the Foundation 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 Management 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 overseeing 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 ISAs 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 law or regulation, 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 Foundation's Management Board.
- Conclude on the appropriateness of the Management Boards' 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 the Management Board and the Supervisory Board 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.

In Prague on 29 June 2020

Audit firm:

Deloitte Audit s.r.o.
registration no. 079



Statutory auditor:

Jiří Sauer
registration no. 2301





**Bakala
Foundation**

*Courage,
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The Bakala Foundation

Tržiště 366/13

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