

**Financial Statement**  
**Jagiellonian University**  
**31-007 Krakow, 24 Golebia Street**  
**Tel. (0-12) 422-10-33**  
**REGON 000001270**  
**PKD (EKD) 80.30.A**

**Introduction**  
**to the financial statement**

1. The name and location, the primary object of the unit and the designation of the competent court or other authority conducting the register.

The Jagiellonian University based in Krakow being a state school of higher education (foundation charter in 1364), subordinated to the edicts and legislation of the Ministry of Education and Science, as well as the Ministry of Health in that part of its undertakings that pertain to Collegium Medicum (The University's Medical College) is a legal entity. The seat of the University authorities being at ul. Gołębia 24, 31-007, Kraków, Poland.

The university's legal and operative status is based upon:

1) The Act of the 27<sup>th</sup> of July, 2005 on Higher Education (-Legal Gazette No. 164, item 1365 with subsequent amendments),

2) The statute of the Jagiellonian university passed by the Senate of the Jagiellonian University on 7 June 2006, with amendments.

3) The Jagiellonian University's organizational regulations.

The university is not subject to registration in a separate register.

The subject of the University's activities is:

1) a fundamental form of activity encompassing the conducting of academic research, student and academic staff instruction, education and tuition, the development and propagation of Polish culture, as well as the broadening of knowledge within society at large,

2) an auxiliary function experimental, economic or service in nature,

3) administrative activities of the University subordinate to its fundamental activities,

2. The duration of the unit, if limited in scope. Not applicable.

3. The period covered by the financial statement: The annual financial statement was prepared for the period from 1 January 2008 to 31 December 2008.

4. Indication as to whether the financial statement incorporates combined data, whether the university comprises internal organizational units which conduct independent accounts and financial statements.

The financial statement incorporates combined data. The following independent subsidiary undertakings conducting independent accounts and financial statements operate within the framework of the Jagiellonian University:

1) Collegium Medicum, the Jagiellonian University's medical college in Krakow,

2) The Łązy Agricultural Research Institute in Rzezawa,

3) The 'Pod Berłami' Conference Centre in Zakopane.

5. Indication as to whether the accounts and financial statement have been prepared with a view to the continuation of economic activities on the part of the undertaking in the foreseeable future as well as indication as to whether there are any risks pertaining to the continuation of activities by the said.

The financial statement was drawn up upon the assumption that activities would be continued within the foreseeable future. The financial situation of the Jagiellonian University is stable with no known circumstances that could endanger the said continuation of activities.

6. In the case of a financial statement covering a period during which a merger took place indication should be made that the statement was drawn up following such a merger, as well as indication of the methods employed under which the merger was accounted (i.e., acquisition, merger shares). Not applicable.

7. An overview of accounting method policies adopted, including valuation of assets and liabilities, measurement of financial results and the means by which the financial statements were drawn up, in as far as the law enables the undertaking the right to choose.

Methods of asset and liability valuation and the determination of financial results:

Assets and liabilities are valued according to the principles of the Act on Accounting, however:

7a. Fixed assets and intangible assets: assessed according to the acquisition price.

7b. Fixed assets under construction: according to the purchase price and the remaining production costs remaining in direct relation to their acquisition or production, decreased by charge-offs resulting from a fixed loss of value.

7c. Purchases related to both taxable and tax exempt sales incorporated a 13% rate of VAT.

7d. Shares and stocks according to the acquisition prices, decreased by charge-offs in fixed value.

7e. Product reserves according to the purchase prices (actual), material outgoings on the basis of the 'first in, first out' method.

7f. Production in progress to the amount of direct production costs as well as of valid indirect costs.

7g. End products according to production costs not exceeding the net sale price.

7h. Monies, capital (funds), other assets and liabilities based on nominal value.

7i. Determination of rates of depreciation:

- Buildings and structures in accordance with the Act on Higher Education are only amortized within the obligation of the primary fund,
- Fixed assets from groups 3-8:
  - Newly purchased and adopted from construction – straight-line depreciation,
  - Used – individual method,
  - The law on perpetual land use – individual method
  - Licences for computer programs and copy right – 24 months,
- Fixed assets purchased for project realisation – individual method in accordance with the agreement duration, in as far as the agreement is not worded differently,
- Academic-research apparatus and equipment is included in fixed assets and amortized once which is charged in the month of purchase the costs of academic-research activities

7j. The value of realised receivables creating a charge-off actualising impairment charges and interest rate risk.

7k. The value of liabilities is shown in the amount requiring payment.

7l. The Jagiellonian University has prepared a statement of profits and losses in a comparative form, and a statement of indirect monetary flow.

Assistant Bursar  
Teresa Kapcia M.A.

Bursar  
Dr. Maria Hulicka

Rector  
Professor Karol Musioł

Krakow, 12 June 2009

**Consolidated Income and Expenditure Account**

For the year ended 31 December 2008

All figures given in Polish Zloty (PLN)

ASSETS	Beginning of working year	End of working year
1	2	3
A. Fixed assets	1 362 617 804.85	1 426 530 087.95
I. Intangible fixed assets	1 298 063.36	929 931.78
1. Research and development expenditure	0.00	0.00
2. Goodwill	0.00	0.00
3. Other intangible fixed assets	1 298 063.36	929 931.78
4. Advance payment for intangible and legal assets	0.00	0.00
II. Tangible fixed assets	1 357 971 084.89	1 420 220 331.77
1. Tangible fixed assets in use	1 225 334 104.87	1 276 892 907.22
a) land, (including the right to perpetual usufruct)	593 535 508.92	585 999 953.62
b) buildings, premises	573 082 020.93	639 993 111.47
c) technical equipment, machines	39 516 937.13	32 702 730.44
d) means of transportation	341 196.52	242 013.14
e) other fixed assets	18 858 441.37	17 955 098.55
2. Fixed assets under construction	132 636 980.02	143 327 424.55
3. Advance payments for fixed assets under construction	0.00	0.00
III. Long term accounts receivable	0.00	191 667.80
1. From related entities	0.00	0.00
2. From other entities	0.00	191 667.80
IV. Long term investments	3 348 656.60	5 188 156.60
1. Real estate	0.00	0.00
2. Intangible and legal assets	0.00	0.00
3. Long-term financial assets	3 348 656.60	5 188 156.60
a) in related entities	2 831 500.00	4 720 000.00
--shares or stocks	2 831 500.00	4 720 000.00
--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	517 156.60	468 156.60
--shares or stocks	517 156.60	468 156.60
--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. Long term settlements in the midterm	0.00	0.00
1. Assets from deferred income tax	0.00	0.00
2. Other midterm settlements	0.00	0.00
B. Current assets	314 904 733.56	359 140 149.63
I. Stocks held	3 176 266.11	5 270 956.93
1. Materials (supplies)	237 760.24	269 683.46
2. Semi-finished products and products under realisation	1 107 584.37	1 145 506.17
3. Finished products	1 594 786.91	2 287 976.37
4. Goods	1 689.59	1 839.02
5. Advances on delivery	234 445.00	1 565 951.91
II. Short term accounts receivable	54 700 927.85	79 746 818.79
1. Receivables from related entities	0.00	0.00
a) Receivables for deliveries, services, terms of repayment:	0.00	0.00
--up to 12 months	0.00	0.00
--over 12 months	0.00	0.00
b) others	0.00	0.00
2. Receivables from other entities	54 700 927.85	79 746 818.79
a) receivables for deliveries, services, terms of repayment:	6 065 387.61	34 697 267.60
--up to 12 months	6 065 387.61	34 697 267.60
--over 12 months	0.00	0.00
b) receivables for taxes, donations, social security payments, health insurance and other benefits	2 861 680.47	21 680 059.24
c) others	45 773 859.77	23 369 491.95
d) court claims	0.00	0.00
III. Short-term investments	256 782 112.87	273 137 239.96
1. Short-term financial assets	256 782 112.87	273 137 239.96
a) in related entities	1 350 000.00	5 993 048.70
--shares or stocks	0.00	0.00
--other securities	0.00	0.00
--loans granted	1 350 000.00	5 993 048.70
--other short-term financial assets	0.00	0.00
b) in other entities	1 024 713.67	1 129 445.86
--shares or stocks	0.00	0.00
--other securities	0.00	0.00
--loans granted	0.00	0.00
--other short-term financial assets	1 024 713.67	1 129 445.86
c) monies and other monetary assets	254 407 399.20	266 014 745.40
--pecuniary assets held in accounts	33 643 626.82	59 075 295.85
--other monies	220 763 772.38	206 939 449.55
--other monetary assets	0.00	0.00
2. Other short-term investments	0.00	0.00
IV. Short-term prepayments and accruals	245 426.73	985 133.95
<b>Total assets</b>	<b>1 677 522 538.41</b>	<b>1 785 670 237.58</b>

**Consolidated Income and Expenditure Account**

For the year ended 31 December 2008

All figures given in Polish Zloty (PLN)

LIABILITIES	Beginning of working year	End of working year
1	2	3
A. Own capital (funds)	1 059 526 882.57	1 168 458 829.16
I. Primary (fundamental) funds	1 027 117 929.52	1 120 568 647.10
II. Called up share capital (negative value)	0.00	0.00
III. Own shares (negative value)	0.00	0.00
IV. Supplementary capital	0.00	0.00
V. Revaluation reserve	0.00	0.00
VI. Other reserve capitals (funds)	0.00	0.00
VII. Profit (loss) from previous years	0.00	0.00
VIII. Net profit (loss)	32 408 953.05	47 890 182.06
IX. Write-off on net profit during the financial year (negative value)	0.00	0.00
B. Liabilities and provisions for liabilities	617 995 655.84	617 211 408.42
I. Provisions for liabilities	33 138 745.25	35 667 078.75
1. Provision for deferred income tax	0.00	0.00
2. Provision set aside for retirement pensions and other benefits	22 829 776.88	25 358 110.38
--long-term	0.00	0.00
--short-term	22 829 776.88	25 358 110.38
3. Other provisions	10 308 968.37	10 308 968.37
--long-term	10 308 968.37	10 308 968.37
--short-term	0.00	0.00
II. Long-term liabilities	0.00	0.00
1. To related entities	0.00	0.00
2. Towards other entities	0.00	0.00
a) credits and loans	0.00	0.00
b) issue of indebted securities	0.00	0.00
c) other financial liabilities	0.00	0.00
d) others	0.00	0.00
III. Short-term liabilities	99 487 996.92	89 541 329.02
1. To related entities	0.00	0.00
a) for deliveries and services, in a due time of	0.00	0.00
--up to 12 months	0.00	0.00
--over 12 months	0.00	0.00
b) others	0.00	0.00
2. To other entities	51 726 922.67	38 959 195.22
a) credit and loans	0.00	0.00
b) issue of debt securities	0.00	0.00
c) other financial liabilities	0.00	0.00
d) for deliveries and services, in a due time of	34 281 517.10	17 508 633.68
--up to 12 months	34 281 517.10	17 508 633.68
--over 12 months	0.00	0.00
e) received advances on deliveries	13 200.00	0.00
f) promissory notes	0.00	0.00
g) from taxes, duty, insurance and other benefits	13 393 397.98	12 751 336.64
h) for remuneration (pay)	1 886 313.32	1 666 291.86
i) others	2 152 494.27	7 032 933.04
3. Special Funds	47 761 074.25	50 582 133.80
a) University welfare benefit fund	34 961 444.24	37 466 165.96
b) Student financial assistance	11 725 377.31	12 091 638.63
c) The University's scholarship fund	970 232.52	929 419.37
d) The University's reward fund	0.00	0.00
e) Implementation fund	0.00	0.00
f) other special funds	104 020.18	94 909.84
IV. Prepayments and accruals	485 368 913.67	492 003 000.65
1. Negative goodwill	0.00	0.00
2. Other accruals	485 368 913.67	492 003 000.65
--long-term	1 566 696.30	213 097 145.36
--short-term	483 802 217.37	278 905 855.29
<b>Total Liabilities</b>	<b>1 677 522 538.41</b>	<b>1 785 670 237.58</b>

Assistant Bursar  
Teresa Kaptcia M.A.

Bursar  
Dr. Maria Hulicka

Rector  
Professor Karol Musiol

Krakow, 12 June 2009

**Consolidated Statement of Total Recognised Gains and Losses**  
for the period from 01 January to 31 December 2008  
All figures given in Polish Zloty (PLN)

Inventory	Previous year	Current year
1	2	3
A. Net revenues from sales of products, goods and materials, including:		
--from related entities	579 580 968.74	634 109 193.11
I. Net revenues from sales of products	0.00	0.00
II. Change in product state (increase-positive value, decrease-negative value)	589 797 579.81	633 594 386.92
III. Product production cost for an entity's own requirements	-13 137 542.82	-153 641.64
IV. Net revenue from product and material sales	2 882 585.11	623 917.62
B. Operational activity costs	38 346.64	44 530.21
I. Depreciation	591 077 770.52	619 938 812.62
II. Material and energy usage	38 333 760.18	36 528 425.67
III. External services	44 531 131.91	49 374 277.88
IV. Taxes and payments, including:	42 614 988.89	57 500 082.52
--excise (duty) tax	7 745 403.17	620 831.41
V. Remuneration	0.00	20.00
VI. Social security payments and other benefits	326 770 789.75	351 728 602.22
VII. Other costs	70 788 111.13	72 035 376.88
VIII. The value of sold products and materials	60 255 238.85	52 106 685.83
C. Gross profit (loss) on sales (A-B)	38 346.64	44 530.21
D. Other operating revenues	-11 496 801.78	14 170 380.49
I. Profit on non-financial fixed asset disposal	43 147 450.06	34 219 538.93
II. Subsidies	5 252 216.09	19 301 373.06
III. Other operating revenues	24 806 899.42	198 453.96
E. Other operational expenses	13 088 334.55	14 719 711.91
I. Loss on non-financial fixed asset disposal	6 219 568.86	10 420 452.06
II. Updating of fixed asset values	0.00	0.00
III. Other operational expenses	509 713.85	1 465 574.50
F. Profit (loss) from operational activity (C+D-E)	5 709 855.01	8 954 877.56
G. Financial revenue	25 431 079.42	37 969 467.36
I. Dividends and shares in profits, including:	8 307 592.77	11 539 161.70
-- from related entities	893 488.63	479 905.30
II. Interest including:	0.00	0.00
-- from related units	6 867 047.37	10 030 728.72
III. Profit from investment sales	0.00	141 975.59
IV. Updating investments' value	547 056.77	0.00
V. Others	0.00	0.00
H. Financial costs	0.00	1 028 527.68
I. Interest, including:	1 292 593.28	1 501 339.49
-- from related entities	7 100.52	156 627.64
II. Losses from investment sales	0.00	0.00
III. Updating investment values	0.00	0.00
IV. Others	1 285 492.76	1 344 711.85
I. Profit (loss) on business activities (F+G+H)	32 446 078.91	48 007 289.57
J. Result of extraordinary events (J.I-J.II)	0.00	0.00
I. Extraordinary profits	0.00	0.00
II. Extraordinary losses	0.00	0.00
K. Gross profit (loss) (I+ J)	32 446 078.91	48 007 289.57
L. Income Tax	37 125.86	117 107.51
M. Other statutory reductions in profit (increases in loss)	0.00	0.00
N. Net gain (loss) (K-L-M)	32 408 953.05	47 890 182.06

Assistant Bursar  
Teresa Kapcia M.A.

Bursar  
Dr. Maria Hulicka

Rector  
Professor Karol Musioł

Krakow, 12 June 2009

**Consolidated Statement of Changes in Equity (funds)**

for the period 01 January to 31 December 2008

All figures given in Polish Zloty (PLN)

Detailed list, inventory	Previous year	Current year
1	2	3
I. Opening balance of equity	938 427 931.62	1 059 526 882.57
-- adjustments of fundamental errors	0.00	0.00
I.a. Opening balance of equity after adjustments	938 427 931.62	1 059 526 882.57
1. Opening balance of equity	932 661 074.79	1 027 117 929.52
--adjustments of fundamental errors	0.00	0.00
1.a Opening balance of equity after adjustments	932 661 074.79	1 027 117 929.52
1.1 Changes in share capital (funds)	94 456 854.73	93 450 717.58
a) increase (due to)	113 509 851.43	112 296 705.46
--additional fixed assets construction funding (non-depreciatory)	3 296 539.36	72 232 838.06
--JU donation	43 308.10	417 772.51
--Net profit from the previous year	7 585 149.24	32 892 096.46
-- profit transfer to statutory aims of the University	0.00	0.00
--donations of fixed wealth from group II and I	129 965.76	0.00
--disclosing (of fixed wealth)	0.00	0.00
--depreciation write-offs	0.00	0.00
-- funds from the Ministry of Health from centralised accounts for building refurbishing	0.00	0.00
--acceptance of buildings and constructions	2 055 578.97	1 695 913.10
--others	92 156 480.00	0.00
--acceptance of building lots (valuation adjustments)	8 242 830.00	0.00
b) decrease (due to)	19 052 996.70	18 845 987.88
--amortization of shares	0.00	0.00
--amortization of fixed assets	17 164 942.51	17 945 071.96
--covering the costs of previous year's losses	1 818 292.41	483 143.41
--sale of building lots	0.00	0.00
--funding of interdependent entities	69 761.78	417 772.51
1.2 Closing balance of share capital (fund)	1 027 117 929.52	1 120 568 647.10
2. Opening balance of called up share capital	0.00	0.00
2.1 Changes in called up share capital	0.00	0.00
a) increases	0.00	0.00
b) decreases	0.00	0.00
2.2 Closing balance of called up share capital	0.00	0.00
3. Opening balance of own shares	0.00	0.00
a) increases (due to)	0.00	0.00
b) decreases (due to)	0.00	0.00
3.1 Closing balance of own shares	0.00	0.00
4. Opening balance of supplementary capital	0.00	0.00
4.1 Changes in supplementary capital	0.00	0.00
a) increases (due to)	0.00	0.00
-- share issue above nominal value	0.00	0.00
-- from profit distribution (statutory)	0.00	0.00
-- from profit distribution (over the statutory minimum value)	0.00	0.00
b) decreases (due to)	0.00	0.00
-- loss coverage	0.00	0.00
4.2 Closing balance of supplementary capital	0.00	0.00
5. Opening balance of revaluation reserve	0.00	0.00
5.1 Changes in revaluation reserve	0.00	0.00
a) increase (due to)	0.00	0.00
b) decrease (due to)	0.00	0.00
-- sales of tangible fixed assets	0.00	0.00
5.2 Closing balance of revaluation reserve	0.00	0.00
6. Opening balance of other reserve capitals	0.00	0.00
6.1 Changes in other reserve capitals	0.00	0.00
a) increase due to	0.00	0.00
b) decrease due to	0.00	0.00
6.2 Closing balance of other reserve capitals	0.00	0.00
7. Opening balance of profit (loss) from previous years	0.00	0.00
7.1 Opening balance of profit from previous years	0.00	0.00
- adjustments of fundamental accounting errors	0.00	0.00
7.2 Opening balance of previous years' profit after adjustments	0.00	0.00
a) increase due to	0.00	0.00
-- distribution of previous years' profit	0.00	0.00
b) decreases (due to)	0.00	0.00
7.3 Closing balance of previous years' profit	0.00	0.00
7.4 Opening balance of previous years' loss	0.00	0.00
-- adjustments of fundamental accounting errors	0.00	0.00
7.5 Opening balance of previous years' loss, after adjustments	0.00	0.00
a) increase (due to)	0.00	0.00
-- previous years' loss brought forward	0.00	0.00
b) decrease (due to)	0.00	0.00
7.6 Closing balance of previous years' loss	0.00	0.00
7.7 Closing balance of previous years' profit (loss)	0.00	0.00
8. Net result	32 408 953.05	47 890 182.06
a) net profit	32 892 096.46	48 074 955.66
b) net loss	-483 143.41	-184 773.60
c) write-offs on profit	0.00	0.00
II. Closing balance of equity	1 059 526 882.57	1 168 458 829.16
III. Equity including proposed profit distribution (loss coverage)	1 059 526 882.57	1 168 458 829.16

**Consolidated Cash Flow Statement**  
for the period from 01 January to 31 December 2008  
All figures given in Polish Zloty (PLN)

Inventory	Previous Year	Current year
1	2	3
A. Cash flows from operating activities	77 432 814.18	-4 692 639.15
I. Net gain/net loss	32 408 953.05	47 890 182.06
II. Total adjustments	45 023 861.13	-52 582 821.21
1. Depreciation	38 333 760.18	36 528 425.67
2. Currency exchange gains (losses)	962 811.83	-3 044 350.96
3. Interest and profit sharing (dividends)	-896 501.99	-480 460.92
4. Profit (loss) on investment activities	-286 090.23	-19 419 346.21
5. Changes in provisions	3 053 597.05	2 528 333.50
6. Changes in stock	41 871.26	-2 094 690.82
7. Changes in receivables	-6 170 476.82	-25 237 558.74
8. Change in short-term liabilities excluding credits and loans	9 396 610.49	3 184 445.31
9. Change in prepayments and accruals	619 733.04	-43 567 368.59
10. Other adjustments	-31 453.68	-980 249.45
III. Net cash flows from operating activities (I +/- II)	77 432 814.18	-4 692 639.15
B. Cash flows from investment activities	-118 665 051.98	-116 472 074.75
I. Inflows	15 493 359.13	22 706 215.30
1. Disposal of intangible and tangible fixed assets	5 996 502.87	22 226 310.00
2. Disposal of investments in real estate and in intangible and legal assets	0.00	0.00
3. From financial assets, including:	893 488.63	479 905.30
a) in related parties	0.00	0.00
--sale of financial assets	0.00	0.00
--dividend and profit sharing	0.00	0.00
--repayment of granted long-term loans	0.00	0.00
--interest	0.00	0.00
--other inflows from financial assets	0.00	0.00
b) in other entities	893 488.63	479 905.30
--sale of financial assets	0.00	0.00
--dividend and profit sharing	893 488.63	479 905.30
--repayment of granted long-term loans	0.00	0.00
--interest	0.00	0.00
--other inflows from financial assets	0.00	0.00
4. Other inflows from investment activities	8 603 367.63	0.00
II. Outflows	134 158 411.11	139 178 290.05
1. Purchase of intangible assets and tangible fixed assets	131 530 977.84	132 695 741.35
2. Investments in real estate and intangible and legal assets	0.00	0.00
3. For financial assets, including:	252 719.60	1 839 500.00
a) in related entities	0.00	1 838 500.00
--purchase of financial assets	0.00	1 838 500.00
--long-term loans granted	0.00	0.00
b) in other entities	252 719.60	1 000.00
--purchase of financial assets	252 719.60	1 000.00
--long-term loans granted	0.00	0.00
4. Other outflows from investment activities	2 374 713.67	4 643 048.70
III. Net cash flows from investment activities (I-II)	-118 665 051.98	-116 472 074.75
C. Cash flows from financial activities	94 335 666.14	129 727 709.14
I. Inflows	94 343 463.88	130 857 155.00
1. Net inflows from the issue of shares and other capital instruments and from capital contributions	5 000.00	0.00
2. Credits and loans	0.00	0.00
3. Issue of debt securities	0.00	0.00
4. Other inflows from financial activities	94 338 463.88	130 857 155.00
II. Outflows	7 797.74	1 129 445.86
1. Purchase of own shares	0.00	0.00
2. Dividend and other payments to shareholders	0.00	0.00
3. Profit distribution liabilities other than profit distribution payments to shareholders	7 796.78	0.00
4. Repayment of credits and loans	0.00	0.00
5. Redemption of debt securities	0.00	0.00
6. Payment of other financial liabilities	0.00	0.00
7. Payment of liabilities arising from financial leases	0.00	0.00
8. Interest	0.96	0.00
9. Other outflows from financial activities	0.00	1 129 445.86
III. Net cash flows from financial activities (I-II)	94 335 666.14	129 727 709.14
D. Total net cash flows (A.III. +/- B.III +/- C.III)	53 103 428.34	8 562 995.24
E. Balance sheet change in cash, including:	52 140 616.51	11 607 346.20
--change in cash due to currency exchange rate differences	962 811.83	3 044 350.96
F. Opening cash balance	202 266 782.69	254 407 399.20
G. Closing cash balance (F+/-D), including:	255 370 211.03	262 970 394.44
--of limited disposability	16 721 898.25	16 952 554.57

Assistant Bursar  
Teresa Kaptcia M.A.

Bursar  
Dr. Maria Hulicka

Rector  
Professor Karol Musioł

**Independent auditors' report  
to the Senate of the Jagiellonian University in Krakow**

We have audited the attached financial statement of the Jagiellonian University in Krakow, with its seat at Golebia Street 24, which consists of:

- 1) An introduction to the financial statement,
- 2) A balance sheet prepared on 31 December 2008, which on the side of assets and liabilities is summed at 1,785,670,237.58 Polish Zloty (PLN),
- 3) Gains and losses for the fiscal year from 01 January 2008 to 31 December 2008 shows a net profit of 47,890,182.06 Polish Zloty (PLN),
- 4) Specification of changes in JU's fund for the fiscal year 01 January 2008 to 31 December 2008 shows an increase of 108,931,946.59 Polish Zloty (PLN) in the fund
- 5) Cumulative cash flow in the period between 01 January 2008 and 31 December 2008 showing an increase in cash flow to the amount of 8,562,995.24 Polish Zloty (PLN) and after taking into consideration fluctuations in exchange rates an increase to the amount of 11,607,346.20 Polish Zloty (PLN).
- 6) Additional information and explanations.

These financial statements are the responsibility of the rector of the Jagiellonian University. Our audit work has been undertaken so that we might state to the Senate's members those matters we are required to state to it in an auditors' report and for no other purpose. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

The auditing of these financial statements was conducted in accordance with the following provisions:

- 1) Chapter 7 of the Act of 29 September 1994 on Accounting (Official Legal Gazette of 2002, No. 76, item 694 with subsequent amendments),
- 2) The norms of good practice pertaining to the profession of a licensed auditor, as stated by the National Association of Licensed Auditors in Poland.
- 3) The Act on Higher Education of 27 July 2005 ( Official Legal Gazette of 2005 No. 164, item 1365 with subsequent amendments).

The auditing of the financial statements was planned and carried out in such a way as to obtain reasonable assurance, which enabled the expression of an opinion as to these financial statements. In particular, the audit includes an assessment of the accounting principles employed by the University as well as significant estimates and judgements made by the University, supporting the amounts and disclosures which have resulted in the figures and information included in these financial statements. The audit also contains an evaluation of the overall financial statement presentation. We believe that the audit provides a reasonable basis for our opinion.

In our opinion, the audited financial statements, including figures and explanations :

- a. Give a true and fair view of the state of affairs of the University allowing for an assessment of the financial position of the audited University as at 31 December 2008, as well as the financial result for the year 2008 then ended.

- b. were properly prepared in all important aspects in accordance with the above mentioned accounting principles, these being applied successively and on the basis of properly conducted accounting books.
- c. are in accordance with the relevant accounting laws as well as being applied in accordance with the University's statute, rules and regulations.

This audit was prepared by

Statutory Auditor  
Krystyna Klocek  
Reg. No. 1678/3403

Accounting Department  
Of the Association of Accountants in Poland  
"Interfin" Inc.  
Mała Street 1-3, 31-103 Krakow  
Licence No.. KIBR 529  
President  
Statutory auditor  
Jozefa Sasulska MA  
Reg. No. 3852/1414

Krakow, 19 June 2009

Excerpt from the Protocol  
of the Jagiellonian University Senate  
24 June 2009

Applies to points:

14. Draft resolution on the adoption of the consolidated financial statements of the Jagiellonian University.

15. The Senate's draft resolution on the administering of the financial results of the Jagiellonian University for 2008.

**Resolution No. 51/VI/2009**  
**of the Jagiellonian University's Senate**  
24 June 2009

On the adoption of the consolidated financial statements of the University for 2008  
as well as the administering of the financial results  
-accepted unanimously, in an open vote:

Acting pursuant to § 133 of the Statute of the Jagiellonian University, the Senate adopted in an open vote and approved the consolidated financial statements for the year 2008, submitted by the Bursar of the Jagiellonian University, these consisting of:

- 1) The aggregate balance sheet at 31 December 2008, closing on assets and liabilities to the amount of: 1 785 670 237.58 Polish Zloty (PLN).
- 2) The aggregate account of gains and losses for the period 01 January 2008—to 31 December 2008 shows a net profit to the amount of 47 890 182.06 Polish Zloty (PLN).
- 3) The consolidated statement of changes in equity at 31 December 2008, showing an increase of capital to the amount of 108 931 946.59 Polish Zloty (PLN).
- 4) Cumulative cash flow in the period between 01 January 2008 and 31 December 2008 shows an increase in cash flow to the amount of 11 607 346.20 Polish Zloty (PLN).

The net profit to the amount of 47 890 182.06 Polish Zloty (PLN), consists of:

- 1) Net profit JU : 44 237 982.84 Polish Zloty (PLN).
- 2) Net loss of the Łazy Agricultural Research Institute : -143 887.04 Polish Zloty (PLN)
- 3) Net loss of the "Pod Berłami" Conference Centre -40 886.56 Polish Zloty (PLN).
- 4) Net profit of the Medical College: 3 836 972.82 Polish Zloty (PLN).

Simultaneously the Senate of the Jagiellonian University approved the division of the financial results for the year 2008 proposed by the Bursar of the JU

- 1) The Jagiellonian University's profit will be allocated to the University's Primary Fund.
- 2) The Łazy Agricultural Research Institute's loss will be covered by the Agricultural Research Institute's Primary Fund.
- 3) The Conference Centre's loss will be covered by the Centre's Primary Fund.
- 4) The Medical College's profit will be allocated to the Medical College's Primary Fund.