

Financial Statement
Jagiellonian University
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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 basis and operative status is based upon:

1) The act passed on 27 July 2005; the Act on Higher Education (–Official Legal Gazette No. 164, item 1365, with later 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 01 January 2009 to 31 December 2009.

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 Łazy 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 and legal assets - at cost of purchase, decreased by accumulated depreciation and remission as well as charge-offs related to the fixed loss of value.

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 15% 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 Kaptcia M.A.

Bursar
Dr. Maria Hulicka

Rector
Professor Karol Musiol

Krakow, 26 May 2010

**Consolidated Income and Expenditure Account of Entities
Excluding banks and insurers**

For the year ended 31 December 2009

(All figures given in Polish Zloty (PLN) to two decimal points)

ASSETS	Beginning of working year	End of working year
1	2	3
A. Fixed assets	1 426 530 087.95	1 688 605 496.27
I. Intangible fixed assets	929 931.78	1 109 309.68
1. Research and development expenditure	0.00	0.00
2. Goodwill	0.00	0.00
3. Other intangible fixed assets	929 931.78	1 109 309.68
4. Advances payments for intangible and legal assets	0.00	0.00
II. Tangible fixed assets	1 420 220 331.77	1 487 180 731.47
1. Tangible fixed assets in use	1 276 892 907.22	1 407 595 201.62
a) land, (including the right to perpetual usufruct)	585 999 953.62	583 904 969.01
b) buildings, premises	639 993 111.47	748 025 144.18
c) technical equipment, machines	32 702 730.44	49 500 596.15
d) means of transportation	242 013.14	1 061 825.05
e) other fixed assets	17 955 098.55	25 102 667.23
2. Fixed assets under construction	143 327 424.55	79 585 529.85
3. Advance payments for fixed assets under construction	0.00	0.00
III. Long term accounts receivable	191 667.80	195 258 298.52
1. From related entities	0.00	0.00
2. From other entities	191 667.80	195 258 298.52
IV. Long term investments	5 188 156.60	5 057 156.60
1. Real estate	0.00	0.00
2. Intangible and legal assets	0.00	0.00
3. Long-term financial assets	5 188 156.60	5 057 156.60
a) in related entities	4 720 000.00	4 600 000.00
--shares or stocks	4 720 000.00	4 600 000.00
--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	468 156.60	457 156.60
--shares or stocks	468 156.60	457 156.60
--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	359 140 149.63	501 590 468.54
I. Stocks held	5 270 956.93	5 575 439.24
1. Materials (supplies)	269 683.46	255 559.83
2. Semi-finished products and products under realisation	1 145 506.17	1 274 578.18
3. Finished products	2 287 976.37	2 837 894.64
4. Goods	1 839.02	0.00
5. Advances on delivery	1 565 951.91	1 207 406.59
II. Short term accounts receivable	79 746 818.79	182 890 534.06
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	79 746 818.79	182 890 534.06
a) receivables for deliveries, services, terms of repayment:	34 697 267.60	18 305 501.38
--up to 12 months	34 697 267.60	16 121 775.87
--over 12 months	0.00	2 183 725.51
b) receivables for taxes, donations, social security payments, health insurance and other benefits	21 680 059.24	139 605 440.77
c) others	23 369 491.95	24 979 591.91
d) court claims	0.00	0.00
III. Short-term investments	273 137 239.96	311 006 142.38
1. Short-term financial assets	273 137 239.96	311 006 142.38
a) in related entities	5 993 048.70	6 562 154.52
--shares or stocks	0.00	0.00
--other securities	0.00	0.00
--loans granted	5 993 048.70	6 562 154.52
--other short-term financial assets	0.00	0.00
b) in other entities	1 129 445.86	1 338 983.55
--shares or stocks	0.00	0.00
--other securities	0.00	0.00
--loans granted	0.00	150 000.00
--other short-term financial assets	1 129 445.86	1 188 983.55
c) monies and other monetary assets	266 014 745.40	303 105 004.31
--pecuniary assets held in accounts	59 075 295.85	131 350 646.47
--other monies	206 939 449.55	171 754 357.84
--other monetary assets	0.00	0.00
2. Other short-term investments	0.00	0.00
IV. Short-term prepayments and accruals	985 133.95	2 118 352.86
Total assets	1 785 670 237.58	2 190 195 964.81

**Consolidated Income and Expenditure Account of Entities
Excluding banks and insurers**

For the year ended 31 December 2009

(All figures given in Polish Zloty (PLN) to two decimal points)

LIABILITIES	Beginning of the working year	End of the working year
1	2	3
A. Own capital (funds)	1 168 458 829.16	1 298 742 742.76
I. Primary (fundamental) funds	1 120 568 647.10	1 264 476 242.97
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	3 706 632.30
VIII. Net profit (loss)	47 890 182.06	30 559 867.49
IX. Write-off on net profit during the financial year (negative value)	0.00	0.00
B. Liabilities and provisions for liabilities	617 211 408.42	891 453 222.05
I. Provisions for liabilities	35 667 078.75	41 351 893.71
1. Provision for deferred income tax	0.00	0.00
2. Provision set aside for retirement pensions and other benefits	25 358 110.38	41 351 893.71
--long-term	0.00	0.00
--short-term	25 358 110.38	41 351 893.71
3. Other provisions	10 308 968.37	0.00
--long-term	10 308 968.37	0.00
--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	89 541 329.02	100 344 164.81
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	38 959 195.22	50 867 605.32
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	17 508 633.68	17 560 217.81
--up to 12 months	17 508 633.68	17 560 217.81
--over 12 months	0.00	0.00
e) received advances on deliveries	0.00	0.00
f) promissory notes	0.00	0.00
g) from taxes, duty, insurance and other benefits	12 751 336.64	15 492 259.71
h) for remuneration (pay)	1 666 291.86	1 603 763.29
i) others	7 032 933.04	16 211 364.51
3. Special Funds	50 582 133.80	49 476 559.49
a) University welfare benefit fund	37 466 165.96	38 650 184.42
b) Student financial assistance	12 091 638.63	9 797 300.92
c) The University's scholarship fund	929 419.37	1 029 074.15
d) The University's reward fund	0.00	0.00
e) Implementation fund	0.00	0.00
f) other special funds	94 909.84	0.00
IV. Prepayments and accruals	492 003 000.65	749 757 163.53
1. Negative goodwill	0.00	0.00
2. Other accruals	492 003 000.65	749 757 163.53
--long-term	213 097 145.36	408 435 630.76
--short-term	278 905 855.29	341 321 532.77
Total Liabilities	1 785 670 237.58	2 190 195 964.81

Assistant Bursar
Teresa Kapcia M.A.

Bursar
Dr. Maria Hulicka

Rector
Professor Karol Musiol

Krakow, 26 May 2010

Consolidated Statement of Total Recognised Gains and Losses
for the period from 01 January to 31 December 2009
(All figures given in Polish Zloty (PLN) to two decimal points)

Inventory	Previous year	Current year
1	2	3
A. Net revenues from sales of products, goods and materials, including:	634 109 193.11	683 994 742.09
--from related entities	0.00	0.00
I. Net revenues from sales of products	633 594 386.92	687 853 470.82
II. Change in product state (increase-positive value, decrease-negative value)	-153 641.64	-4 662 686.34
III. Product production cost for an entity's own requirements	623 917.62	741 929.13
IV. Net revenue from product and material sales	44 530.21	62 028.48
B. Operational activity costs	619 938 812.62	679 999 032.05
I. Depreciation	36 528 425.67	42 452 242.74
II. Material and energy usage	49 374 277.88	52 967 624.63
III. External services	57 500 082.52	67 018 703.94
IV. Taxes and payments, including:	620 831.41	525 029.03
--excise (duty) tax	20.00	1 147.71
V. Remuneration	351 728 602.22	384 615 068.71
VI. Social security payments and other benefits	72 035 376.88	77 702 901.82
VII. Other costs	52 106 685.83	54 656 863.59
VIII. The value of sold products and materials	44 530.21	60 597.59
C. Gross profit (loss) on sales (A-B)	14 170 380.49	3 995 710.04
D. Other operating revenues	34 219 538.93	23 569 380.58
I. Profit on non-financial fixed asset disposal	19 301 373.06	108 875.05
II. Subsidies	198 453.96	136 672.26
III. Other operating revenues	14 719 711.91	23 323 833.27
E. Other operational expenses	10 420 452.06	8 358 981.11
I. Loss on non-financial fixed asset disposal	0.00	0.00
II. Updating of fixed asset values	1 465 574.50	2 080 488.78
III. Other operational expenses	8 954 877.56	6 278 492.33
F. Profit (loss) from operational activity (C+D-E)	37 969 467.36	19 206 109.51
G. Financial revenue	11 539 161.70	11 611 929.64
I. Dividends and shares in profits, including:	479 905.30	231 488.88
-- from related entities	0.00	0.00
II. Interest, including:	10 030 728.72	10 508 775.81
-- from related units	141 975.59	157 753.34
III. Profit from investment sales	0.00	0.00
IV. Updating investments' value	0.00	0.00
V. Others	1 028 527.68	871 664.95
H. Financial costs	1 501 339.49	138 185.29
I. Interest, including:	156 627.64	7 093.29
-- from related entities	0.00	0.00
II. Losses from investment sales	0.00	0.00
III. Updating investment values	0.00	131 000.00
IV. Others	1 344 711.85	92.00
I. Profit (loss) on business activities (F+G+H)	48 007 289.57	30 679 853.86
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)	48 007 289.57	30 679 853.86
L. Income Tax	117 107.51	119 986.37
M. Other statutory reductions in profit (increases in loss)	0.00	0.00
N. Net gain (loss) (K-L-M)	47 890 182.06	30 559 867.49

Assistant Bursar
Teresa Kaptcia M.A.

Bursar
Dr. Maria Hulicka

Rector
Professor Karol Musioł

Krakow, 26 May 2010

Consolidated Statement of Changes in Equity (funds)

for the period 01 January to 31 December 2009

(All figures given in Polish Zloty (PLN))

Inventory	Previous year	Current year
1	2	3
I. Opening balance of equity	1 059 526 882.57	1 168 458 829.16
-- adjustments of fundamental errors	0.00	3 706 632.30
I.a. Opening balance of equity after adjustments	1 059 526 882.57	1 172 165 461.46
1. Opening balance of equity	1 027 117 929.52	1 120 568 647.10
-- adjustments of fundamental errors	0.00	0.00
1.a Opening balance of equity after adjustments	1 027 117 929.52	1 120 568 647.10
1.1 Changes in share capital (funds)	93 450 717.58	143 907 595.87
a) increase (due to)	112 296 705.46	166 504 320.03
-- additional fixed assets construction funding (non-depreciatory)	72 232 838.06	109 843 312.34
-- JU donation	417 772.51	0.00
-- net profit from the previous year	32 892 096.46	48 074 955.66
-- profit transfer to statutory aims of the University	0.00	0.00
-- donations of fixed wealth from group II and I	0.00	6 020 000.00
-- disclosing (of fixed wealth)	0.00	2 281 939.81
-- 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	1 695 913.10	284 112.22
-- differences in exchange rates affecting fixed assets taken from investments	0.00	0.00
-- acceptance of fixed assets – adjustment from previous years	5 058 085.33	0.00
-- others	0.00	0.00
-- acceptance of building lots (valuation adjustments)	0.00	0.00
b) decrease (due to)	18 845 987.88	22 596 724.16
-- amortization of shares	0.00	0.00
-- amortization of fixed assets	17 945 071.96	22 411 950.56
-- covering the costs of previous year's losses	483 143.41	184 773.60
-- funding of interdependent entities	417 772.51	0.00
1.2 Closing balance of share capital (fund)	1 120 568 647.10	1 264 476 242.97
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	47 890 182.06
7.1 Opening balance of profit from previous years	0.00	47 890 182.06
-- adjustments of fundamental accounting errors	0.00	3 706 632.30
7.2 Opening balance of previous years' profit, after adjustments	0.00	51 596 814.36
a) increase due to	0.00	0.00
-- distribution of previous years' profit	0.00	0.00
b) decreases (due to)	0.00	47 890 182.06
-- distribution of previous years' profit (transfer to primary fund)	0.00	47 890 182.06
7.3 Closing balance of previous years' profit	0.00	3 706 632.30
7.4 Opening balance of previous years' loss	0.00	0.00
-- adjustments of fundamental 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	3 706 632.30
8. Net result	47 890 182.06	30 559 867.49
a) net profit	48 074 955.66	30 559 867.49
b) net loss	-184 773.60	0.00
c) write-offs on profit	0.00	0.00
II. Closing balance of equity	1 168 458 829.16	1 298 742 742.76
III. Equity including proposed profit distribution (loss coverage)	1 168 458 829.16	1 298 742 742.76

Consolidated Cash Flow Statement
for the period from 01 January to 31 December 2009
(All figures given in Polish Zloty (PLN))

Inventory	Previous Year	Current year
1	2	3
A. Cash flows from operating activities	-4 692 639.15	151 241 953.50
I. Net gain/net loss	47 890 182.06	30 559 867.49
II. Total adjustments	-52 582 821.21	120 682 086.01
1. Depreciation	36 528 425.67	42 452 242.74
2. Currency exchange gains (losses)	-3 044 350.96	446 642.99
3. Interest and profit sharing (dividends)	-480 460.92	-330 340.06
4. Profit (loss) on investment activities	-19 419 346.21	618 179.68
5. Changes in provisions	2 528 333.50	5 684 814.96
6. Changes in stock	-2 094 690.82	-304 482.31
7. Changes in receivables	-25 237 558.74	-298 210 345.99
8. Change in short-term liabilities excluding credits and loans	3 184 445.31	-59 704.36
9. Change in prepayments and accruals	-43 567 368.59	370 170 888.61
10. Other adjustments	-980 249.45	214 189.75
III. Net cash flows from operating activities (I +/- II)	-4 692 639.15	151 241 953.50
B. Cash flows from investment activities	-116 472 074.75	-113 705 051.60
I. Inflows	22 706 215.30	7 538 637.48
1. Disposal of intangible and tangible fixed assets	22 226 310.00	147 957.38
2. Disposal of investments in real estate and in intangible and legal assets	0.00	0.00
3. From financial assets, including:	479 905.30	1 440 680.10
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	479 905.30	1 440 680.10
--sale of financial assets	0.00	0.00
--dividend and profit sharing	479 905.30	231 488.88
--repayment of granted long-term loans	0.00	0.00
--interest	0.00	79 745.36
--other inflows from financial assets	0.00	1 129 445.86
4. Other inflows from investment activities	0.00	5 950 000.00
II. Outflows	139 178 290.05	121 243 689.08
1. Purchase of intangible assets and tangible fixed assets	132 695 741.35	113 396 942.38
2. Investments in real estate and intangible and legal assets	0.00	0.00
3. For financial assets, including:	1 839 500.00	1 188 983.55
a) in related entities	1 838 500.00	0.00
--purchase of financial assets	1 838 500.00	0.00
--long-term loans granted	0.00	0.00
b) in other entities	1 000.00	1 188 983.55
--purchase of financial assets	1 000.00	1 188 983.55
--long-term loans granted	0.00	0.00
4. Other outflows from investment activities	4 643 048.70	6 657 763.15
III. Net cash flows from investment activities (I-II)	-116 472 074.75	-113 705 051.60
C. Cash flows from financial activities	129 727 709.14	0.00
I. Inflows	130 857 155.00	0.00
1. Net inflows from the issue of shares and other capital instruments and from capital contributions	0.00	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	130 857 155.00	0.00
II. Outflows	1 129 445.86	0.00
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	0.00	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	0.00	0.00
9. Other outflows from financial activities	1 129 445.86	0.00
III. Net cash flows from financial activities (I-II)	129 727 709.14	0.00
D. Total net cash flows (A.III. +/- B.III +/- C.III)	8 562 995.24	37 536 901.90
E. Balance sheet change in cash, including:	11 607 346.20	37 090 258.91
--change in cash due to currency exchange rate differences	3 044 350.96	-446 642.99
F. Opening cash balance	254 407 399.20	266 014 745.40
G. Closing cash balance (F+/-D), including:	262 970 394.44	303 551 647.30
--of limited disposability	16 952 554.57	29 491 232.72

Assistant Bursar
Teresa Kapcia M.A.

Bursar
Dr. Maria Hulicka

Rector
Professor Karol Musioł

Krakow, 26 May 2010

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

We have audited the attached, consolidated financial statement of the Jagiellonian University, with its seat at Gołębia Street 24 in Kraków 31-007, which consists of an introduction to the consolidated financial statement, the consolidated balance sheet on the day of 31.12.2009, the total account for profits and losses, the statement of changes in total equity (fund), the consolidated cash flow statement for the fiscal year from 01.01.2009 year to 31.12.2009 and additional information and explanations pertaining to the consolidated financial statement.

The preparation of a consolidated financial statement in accordance with the applicable provisions is the responsibility of the rector of the Jagiellonian University.

The rector of the Jagiellonian University and members of the Senate or any other body overseeing the Jagiellonian University in Krakow, are obliged to ensure that the consolidated financial statement meets the requirements as stated under the Act of 29 September 1994 on Accounting (Official Legal Gazette of 2009, No. 152, item 1223 with subsequent amendments.), referred to as the "Law on Accounting".

Our responsibility was to research and express an opinion in compliance with applicable accounting principles (policy) of the consolidated financial statements as to whether it fairly and clearly presents, in all material respects, the financial position as well as the consolidated financial results of the Jagiellonian University and the accuracy of the accounts based on our audit.

The audit of the combined financial statement has been conducted in accordance with the provisions of:

- 1) Chapter 7 of the Accounting Act
- 2) national and auditing standards issued by the National Council of Chartered Accountants 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 audit of the consolidated financial statement was planned and conducted in such a way as to obtain a reasonable basis for expressing an opinion thereon. In particular, the audit included a report on the accuracy of the Jagiellonian University's accounting principles (policies) and the significant estimates, checking – primarily on a random basis - the evidence and accounting records supporting the amounts and disclosures in the consolidated financial statement and evaluating the overall consolidated financial statement.

We believe that our audit provides a reasonable basis for our opinion.

In our opinion the audited combined financial statement, in all relevant respects:

- a) gives true and fair information, essential for evaluating the financial position of the Jagiellonian University as of 31.12.2009, as well as its overall financial results for the fiscal year from 01.01.2009 to 31.12.2009
- b) has been prepared in accordance with the necessary application of principles (policy) on the basis of accounting and properly maintained accounting records,
- c) is in compliance with the laws and decisions of the Jagiellonian University which may affect the content of the financial statement.

Ireneusz Biernat
register number 10322
chief auditor conducting the audit on behalf of
BDI Audit Sp. z o.o.
31-444 Krakow
Śliczna Street 30, apt.47,
Authorized to audit
financial statements No. 3036

**Resolution of the Senate
Resolution No. 48/VI/2010
of the Jagiellonian University Senate
30 June 2010**

On the matter of: the approval of the consolidated financial statement for the year 2009 at the Jagiellonian University and division of the combined financial result of the Jagiellonian University for the year 2009.

Acting pursuant to § 133 of the Statute of the Jagiellonian University, the Senate adopted and approved in an open vote the combined financial statement of the Jagiellonian University for the year 2009, submitted by the Bursar of UJ, consisting of:

- 1) The aggregate balance sheet on 31.12.2009 closing on assets and liabilities to the amount of: 2,190,195,964.81 PLN
 - 2) the consolidated income statement for the period 1.01.2009 - 31.12.2009, showing a net profit to the amount of 30,559,867.49 PLN
 - 3) a summary of changes in shareholders' equity on the day of 31.12.2009, showing an increase in capital to the amount of: 130,283,913.60 PLN
 - 4) the consolidated cash flow statement for the period from 1.01.2009 - 31.12.2009, showing an increase in cash to the amount of: 37,090,258.91 PLN
- Net income to the amount of 30,559,867.49 PLN consists of:
- 1) the University's net profit of 23,812,775.74 PLN,
 - 2) Net profit for the Łazy Agricultural Research Institute – 5,195.29 PLN,
 - 3) Net loss for the “Pod Berłami” Conference Centre – 22,105.36 PLN
 - 4) Net profit for the Medical College – 6,764,001.82 PLN

The financial report for 2009 showed further profit from previous years for the Medical College to the amount of 3,706,632.30 PLN.

Simultaneously the Senate of the Jagiellonian University approved the division of the financial results for the year 2009 proposed by the Bursar of the JU as well as the proposed distribution of retained earnings disclosed in the financial statement for the year 2009.

- 1) The Jagiellonian University's profit is to be allocated to the University's Primary Fund.
- 2) The Łazy Agricultural Research Institute's profit is to be allocated to enhance 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 for 2009 and from previous years will be allocated to enhance the Medical College's Primary Fund.