

Introduction to the financial statements

1) Name and headquarters of the organization

ASSOCIATION OF LEGAL INTERVENTION 01-204 WARSZAWA

UL. SIEMIOGRODZKA 5 51

0000240024

2) Duration of the organization`s activity, if limited

3) period covered by financial statement

01.01.2016-31.12.2016

4) whether the financial statements contain aggregated data if the entity includes internal organizational units compiling self-financed financial statements

5) whether the financial statements were prepared on the basis of continuing business activity by the entity in the future and whether the non-cash flowing intangible asset is continuing to be impaired by continuing operations

The annual report was drawn up with the continuation of the membership of the Association at least 12 months and longer. We are not familiar with the area that would indicate a serious threat to the continuation of the Association.

6) in the case of the financial statements prepared for the period. Please note that this is a financial statement finalized after the merger of the companies, and we will indicate the method used to calculate the call (acquisition, merger)

7) discussion of adopted accounting policies, including methods of valuation of assets and liabilities (also depreciation), measurement of financial result and method of preparation of financial statements insofar as the act leaves the entity the right to choose

Valuation of assets and liabilities is made in accordance with the following rules:

- intangible assets and fixed assets in construction at amortized cost of depreciation,
- tangible current assets - at cost,
- commitments - at the amount of the payment,
- equity and other assets and liabilities - at nominal value,
- the pre-term with a term of more than one year with a starting value of up to 3,500 zlotys are credited in the month of their purchase into the cost of the activity, which they are to serve as material consumption,

- items with a term longer than one year valued at more than 3500 zlotys are considered fixed assets. The amortized is a straight-line method accordingly to the adopted amortization schedule,

- is intangible and legal with a unit purchase price not exceeding 3500 zlotys will be written off at one time in costs,

- other intangible assets are amortized according to the depreciation plan adopted.

Within the scope of the implementation of projects financed from the EU-European Union and territorial self-governments, detailed budgets for each project are kept separate from the budget items required by the donor units.

Compiled: 2017-06-12

Association for Legal Intervention
Siedmiogrodzka 5 apt.51
01-204 Warszawa

**Balance sheet created on
31.12.2016**

in PLN

Assets				01.01.2016	31.12.2016
A	Fixed assets			0,00	0,00
	<i>I.</i>	<i>Intangible assets</i>		<i>0,00</i>	<i>0,00</i>
		1.	Costs of completed development projects	0,00	0,00
		2.	Goodwill	0,00	0,00
		3.	Other intangible assets	0,00	0,00
		4.	Advances for intangible assets	0,00	0,00
	<i>II.</i>	<i>Tangible fixed assets</i>		<i>0,00</i>	<i>0,00</i>
		1.	Tangible fixed assets in use	0,00	0,00
		a)	land (including right for perpetual usufruct)	0,00	0,00
		b)	buildings and premises	0,00	0,00
		c)	technical equipment and machines	0,00	0,00
		d)	Vehicles	0,00	0,00
		e)	other tangible fixed assets	0,00	0,00
		2.	Tangible fixed assets under construction	0,00	0,00
		3.	Advances for tangible fixed assets under construction	0,00	0,00
	<i>III.</i>	<i>Long-term receivables</i>		<i>0,00</i>	<i>0,00</i>
		1.	from affiliated entities	0,00	0,00
		2.	from other entities	0,00	0,00
	<i>IV.</i>	<i>Long-term investments</i>		<i>0,00</i>	<i>0,00</i>
		1.	Real property	0,00	0,00
		2.	Intangible assets	0,00	0,00
		3.	Long-term financial assets	0,00	0,00
		a)	in affiliated entities	0,00	0,00

			- shares or stock	0,00	0,00
			- other securities	0,00	0,00
			- loans granted	0,00	0,00
			- other long-term financial assets	0,00	0,00
		b)	in other entities	0,00	0,00
			- shares or stock	0,00	0,00
			- other securities	0,00	0,00
			- loans granted	0,00	0,00
			- other long-term financial assets	0,00	0,00
		4.	Other long-term investments	0,00	0,00
V.		<i>Long-term prepayments</i>		0,00	0,00
		1.	Deferred tax assets	0,00	0,00
		2.	Other prepayments	0,00	0,00
B	Current assets			813,973.67	598,397.52
	<i>I.</i>	<i>Inventory</i>		0,00	0,00
		1.	Materials	0,00	0,00
		2.	Semi-finished products and work in progress	0,00	0,00
		3.	Finished products	0,00	0,00
		4.	Goods	0,00	0,00
		5.	Advances for deliveries	0,00	0,00
	<i>II.</i>	<i>Short-term receivables</i>		238,538.78	28,014.84
		1.	Receivables from affiliated entities	0,00	0,00
		a)	trade receivables, maturing:	0,00	0,00
			- up to 12 months	0,00	0,00
			- above 12 months	0,00	0,00
		b)	Other	0,00	0,00
		2.	Receivables from other entities	0,00	0,00
		a)	trade receivables, maturing:	0,00	0,00
			- up to 12 months	0,00	0,00
			- above 12 months	0,00	0,00
		b)	other	0,00	0,00
		3.	Receivables from other entities	238,538.78	28,014.84
		a)	trade receivables, maturing:	465,00	14,289.59
			- up to 12 months	465,00	14,289.59
			- above 12 months	0,00	0,00
		b)	With regard to taxes, subsidies, customs duties, social and health insurance and other public-law services	0,00	2,405.37
		c)	Other	238,073.78	11,319.88
		d)	investigation in the court	0,00	0,00
III.		<i>Short-term investments</i>		575,434.89	570,382.68

		1.	Short-term financial assets	575,434.89	570,382.68
		a)	in affiliated entities	242,932.80	0,00
			- shares or stock	0,00	0,00
			- other securities	242,932.80	0,00
			- granted loans	0,00	0,00
			- other	0,00	0,00
		b)	in other entities	0,00	0,00
			- shares or stock	0,00	0,00
			- other securities	0,00	0,00
		c)	cash and other pecuniary assets	332,502.09	570,382.68
			- cash in hand and at the bank	332,502.09	570,382.68
			- other cash	0,00	0,00
			- other pecuniary assets	0,00	0,00
		2.	Other short-term investments	0,00	0,00
IV.		Short-term prepayments		0,00	0,00
C		Unpaid capital contributions (fund) basic		0,00	0,00
D		Own shares		0,00	0,00
			Total assets	813,973.67	598,397.52

Liabilities				
A	Capital (own fund)		138 670,75	448 995,38
	I.	Equity	0,00	0,00
	II.	Called-up share capital	0,00	0,00
	III.	Own shares (stock)	0,00	0,00
	IV.	Supplementary capital	0,00	0,00
	V.	Revaluation reserve	0,00	0,00
	VI.	Other reserve capitals	0,00	0,00
	VII.	Retained profit (loss)	0,00	0,00
	VIII.	Net profit (loss)	138 670,75	448 995,38
	IX.	Write-off on net profit during the financial year	0,00	0,00
B	Liabilities and provisions for liabilities		364, 978.29	172,692. 41
	I.	Provisions for liabilities	0,00	0,00
		1.	Provision for deferred income tax	0,00
		2.	Provision for retirement and similar benefits	0,00
			- long-term	0,00

		- short-term	0,00	0,00
	3.	Other provisions	0,00	0,00
		- long-term	0,00	0,00
		- short-term	0,00	0,00
<i>II.</i>	<i>Long-term liabilities</i>		0,00	0,00
	1.	Towards affiliated entities	0,00	0,00
	2.	Towards other entities	0,00	0,00
	a)	credits and loans	0,00	0,00
	b)	arising from insurance of securities	0,00	0,00
	c)	other long-term liabilities	0,00	0,00
	d)	other	0,00	0,00
<i>III.</i>	<i>Short-term liabilities</i>		137	
			978,29	167,391.80
	1.	Towards affiliated entities	0,00	0,00
	a)	trade liabilities, maturing:	0,00	0,00
		- up to 12 months	0,00	0,00
		- above 12 months	0,00	0,00
	b)	other	0,00	0,00
	2.	Towards other entities	137	
			978,29	167,391.80
	a)	credits and loans	85,	
			000.00	15,000.00
	b)	arising from insurance of securities	0,00	0,00
	c)	other financial liabilities	0,00	0,00
	d)	trade liabilities, maturing:	0,00	7,00
		- up to 12 months	0,00	7,00
		- above 12 months	0,00	0,00
	e)	advances received for deliveries	0,00	0,00
	f)	bill-of-exchange liabilities	0,00	0,00
	g)	tax, customs, insurance and other liabilities	19,	
			109.21	5,600.20
	h)	payroll liabilities	0,00	0,00
	i)	other	33,869.08	146,784.60
	3.	Special funds	0,00	0,00
<i>IV.</i>	<i>Accruals</i>		227,	
			000.00	5,300.61
	1.	Negative goodwill	0,00	0,00
	2.	Other accruals	227,	
			000.00	5,300.61
		- long-term	0,00	0,00
			227,	
		- short-term	000.00	5,300.61
		Total liabilities	813,	598,
			973.67	397.52

Compiled: 2017-06-12

ADDITIONAL INFORMATION AND EXPLANATIONS

I

1. Detailed extent of changes regarding the value of particular types of fixed assets, intangible assets, and permanent bank deposits, including the status of such assets as at the beginning of the fiscal year, increases due to: overestimation of investment value, internal transfers, decreases and losses as at the end of the fiscal year, and, for assets subject to depreciation, reasons for changing the current depreciation rate.

The Association has no fixed assets, it has equipment (computer equipment, office equipment – furniture, etc.) purchased in previous years using subsidies – its value is circa PLN 130 000.

Intangible assets include a computer programme called LEGALIS which has been completely redeemed.

2. Value of land under perpetual usufruct

The Association holds no land.

3. The value of non-depreciated (redeemed) fixed assets acquired by means of lease agreements, lease agreements with the right to collect fruits, and other agreements.

The Association holds no such assets.

4. Obligations towards the state treasury or the province [gmina] due to having acquired a title of ownership to buildings and structures.

There are no such obligations

5. Data regarding the structure of the Association's statute-based fund.

The Association has no such fund.

The Association uses its own funds acquired from, inter alia, a subsidy for institutions received in the past. Said funds make it possible to ensure the Association's financial solvency.

6. Situation as at the beginning of the fiscal year, increases and consumption and end values of supplementary and reserve capital (funds).

No changes.

7. Proposals regarding dividing profit or covering losses for the fiscal year.

The Association is a public benefit non-profit social organisation.

Any revenue exceeding the Association's expenses is added to revenue in the next year and if expenses exceed revenue, they are added to costs in the next year.

Revenue related to performance of statutory tasks of the Association in excess of costs – which amounted to PLN 426 000 in 2016 – shall be added to revenue in the next year.

8. Data regarding the status of reserves according to the purpose for which they were created, indicating those reserves which adjust liabilities.

The Association does not create reserves, it is not necessary.

9. Division of liabilities according to their position in the balance sheet and their repayment date as per the relevant agreement as of the balance sheet date:

up to 1 year: PLN 167 000

10. List of active and passive inter-period settlements and revenues for future periods:

Revenues for future periods: PLN 5,300 – the amount of differences regarding rates of exchange calculated as of the balance sheet date for funds in foreign currencies.

11. List of groups of liabilities secured against the unit's property (including their type)

none

12. Conditional liabilities, including guarantees and sureties granted by the unit, including bills of exchange.

Association issued own bills of exchange to secure the performance of agreements connected with implementing projects related to its statutory activity.

1) Bill of exchange to agreement no. PL/2015/amif/1.16 regarding funding for the following projects: "Prawnicy uchodźcom II" [Lawyers for refugees II] using money from the European Union, Asylum, Migration, and Integration Fund, and the state treasury. Amount declared in the bill of exchange: PLN 1 687 823.46

13. I

II

III

Structure of cash for report regarding cash flows.

The Association is not obliged to draw up cash flow reports.

IV

1. Information about:

Joint undertakings which are not consolidated using the full consolidation method or by titles of ownership, including:

a. name, scope of business activity of a given joint undertaking,

- b. percentile share,
- c. share of jointly controlled fixed assets and intangible assets,
- d. liabilities incurred to meet the needs of the undertaking and the ensuing costs,
- e. revenues from the joint undertaking and costs connected therewith,
- f. conditional liabilities and investment liabilities connected with the joint undertaking.

not applicable

2. Average employment of different professional types of employees in the fiscal year.

In 2016, the Association employed 13 white-collar employees under contracts of employment.

3. Remunerations, including remuneration paid from profit, paid to management board members and members of supervisory bodies of corporations.

not applicable

4. Loans extended to management board members and members of supervisory body of corporations.

not applicable

5. Transactions with members of the Management Board and supervisory bodies and their spouses, direct relatives by blood or affinity up to second degree of affinity or people related to managers or people from supervisory bodies of the unit or with companies where they are major partners (shareholders) due to care, adoption, or guardianship.

Members of the Association's Management Board extended loans to the Association in order to ensure financial solvency and ensuring that the Association is able to perform its statutory activity.

As of 31.12.2016, the Association's liabilities due to loans amount to: PLN 15 000

6. Transactions with companies associated in capital terms which are not included in consolidated financial reports.

not applicable

V

1. Name and seat of parent company drawing up the consolidated financial report.

not applicable

2. List of companies (name, seat) in which the unit holds at least 20% of shares; the compilation should also include information about percentage of shares held and the degree of participation in management and about profit or losses from such companies in the preceding fiscal year

not applicable

3. Figures pertaining to companies associated in capital terms with entities:

a) about permanent financial deposits with such companies

b) mutual liabilities and obligations

c) costs and revenues from mutual transactions and other data necessary for drawing up a consolidated financial report.

not applicable

VI

VII

VIII

IX

X

Profit and loss account

Profit and loss account,
comparative variant as
per premise 1 of the
Accounting Act
as of 2016-12-31

	Amount for preceding year	Amount for business year
A. Net sales revenues and similar revenues, including from affiliated entities:	25 215,00	5 219,51
I. Net revenue from sales of products	25 215,00	5 219,51
II. Change in the balance of products (increase - positive value, decrease - negative one)	0,00	0,00
III. Manufacturing cost of products for internal purposes	0,00	0,00
IV. Net revenue from sales of goods and materials	0,00	0,00
B. OPERATING EXPENSES	987,06	3 471,94
I. Amortisation and depreciation	0,00	0,00
II. Use of materials and energy	0,00	1 264,36
III. Outsourced services	55,34	0,00
IV. Taxes and charges, including excise tax	515,86	1 569,50
V. Remuneration	0,00	0,00
VI. Social security and other benefits	0,00	170,00
VII. Other costs by type	415,86	468,08
VIII. Value of goods and materials sold	0,00	0,00
C. PROFIT (LOSS) ON SALES (A-B)	24 227,94	1 747,57
D. OTHER OPERATING REVENUES	2 346 706,57	2 943 515,08
I. Gain on disposal of non-financial fixed assets	0,00	0,00
II. Subsidies	0,00	2 333 459,12
III. Revaluation of non-financial assets	0,00	0,00
IV. Other operating revenues	2 346 706,57	610 055,96
1. Revenue due to non-paid public benefit activity	1 947 641,86	523 707,13
2. Revenue due to paid public benefit activity	38 726,00	85 833,86
3. Other operating revenues	1 921 586,73	2 518 743,21
E. OTHER OPERATING EXPENSES	1 921 586,73	2 518 743,21
I. Loss on disposal of non-financial fixed assets	0,00	0,00
II. Revaluation of non-financial assets	0,00	0,00
III. Other operating expenses	1 921 586,73	2 518 743,21
1. Expenses due to non-paid public benefit activity	1 868 316,73	2 435 772,51
2. Expenses due to paid public benefit activity	38 726,00	82 959,13
3. Other operating revenues	14 542,00	11,57
F. PROFIT (LOSS) ON OPERATING ACTIVITIES (C+D-E)	449 347,78	426 519,44
G. FINANCIAL REVENUE	8,68	3 822,96
I. Dividend and profit sharing, including:	0,00	0,00
a) from affiliated entities, including entities in whose capital the unit holds a share	0,00	0,00
b) from other entities, including entities in whose capital the unit holds a share	0,00	0,00
II. Interest, including from affiliated entities	0,00	2 150,19
III. Gain on disposal of financial assets, including in affiliated entities	0,00	0,00
IV. Revaluation of financial assets	0,00	0,00
V. Other	8,68	1 672,77
H. FINANCIAL EXPENSES	361,08	4 637,29
I. Interest, including for affiliated entities	1,97	37,29
II. Loss on disposal of financial assets, including in affiliated entities	0,00	0,00
III. Revaluation of financial assets	0,00	0,00
IV. Other	359,11	4 600,00
I. GROSS PROFIT (LOSS) (F+G-H)	448 995,38	425 705,11
J. INCOME TAX	0,00	0,00
K. Other mandatory profit reduction (loss increase)	0,00	0,00
L. Net profit (loss) (I - J - K)	448 995,38	425 705,11

Drawn up on: 2017-06-12

Drawn up by: Iwona Pańczyk

Full name and signature of a person to whom the keeping of account books has been entrusted pursuant to article 52(2) of the Accounting Act

Witold Klaus

Full name and signature of the unit's manager or, if the unit is managed by a body consisting of multiple members,

signatures of all members of that body - as per article 52(2) of the Accounting Act.