



**Fundacja Auschwitz - Birkenau**

**Opinion and Report  
of the Independent Auditor  
Financial Year ended  
31 December 2010**

The opinion contains 2 pages  
The report supplementing the auditor's opinion  
contains 9 pages  
Opinion of the independent auditor  
and report supplementing the auditor's opinion  
on the financial statements  
for the financial year ended  
31 December 2010

**OPINION OF THE INDEPENDENT AUDITOR**



**KPMG Audyt**  
**Spółka z ograniczoną**  
**odpowiedzialnością sp.k.**  
ul. Chłodna 51  
00-867 Warszawa  
Poland

Telefon +48 22 528 11 00  
Fax +48 22 528 10 09  
E-mail kpmg@kpmg.pl  
Internet www.kpmg.pl

*This document is a free translation of the Polish original. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation in order to aid understanding. The binding Polish original should be referred to in matters of interpretation.*

## **OPINION OF THE INDEPENDENT AUDITOR**

*To the Council of Fundacja Auschwitz - Birkenau*

We have audited the accompanying financial statements of Fundacja Auschwitz - Birkenau, seated in Warsaw, ul. Twarda 6 ("the Foundation"), which comprise the introduction to the financial statements, the balance sheet as at 31 December 2010, the profit and loss account, for the year then ended and the supplementary information and explanations.

### *Management's Responsibility for the Financial Statements*

Management of the Foundation is responsible for the correctness of the accounting records, the preparation and fair presentation of these financial statements and preparation of the Report on the Foundation's activities in accordance with the Accounting Act dated 29 September 1994 (Official Journal from 2009, No. 152, item 1223 with amendments) ("the Accounting Act") and related bylaws, and other applicable regulations. Management of the Foundation is also responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

According to the Accounting Act, Management of the Foundation is required to ensure that the financial statements and the Report on the Foundation's activities are in compliance with the requirements set forth in the Accounting Act.

### *Auditor's Responsibility*

Our responsibility, based on our audit, is to express an opinion on these financial statements and whether the financial statements are derived from properly maintained accounting records. We conducted our audit in accordance with section 7 of the Accounting Act, national standards on auditing issued by Polish National Council of Certified Auditors and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements and the accounting records from which they are derived are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Opinion*

In our opinion, the accompanying financial statements of Fundacja Auschwitz - Birkenau have been prepared and present fairly, in all material respects, the financial position of the Foundation as at 31 December 2010, its financial performance for the year then ended in accordance with the accounting principles applicable to the territory of the Republic of Poland as set out in the Accounting Act and related bylaws are in compliance with the respective regulations and the provisions of the Foundation's articles of association that apply to the Foundation's financial statements and have been prepared from accounting records that, in all material respects, have been properly maintained.

#### *Other Matters*

As required under the Accounting Act, we also report that the Report on the the Foundation's activities includes, in all material respects, the information required by Art. 49 of the Accounting Act and the information is consistent with the financial statements.

On behalf of KPMG Audyt Spółka z ograniczoną  
odpowiedzialnością sp.k. registration number 3546  
ul. Chłodna 51, 00-867 Warsaw

*Signed on the Polish original*

*Signed on the Polish original*

.....  
Certified Auditor No. 11528  
Magdalena Paulinek

.....  
Certified Auditor No. 90060  
Limited Liability Partner with power of  
attorney  
Wojciech Stopka

31 May 2011  
Warsaw

**REPORT OF THE INDEPENDENT AUDITOR**

**Fundacja Auschwitz - Birkenau**

Report supplementing  
the auditor's opinion  
on the financial statements  
Financial Year ended  
31 December 2010

The report supplementing the auditor's opinion  
contains 9 pages

Report supplementing the auditor's opinion  
on the financial statements  
for the financial year ended  
31 December 2010

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## Contents

1.	General	3
1.1.	General information about the Foundation	3
1.1.1.	Foundation name	3
1.1.2.	Registered office	3
1.1.3.	Registration in the National Court Register	3
1.1.4.	Management of the Foundation	3
1.2.	Auditor information	3
1.2.1.	Key certified auditor information	3
1.2.2.	Audit firm information	3
1.3.	Prior period financial statements	4
1.4.	Audit scope and responsibilities	4
2.	Financial analysis of the Foundation	6
2.1.	Summary of the financial statements	6
2.1.1.	Balance sheet	6
2.1.2.	Profit and loss account	7
2.2.	Selected financial ratios	7
3.	Detailed report	8
3.1.	Proper operation of the accounting system	8
3.2.	Introduction and supplementary information and explanations to the financial statements	8
3.3.	Report on the Foundation's activities	8
3.4.	Information on the opinion of the independent auditor	9

## **1. General**

### **1.1. General information about the Foundation**

#### **1.1.1. Foundation name**

Fundacja Auschwitz - Birkenau

#### **1.1.2. Registered office**

ul. Twarda 6  
00-104 Warszawa

#### **1.1.3. Registration in the National Court Register**

Registration court: District Court for the Capital City Warsaw in Warsaw,  
XII Commercial Department of the National Court Register  
Date: 23 April 2009  
Registration number: KRS 0000328383

#### **1.1.4. Management of the Foundation**

The Management Board is responsible for management of the Foundation.

At 31 December 2010, the Management Board of the Foundation was comprised of the following members:

- Piotr Mateusz Cywiński – President of the Management Board,
- Rafał Pióro – Vice President of the Management Board,
- Łukasz Rozdeiczer Kryszkowski – Vice President of the Management Board,
- Jacek Kasztelaniec – Member of the Management Board - General Director.

## **1.2. Auditor information**

### **1.2.1. Key certified auditor information**

Name and surname: Wojciech Stopka  
Registration number: 90060

Name and surname: Magdalena Paulinek  
Registration number: 11528

### **1.2.2. Audit firm information**

Name: KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.  
Registered office: Warsaw  
Address: ul. Chłodna 51, 00-867 Warsaw  
Registration number: KRS 0000339379  
Registration court: District Court for the Capital City Warsaw in Warsaw,  
XII Commercial Department of the National Court Register  
NIP number: 527-26-15-362



KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. is entered in the register of audit firms under number 3546.

### **1.3. Prior period financial statements**

The financial statements as at and for the year ended 31 December 2009 were audited by KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. and received an unqualified opinion.

The financial statements were not approved at the Council of Fundacja Auschwitz - Birkenau.

The Foundation has not submitted the financial statements to the Registry Court. The financial statements were not required to be published in Monitor Polski B.

### **1.4. Audit scope and responsibilities**

This report was prepared for the Council of Fundacja Auschwitz - Birkenau seated in Warsaw, ul. Twarda 6 and relates to the financial statements comprising: the introduction to the financial statements, the balance sheet as at 31 December 2010, the profit and loss account for the year then ended and the supplementary information and explanations.

The financial statements have been audited in accordance with the contract dated 29 April 2011, concluded on the basis of the resolution of Council of Fundacja Auschwitz - Birkenau dated 3 February 2011 on the appointment of the auditor.

We conducted the audit in accordance with section 7 of the Accounting Act, national standards on auditing issued by Polish National Council of Certified Auditors and International Standards on Auditing.

We audited the financial statements in the Foundation's head office during the period from 8 to 9 December 2010 and from 9 to 13 May 2011.

Management of the Foundation is responsible for the correctness of the accounting records and the preparation and fair presentation of the financial statements and preparation of the Report on the Foundation's activities in accordance with the accounting principles as set out in the Accounting Act and in compliance with the respective bylaws and other applicable regulations.

Our responsibility is to express an opinion and to prepare a supplementing report on the financial statements and whether the financial statements have been prepared from properly maintained accounting records based on our audit.

Management of the Foundation submitted a statement, dated the same date as this report, as to the true and fair presentation of the financial statements presented for audit, which confirmed that there were no undisclosed matters which could significantly influence the information presented in the financial statements.

All required statements, explanations and information and all our requests for additional documents and information necessary for expressing our opinion and preparing the report have been fulfilled.

Key certified auditors and KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. fulfill independence requirements as described in Art. 56 points 3 and 4 of the Act on certified auditors and their government, audit firms and public oversight dated 7 May 2009 (Official Journal from 2009, No. 77, item 649).

The scope of the work planned and performed has not been limited in any way. The method and scope of our audit is detailed in working papers prepared by us and retained in the offices of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.

## 2. Financial analysis of the Foundation

### 2.1. Summary of the financial statements

#### 2.1.1. Balance sheet

ASSETS	31.12.2010 PLN '000	% of total	31.12.2009 PLN '000	% of total
<b>Non-current assets</b>				
Intangible assets	35.5	0.8	36.8	1.7
Long term investments	1,967.3	46.2	-	-
	2,002.8	47.0	36.8	1.7
<b>Current assets</b>				
Short term receivables	1.2	-	-	-
Short term investments	2,253.5	52.9	2,079.3	98.3
Short term prepayments and deferred expenses	5.8	0.1	-	-
	2,260.5	53.0	2,079.3	98.3
<b>TOTAL ASSETS</b>	<b>4,263.3</b>	<b>100.0</b>	<b>2,116.1</b>	<b>100.0</b>
<b>EQUITY AND LIABILITIES</b>				
	31.12.2010 PLN '000	% of total	31.12.2009 PLN '000	% of total
<b>Equity</b>				
Net result for the year	3,767.7	88.4	2,052.0	97.0
	3,767.7	88.4	2,052.0	97.0
<b>Liabilities and provisions for liabilities</b>				
Short term liabilities	95.6	2.2	64.1	3.0
Accruals and deferred income	400.0	9.4	-	-
	495.6	11.6	64.1	3.0
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,263.3</b>	<b>100.0</b>	<b>2,116.1</b>	<b>100.0</b>

## 2.1.2. Profit and loss account

	1.01.2010 - 31.12.2010 PLN '000	% of total sales	15.01.2009 - 31.12.2009 PLN '000	% of total sales
<b>Financial result on statutory activities</b>				
Net revenues from the statutory activities	4,476.5	105.5	2,135.4	100.0
Costs relating to the realization of statutory tasks	(235.3)	5.5	-	-
	4,241.2	100.0	2,135.4	100.0
<b>Administrative expenses</b>				
Depreciation	(8.2)	0.2	-	-
Materials and energy	(12.4)	0.3	(6.8)	0.3
External services	(90.9)	2.2	(24.7)	1.1
Taxes and charges	(0.2)	0.0	-	-
Payroll and Social security and other benefits	(217.6)	5.1	(69.6)	3.3
Other	(137.1)	3.2	(13.0)	0.6
	(466.4)	11.0	(114.1)	5.3
<b>Financial income</b>				
Financial income	28.5	0.7	30.7	1.4
	28.5	0.7	30.7	1.4
<b>Financial expenses</b>				
Financial expenses	(35.6)	0.9	-	-
	(35.6)	0.9	-	-
<b>Gross result on overall activities</b>	<b>3,767.7</b>	<b>88.8</b>	<b>2,052.0</b>	<b>96.1</b>
<b>Net financial result</b>	<b>3,767.7</b>	<b>88.8</b>	<b>2,052.0</b>	<b>96.1</b>

## 2.2. Selected financial ratios

	2010	2009
<b>1 Debt ratio</b>		
<u>liabilities and provisions for liabilities</u> x 100%	11.6%	3.0%
total equity and liabilities		
<b>2 Current ratio</b>		
<u>current assets</u>	4.6	32.4
current liabilities		

- Current assets exclude receivables due in more than 12 months.
- Current liabilities are comprised of short-term provisions for liabilities, short-term liabilities (excluding liabilities due in more than 12 months) and other short-term accruals.
- Net revenues are comprised of the sale of finished products, merchandise and raw materials.
- Average trade receivables represent the average of trade receivables to related and other parties at the beginning and at the end of the period, excluding allowances for receivables.

### **3. Detailed report**

#### **3.1. Proper operation of the accounting system**

The Foundation maintains current documentation describing the applied accounting principles adopted by the Management Board to the extent required by Art. 10 of the Accounting Act.

During the audit of the financial statements, we tested, on a sample basis, the operation of the accounting system.

On the basis of the work performed, we have not identified material irregularities in the accounting system which have not been corrected and that could have a material impact on the financial statements. Our audit was not conducted for the purpose of expressing a comprehensive opinion on the operation of the accounting system.

The Foundation performed a physical verification of assets in accordance with the requirements and time frame specified in Art. 26 of the Accounting Act.

#### **3.2. Introduction and supplementary information and explanations to the financial statements**

All information included in the introduction and the supplementary information and explanations to the financial statements is, in all material respects, presented correctly and completely. The introduction and supplementary information and explanations should be read in conjunction with the financial statements.

#### **3.3. Report on the Foundation's activities**

The Report on the Foundation's activities includes, in all material respects, the information required by Art. 49 of the Accounting Act and the information is consistent with the financial statements.

### **3.4. Information on the opinion of the independent auditor**

Based on our audit of the financial statements of the Foundation as at and for the year ended 31 December 2010, we have issued an unqualified opinion.

On behalf of KPMG Audyt Spółka z ograniczoną  
odpowiedzialnością sp.k. registration number 3546  
ul. Chłodna 51, 00-867 Warsaw

*Signed on the Polish original*

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.....  
Certified Auditor No. 11528  
Magdalena Paulinek

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Certified Auditor No. 90060  
Limited Liability Partner with power of  
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Wojciech Stopka

31 May 2011  
Warsaw