



ANNUAL REPORT 2012

Aspen Institute Prague o.p.s.



Aspen Institute Prague o.p.s.

Palackého 740/1
110 00 Prague 1
Czech Republic

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E-mail: office@aspeninstitute.cz

Web: www.aspeninstitute.cz

A company registered in the Register of Public Benefit Companies maintained by the Municipal Court in Prague, Section O, Insert No. 954.

Company Registration Number 242 470 73

Tax Registration Number CZ 242 470 73



Introductory Word



After a year of intensive preparations, the Aspen Institute Prague was established in July 2012, thus becoming the ninth member of Aspen Institute’s global network.

The decision to open an Aspen branch in Central Europe was made in response to the current situation in the region, defined by social fragmentation, a deep lack of trust in politics and a shortage of personalities with leadership qualities, strategic thinking and vision. Thanks to the support of distinguished individuals such as Madeleine K. Albright, Fred Malek, Karel Schwarzenberg or Michaela and Zdeněk Bakala, the American Aspen Institute approved the establishment of a new partner institution in Prague. In its efforts to link various ideas, professions and interests, the Aspen Institute acknowledges the current needs of Central European countries, which are striving for greater involvement in the global society.

The activities of the Institute are divided into three areas: Leadership, Policy and Public. In their implementation we focus on priorities that are key for the future of the Central European region. One of such objectives is the systematic search for young, talented leaders and providing support for their personal and professional development.

The Aspen Institute Prague, in accordance with the traditions of the American Aspen Institute, is strictly an independent, non-partisan and non-ideological organization. A true guarantee of the Institute’s independence - not only in theory but also in practice - is the composition of its Board of Directors. Just like in the American Aspen, where Madeleine K. Albright and Condoleezza Rice sit side-by-side on the Board of Directors, our Board comprises recognized experts and respected personalities of the Czech and European commercial and business sectors as well as representatives of parties across the political spectrum. This is a structure that is very unusual in our region.

The above mentioned would not have been possible without the personal involvement of numerous individuals, who helped us to establish our Institute, and I am thankful for their trust and support. I would like to thank the members of the Board of Directors and the Supervisory Board, who decided to contribute their expertise and professionalism to the Aspen Institute Prague. Special thanks go to all sponsors, donors and partners, whose support is key to our operation.

I look forward to seeing you at our events.



Radek Špicar

Executive Director

Aspen Institute Prague



ABOUT US

The Aspen Institute Prague (AIP) is the Central European partner of the Aspen Institute global network. It serves as a non-partisan and non-ideological platform where political and business leaders, as well as leading artists, sportspeople and scientists, can meet and act. Our main objective is to build an open society and support young Central European leaders from various professions in their personal and values-based development.



ESTABLISHMENT

In the spring of 2012, the Board of Directors of the American Aspen Institute, under the leadership of Walter Isaacson, approved the establishment of a Central European partner with headquarters in Prague. The Memorandum of Understanding between the Aspen Institute US and the Preparatory Committee of the Aspen Institute Prague was signed on April 13. Then, on May 11, our founders signed the Articles of Association of the Aspen Institute Prague, and, on July 11, the Institute was registered in the Czech Republic at the Municipal Court in Prague as Public Benefit Company.

The Aspen Institute Prague launched its operations in Central Europe with the conference *Crisis as Opportunity: Europe and the United States in a Globalized World*, which was held on July 19, in the Senate of the Parliament of the Czech Republic, and attended by former US Secretary of State Madeleine K. Albright and twenty former Foreign Ministers from around the world, members of the Aspen Ministers Forum.

Programs and activities



AIP's activities are divided into three programs: Leadership, Policy and Public. When implementing these programs, the Aspen Institute Prague addresses topics related to Central Europe. At the same time, it focuses on the development of strategic thinking that crosses local and sector-related boundaries, and thereby supports leaders in the region.

Leadership

The Aspen Institute Prague offers young leaders in Central Europe new opportunities to develop their personal and professional skills. Thanks to AIP scholarships, distinct personalities from various professions can take part in Aspen events organized around the world. Each year, AIP also organizes the *Aspen Institute Young Leaders Program*. Everyone involved in the Leadership program may become part of an informal alumni group, the objective of which is to promote professional ties between scholarship holders.

In 2012, Aspen Prague scholarship holders took part in the *Aspen Ideas Festival* (June 27 - 29, 2012) and the *Socrates Seminar* (July 5 - 8, 2012) in the American city of Aspen, Colorado. The first *Aspen Institute Young Leaders Program* will be held in the Low Tatra Mountains of Slovakia in early 2013.

Policy

As part of the Policy program, the Aspen Institute Prague organizes independent forums for analysis, consensus-building and problem-solving in various areas of public life. In order to have truly open discussions, based on Chatham House rules these gatherings are in most cases closed to the public and the media.

In 2012, AIP co-organized the Aspen Ministers Forum (July 20 - 23), which was followed in the fall by two high-level political meetings: a working lunch on the topic of transatlantic developments with Madeleine K. Albright (October 23), and the Policy Makers Seminar: *Visegrad Group and Germany - Prospects of Cooperation* (November 13 - 14). This event, which was organized in cooperation with the Czech Ministry of Foreign Affairs, the International Visegrad Fund, and Konrad Adenauer Stiftung, hosted 150 experts, politicians, and leaders from the Czech Republic, Germany, Hungary, Poland and Slovakia.





Public

AIP organizes public conferences and debates on a regular basis. These reflect the AIP’s efforts to inform and actively involve a large number of participants. The events include the Annual Conference and the ASPEN DNES panel discussions, with the first public discussion to take place in early 2013.

The international conference *Crisis as Opportunity: Europe and the United States in a Globalized World*, which took place on July 19 at the Senate of the Parliament of the Czech Republic, officially launched the activities of the organization. At this conference, AIP had the privilege of welcoming important guests, such as former US Secretary of State Madeleine K. Albright and two dozen former Foreign Ministers from around the world. Many of them – such as Sir Malcolm L. Rifkind (former Foreign Secretary of the UK), Adam Daniel Rotfeld (former Foreign Minister of Poland), Ana de Palacio (former Foreign Minister of Spain), Andrej Kozyrev (former Foreign Minister of Russia), Lord Peter Mandelson (former European Commissioner for Trade) and Sir Donald McKinnon (former Secretary-General of the Commonwealth of Nations) – took part in the conference panels.

In October 2012, AIP offered the general public a debate entitled *Media (R)evolution: Media Changes in Central Europe*, organized as part of the Forum 2000 conference. Panel participants included journalists and editors-in-chief from Central and Eastern Europe, who discussed the topic of current trends in the media.

Aspen Review Central Europe

The primary objective of this quarterly journal is to present various current topics from different viewpoints to the general public. The publication, which contains analyses and commentaries, is divided up into four sections: Cover Story, Politics, Economy and Culture. Aspen Review comes in three language versions – Czech, English and Polish – and can be purchased in selected bookshops or ordered on-line.

The promotional issue entitled *Stronger Germany in a Weaker Europe* was published in the summer of 2012 and the first regular issue *Are We Safe?*, featuring questions on security, was published in November.





Aspen Institute Prague events in 2012

July 8	First meeting of the Board of Directors
July 18	Aspen Review Central Europe: <i>Stronger Germany in a Weaker Europe</i>
July 19	Aspen Institute Prague launch conference: <i>Crisis as Opportunity: Europe and the United States in a Globalized World</i>
July 20 - 23	Aspen Ministers Forum
October 23	Working lunch with Madeleine K. Albright
October 23	Discussion panel in the framework of the Forum 2000 conference: <i>Media (R)evolution: Media Change in Central Europe</i>
October 23	Meeting of Friends of the Aspen Institute Prague
November 13	Meeting of Friends of the Aspen Institute Prague
November 13 - 14	Policy Makers Seminar: <i>Visegrad Group and Germany - Prospects for Cooperation</i>
November 28	Aspen Review Central Europe: <i>Are We Safe?</i>
November 30	Second meeting of the Board of Directors
December 12	Meeting of Friends of the Aspen Institute Prague





Support for our activities

The activities of the Aspen Institute Prague are financed from various sources, which include corporate partnerships, donations from companies and individuals, grants, proceeds from our magazine and advertising.

Corporate and institutional partnerships have the following forms:

- Event partnerships (partnerships for specific events)
- General partnerships (year-round cooperation)
- Strategic partnerships (year-round cooperation with a vital contribution to the development of AIP activities)

In 2012, the efforts of our organization were supported by the following companies and institutions:

- Fondation Zdenek et Michaela Bakala*
- International Visegrad Fund*
- Konrad Adenauer Stiftung*
- KPMG*
- Ministry of Foreign Affairs of the Czech Republic*
- Techo*
- The Boston Consulting Group*



Private donations are another form of support received by the Institute. Financial support provided by individuals contributes to our activities and operations and helps to expand the potential of Aspen programs in our region. In 2012, Aspen received donations from the following individuals:

- Martin Bednář*
- Martin Hamšík*
- Petr Jonák*
- Robert Ralph Kiene*
- Milan Kilík*
- Martina Macáková*
- Michal Martinko*
- Tomáš Němec*
- Martina Outlá*





Friends of the Aspen Institute Prague

All supporters are invited to become part of the Friends of the Aspen Institute Prague. This allows networking with guests and speakers of Aspen programs and among the donors themselves, contributes to the development of the community of people who share our mission and helps to spread Aspen ideals among the general public.

Internships

Student internships are another way to support AIP activities. Internships are offered to university students, who are included in the day-to-day activities of the organization and in the implementation of programs. Internships usually last two months with the possibility of extension. In 2012, five students had the opportunity to get engaged into the Aspen Institute Prague work.



Organization's bodies



Board of Directors

Michael Žantovský	<i>President of the Aspen Institute Prague, Ambassador of the Czech Republic to the United Kingdom</i>
Tomáš Klvaňa	<i>Vice-President of the Aspen Institute Prague, Lecturer</i>
Vladimír Dlouhý	<i>Economist, Goldman Sachs</i>
Jan Hamáček	<i>Member of the Parliament (Czech Social Democratic Party)</i>
Ivan Hodač	<i>Secretary-General of the European Automobile Manufacturers' Association</i>
Pavel Kavánek	<i>CEO of Československá obchodní banka</i>
Tatána le Moigne	<i>Country Director of Google Czech Republic</i>
Zdeněk Tůma	<i>KPMG Advisor (Board of Directors member until November 30, 2012)</i>
Jan Zahradil	<i>Member of the European Parliament, Deputy Chairman of the European Conservatives and Reformists Group</i>

Supervisory Board

Zdeněk Bakala	<i>Entrepreneur, Investor and Philanthropist</i>
Pepper de Callier	<i>Founder and Director of the Prague Leadership Institute</i>
Jiří Schneider	<i>First Deputy Minister of Foreign Affairs of the Czech Republic</i>

Executive Staff

Radek Špicar	<i>Executive Director</i>
Maria Staszkievicz	<i>Deputy Executive Director</i>
Tomáš Bouška	<i>Strategy Manager</i>
Milan Zubíček	<i>Program Manager</i>
Pavla Trůblová	<i>Head of Office</i>





FINANCIAL STATEMENTS

Balance Sheet

Aspen Institute Prague o.p.s.
Palackého 740/1
110 00 Praha 1
Czech Republic
Non-profit organization

as at 31 Dec. 2012
(In whole CZK'000)

Company Reg No.
242 47 073

Prepared in compliance with Decree No. 504/2002 Coll., as amended

<i>Assets</i>		Row No.	State as at the first day of the accounting period	State as at the last day of the accounting period
a		b	1	2
A. Total fixed assets (rows 9 + 20 + 28 + 40)		1	0	604
Intangible fixed assets	Research and development	2	-	-
	Software	3	-	-
	Valuable rights (patents, licences and know-how)	4	-	-
	Minor intangible fixed assets	5	-	-
	Other intangible fixed assets	6	-	-
	Intangible fixed assets under construction	7	-	-
	Advance payments for intangible fixed assets	8	-	-
	I. Total intangible fixed assets (sums of rows 2 to 8)	9	0	0
Tangible fixed assets	Land	10	-	-
	Works of art, items and collections	11	-	-
	Buildings	12	-	-
	Machinery, equipment, vehicles, furniture and fixtures	13	-	647
	Perennial crops	14	-	-
	Breeding and draft animals	15	-	-
	Low-value tangible fixed assets	16	-	-
	Other tangible fixed assets	17	-	-
	Tangible fixed assets under construction	18	-	-
	Advance payments for tangible fixed assets	19	-	-
II. Total tangible fixed assets (sum of rows 10 to 19)	20	0	647	
Long-term financial assets	Financial assets and shares in subsidiaries	21	-	-
	Financial assets and shares in associates	22	-	-
	Bonds held until maturity	23	-	-
	Loans to branches	24	-	-
	Other long-term loans	25	-	-
	Other long-term financial assets	26	-	-
	Acquisition of financial assets	27	-	-
III. Total long-term financial assets (sum of rows 21 to 27)	28	0	0	
Accumulated amortization - fixed assets	Accumulated amortization - research and development	29	-	-
	Accumulated amortization - software	30	-	-
	Accumulated amortization - valuable rights	31	-	-
	Accumulated amortization - low-value intangible fixed assets	32	-	-
	Accumulated amortization - other intangible fixed assets	33	-	-
	Accumulated depreciation - buildings	34	-	-
	Accumulated depreciation - machinery, equipment, vehicle, furniture and fixtures	35	-	-43
	Accumulated depreciation - perennial crops	36	-	-
	Accumulated depreciation - breeding and draught animals	37	-	-
	Accumulated depreciation - low-value tangible fixed assets	38	-	-
Accumulated depreciation - other tangible fixed assets	39	-	-	
IV. Total accumulated depreciation - fixed assets (sum of rows 29 to 39)	40	0	-43	

Assets

	Row No.	State as at the first day of the accounting period	State as at the last day of the accounting period
a	b	1	2
B. Total short-term assets (rows 51 + 71 + 80 + 84)	41	0	4 160
Inventory			
Material in stock	42	-	-
Material in transit	43	-	-
Work-in-progress	44	-	-
Semi-finished products	45	-	-
Finished products	46	-	-
Animals	47	-	-
Goods in hand	48	-	-
Goods in transit	49	-	-
Advances on inventory	50	-	-
I. Total inventory (sum of rows 42 to 50)	51	0	0
Receivables			
Accounts receivable (customers)	52	-	37
Bills of exchange receivable	53	-	-
Receivables from discounted notes	54	-	-
Advance operating payments given	55	-	-
Other receivables	56	-	-
Receivables from employees	57	-	-
Receivables from social security and health insurance institutions	58	-	-
Income tax	59	-	-
Other direct taxes	60	-	-
Value added tax	61	-	-
Other taxes and fees	62	-	-
Subsidies from state budget	63	-	-
Subsidies from local government budgets	64	-	-
Receivables from partners in an association	65	-	-
Receivables from fixed term operations and options	66	-	-
Receivables from issued bonds	67	-	-
Other receivables	68	-	-
Estimated accrued revenues	69	-	-
Adjustments to doubtful receivables	70	-	-
II. Total receivables (sum of r. 52 to 70)	71	0	37
Short-term financial assets			
Petty cash	72	-	46
Liquid valuables (stamps and vouchers)	73	-	-
Bank accounts	74	-	4 073
Shares and similar securities	75	-	-
Bonds, debentures and similar securities	76	-	-
Other securities	77	-	-
Acquisition of short-term financial assets	78	-	-
Cash in transit	79	-	-
III. Total short-term financial assets (sum of rows 72 to 79)	80	0	4 119
Other assets			
Deferred expenses	81	-	3
Accrued revenues	82	-	-
Foreign currency exchange losses	83	-	1
IV. Total other assets (sum of rows 81 to 83)	84	0	4
TOTAL ASSETS (r. 1 + 41)	85	0	4 764
Control number (r. 1 to 85)	997	-	19 056

Liabilities

	Row No.	State as at the first day of the accounting period	State as at the last day of the accounting period	
	c	d	3	4
A. Total own resources (rows 90 + 94)				
		86	0	3 437
Equity	Equity	87	-	-
	Funds	88	-	3 437
	Gains or losses from revaluation of financial assets and payables	89	-	-
	I. Total assets (sum of rows 87 to 89)	90	0	3 437
Profit/loss	Profit/loss account	91	-	-
	Profit/loss under approval	92	-	-
	Retained earning, accumulated losses from previous years	93	-	-
	II. Total profit/loss (sum of rows 91 to 93)	94	0	0
B. Total liabilities (sum of rows 97 + 105 + 129 + 133)				
		95	0	1 327
Provisions	Provisions	96	-	-
	I. Total provisions (sum of row 96)	97	0	0
Long-term payables	Long-term bank loans	98	-	-
	Bonds issued	99	-	-
	Payables from lease	100	-	-
	Long-term advances received	101	-	-
	Long-term bills of exchange payable	102	-	-
	Estimated accrued expenses	103	-	-
	Other long-term payables	104	-	287
	II. Total long-term payables (sum of rows 98 to 104)	105	0	287
Short-term payables	Accounts payable (suppliers)	106	-	116
	Bills of exchange payable	107	-	-
	Advances received	108	-	-
	Other payables	109	-	183
	Payroll (wages and salaries) payable	110	-	292
	Other payables to employees	111	-	-
	Due to social security and health insurance institutions	112	-	181
	Income tax	113	-	-
	Other direct taxes	114	-	74
	Value added tax	115	-	1
	Other taxes and fees	116	-	-
	Payables in relation to state budget	117	-	-
	Payables in relations to local government budgets	118	-	-
	Payables for unpaid subscribed shares and participations	119	-	-
	Payables to partners in an association	120	-	-
	Payables in relation to fixed term operations and options	121	-	-
	Other payables	122	-	159
	Short-term bank loans	123	-	-
	Credits for discounted notes	124	-	-
	Issued short-term bonds	125	-	-
Own bonds issued	126	-	-	
Estimated accrued expenses	127	-	34	
Other short-term financial assistance	128	-	-	
III. Total short-term payables (sum of rows 106 to 128)	129	0	1 040	
Other liabilities	Accrued expenses	130	-	-
	Deferred revenues	131	-	-
	Foreign currency exchange gains	132	-	-
	IV. Total other liabilities (sum of rows 130 to 132)	133	0	0
TOTAL LIABILITIES (r. 86 + 95)				
		134	0	4 764
Control number (rows 86 to 133)				
		998	-	19 056

Date: 29 May 2013

Signature of the statutory body or natural person
who is responsible for the accounting entity:



Radek Špicar
Executive Director

Profit and loss account

Prepared in compliance with Decree No. 504/2002, as amended

Account No.	Name of indicator	Row No.	Activity			Total
			Primary 5	Economic 6	x 7	
A. Expenses						
I. Total consumed purchases			347	0	0	347
501	Consumed material	1	347	-	-	347
502	Utilities expenses	2	-	-	-	-
503	Consumption of other non-inventory items	3	-	-	-	-
504	Cost of merchandise sold	4	-	-	-	-
II. Total services			2 432	0	0	2 432
511	Repairs and maintenance	5	111	-	-	111
512	Travel expenses	6	23	-	-	23
513	Entertainment and promotion expenses	7	190	-	-	190
518	Other services	8	2 108	-	-	2 108
III. Personnel expenses			2 269	0	0	2 269
521	Wages and salaries	9	1 689	-	-	1 689
524	Statutory social security insurance	10	573	-	-	573
525	Other social security insurance	11	-	-	-	-
527	Statutory social security expenses	12	7	-	-	7
528	Other social security expenses	13	-	-	-	-
IV. Total taxes and fees			1	0	0	1
531	Road tax	14	-	-	-	-
532	Real estate tax	15	-	-	-	-
538	Other taxes and fees	16	1	-	-	1
V. Total other expenses			41	0	0	41
541	Contractual penalties and default interest	17	-	-	-	-
542	Other fines and penalties	18	-	-	-	-
543	Write-off of bad debt	19	-	-	-	-
544	Interest	20	9	-	-	9
545	Foreign exchange losses	21	7	-	-	7
546	Gifts	22	-	-	-	-
548	Shortages and damages	23	-	-	-	-
549	Other operating expenses	24	25	-	-	25
VI. Total depreciation, sold assets, reserves and adjustments			43	0	0	43
551	Depreciation of intangible and tangible fixed assets	25	43	-	-	43
552	Net book value of sold intangible and tangible fixed assets	26	-	-	-	-
553	Securities and shares sold	27	-	-	-	-
554	Material sold	28	-	-	-	-
556	Additions to financial reserves	29	-	-	-	-
559	Additions to adjustments of financial assets	30	-	-	-	-
VII. Total contributions			-	0	0	0
581	Contributions accounted for between branches	31	-	-	-	-
582	Membership contributions	32	-	-	-	-
VIII. Total income tax			-	0	0	0
595	Additional income tax	33	-	-	-	-
Total Account Class 5 (sum of rows 1 to 33)			5 133	0	0	5 133

Account No.	Name of indicator	Row No.	Activity			Total 8
			Primary 5	Economic 6	x 7	
B. Revenues						
I. Total revenues from own products, services and merchandise			3	0	0	3
601	Revenues from own products, services and merchandise	34	3	-	-	3
602	Revenues from services	35	-	-	-	-
604	Revenues from merchandise sold	36	-	-	-	-
II. Total change in inventory of own production			-	0	0	0
611	Change in inventory of work-in-progress	37	-	-	-	-
612	Change in inventory of semi-finished products	38	-	-	-	-
613	Change in inventory of finished products	39	-	-	-	-
614	Change in animal inventory	40	-	-	-	-
III. Total capitalization			-	0	0	0
621	Capitalization of materials and merchandise	41	-	-	-	-
622	Capitalization of internal services	42	-	-	-	-
623	Capitalization of intangible fixed assets	43	-	-	-	-
624	Capitalization of tangible fixed assets	44	-	-	-	-
IV. Total other revenues			5 130	0	0	5 130
641	Contractual penalties and default interest	45	-	-	-	-
642	Other fees and penalties	46	-	-	-	-
643	Payments for written-off receivables	47	-	-	-	-
644	Interest received	48	-	-	-	-
645	Foreign exchange gains	49	1	-	-	1
648	Accounting for funds	50	4 585	-	-	4 585
649	Other revenues	51	544	-	-	544
V. Total revenues from the sale of assets, accounting for reserves and adjustments			0	0	0	0
652	Revenues from the sale of intangible and tangible fixed assets	52	-	-	-	-
653	Revenues from the sales of securities and shares	53	-	-	-	-
654	Revenues from sales of materials	54	-	-	-	-
655	Revenues from short-term financial assets	55	-	-	-	-
656	Accounting for financial reserves	56	-	-	-	-
657	Revenues from long-term financial assets	57	-	-	-	-
659	Accounting for other adjustments	58	-	-	-	-
VI. Total contributions received			0	0	0	0
681	Contributions received accounted for between branches	59	-	-	-	-
682	Contributions received (gifts)	60	-	-	-	-
684	Membership contributions received	61	-	-	-	-
VII. Total operating subsidies			-	-	-	-
691	Operating subsidies	62	-	-	-	-
Total Account Class 6 (sum of rows 34 to 62)			5 133	0	0	5 133
C. PROFIT/LOSS BEFORE TAX			0	0	0	0
591	Income tax	63	-	-	-	-
D. PROFIT/LOSS AFTER TAX			0	0	0	0
Control number		999	30 798	0	0	30 798

Date: 29 May 2013

Signature of the statutory body or natural person
who is responsible for the accounting entity:

Radek Špicar
Executive Director



ASPEN INSTITUTE

PRAGUE

Aspen Institute Prague o.p.s.

Notes to the Financial Statements

Year-ended December 31, 2012
(in CZK thousands)

01/ *Characteristics and primary activities*

Establishment and characteristics of the organization

Aspen Institute Prague o.p.s. (the "organization") was registered in the Register of Non-Profit Organizations maintained by the Municipal Court in Prague, Section O, Insert No. 954, on July 11, 2012.

The main purpose for setting up the organization is to provide the general public with a politically and ideologically neutral platform for democratic discussion about current global, political, economic and social issues, such as the future of European integration, energy security and promotion of equal opportunities, as well as basic human rights issues and respect for them, in the form of seminars, conferences, and educational, cultural and other social events. Through conferences and seminars intended for the general public, pertaining especially to civic involvement, it aims to promote the functioning and development of democratic values and an open society. It also aims to support financially the involvement of talented individuals excelling in their profession, be it in the humanities or the natural sciences, especially in the Czech Republic, Hungary, Poland and Slovakia, through international conferences, seminars and professional-educational internships.

Registered office

Aspen Institute Prague o.p.s.
Palackého 740/1
110 00 Prague 1
Czech Republic

Registration Number
242 47 073

Members of the Board of Directors as of December 31, 2012

Michael Žantovský
Ing. Vladimír Dlouhý, CSc.
Jan Hamáček
Ivan Hodač
Ing. Pavel Kavánek
Tomáš Klvaňa
Ing. Taťána le Moigne
Jan Zahradil

The statutory body of the organization is Mr. Radek Špicar, Executive Director.

Members of the Supervisory Board as of December 31, 2012

Zdeněk Bakala
Pepper de Callier
Jiří Schneider

Organization Founders

Pepper de Callier
Ivan Hodač

Changes in the Register of Public Benefit Companies

July 11, 2012 is the date of establishment of the organization. On this date, the organization founders, members of the Board of Directors, members of the Supervisory Board and the statutory body - Executive Director were entered in the Register of Non-Profit Organizations. On November 30, 2012, Mr. Zdeněk Tůma resigned as member of the Board of Directors. This change has still not been entered in the Register of Non-Profit Organizations.

02/ *The fundamental accounting policies applied by the company*

a) The method of processing the accounting records and the method and place of their storage

The accounting is kept externally by VGD, s.r.o. Accounting books are processed in the Byznys VR system. Accounting documents are stored at the address of the above-mentioned company.

b) Fixed tangible assets

Fixed tangible and intangible assets are recorded at their acquisition price. Fixed tangible assets with the acquisition price of up to CZK 40 thousand and fixed intangible assets up to CZK 60 thousand are not recorded in the balance sheet and are charged to expenses in the year of acquisition.

The following table sets out the methods and depreciation periods according to the groups of assets:

Asset	Method	Depreciation period
Car	Linear	5 years

c) Foreign currency conversion

The organization uses the Czech National Bank's daily exchange rate to convert transactions in foreign currencies. During the course of the year, the company only accounts for realized foreign exchange gains and losses.

Assets and liabilities in foreign currencies are converted as at the balance sheet date according to the foreign exchange rate promulgated by the Czech National Bank. Unrealized foreign exchange gains and losses are recorded in the balance sheet.

d) Received and provided donations

The company accounts for funds received based on donation agreements to the Funds account from which these received funds are accounted for according to the nature of their use as follows:

- to profit and loss account against the Utilisation of Funds account up to the amount of the costs spent on various projects (cost centers) or operations in the accounting period in question,
- against the bank account in case of the provision of funds to third-party projects that were selected as part of the organization's various projects.

03/ Fixed assets

a) Tangible fixed assets

	Car	Total
Acquisition price		
Balance as at 11 July 2012	-	-
Additions	647	647
Disposals	-	-
Transfers	-	-
Balance as at 31 December 2012	647	647
Accumulated depreciation		
Balance as at 11 July 2012	--	-
Depreciation expense	43	43
Disposals	-	-
Transfers	-	-
Balance as at 31 December 2012	43	43
Net book value as at July 11, 2012	-	-
Net book value as at December 31, 2012	604	604

04/ Bank accounts

The funds are held in current accounts in the currency of CZK. The balance in the bank account as at 31 December 2012 amounts to CZK 4 073 thousand.

05/ Receivables and liabilities

a) Receivables

Receivables total CZK 37 thousand. None of those receivables are overdue.

b) Liabilities

Short-term trade payables amount to CZK 116 thousand, of which CZK 0 thousand are overdue.

Long-term liabilities consist of the long-term part of the loan for the acquisition of an automobile totaling CZK 287 thousand. The short-term part of the loan, in the amount of CZK 159 thousand, is recorded in Other liabilities under Short-term liabilities.

06/ Deferred expenses

Deferred expenses amount to CZK 3 thousand and represent the accruals for parking, anti-virus programs and domain registration expenses.

07/ Own funds

	Registered capital	Funds	Reserve fund	Profit/ -loss of the current period	Accumulated losses (-)/ retained earnings from previous years (+)	Total
Balance as at July 11, 2012	-	-	-	-	-	-
Received donations	-	8 021	-	-	-	8 021
Accounting for funds	-	-4 584	-	-	-	-4 584
Profit/- loss for 2012	-	-	-	-	-	-
Balance as at December 31, 2012	-	-3 437	-	-	-	-3 437

08/ Employees and executives

Average number of employees and executives and personnel expenses for 2012:

2012	Average number of employees	Wages and salaries	Social security and health insurance expenses	Social security expenses
Executives	1	820	279	-
Employees	4	869	294	-
Total	5	1 689	573	-

09/ Remuneration and loans to members of statutory and supervisory bodies

During 2012, no remuneration or loans were paid out to members of statutory and supervisory bodies. No contracts binding the company to pay out any benefits in the case of the termination of the activities of individual members of the statutory and supervisory bodies were concluded either.

10/ *Social security and health insurance liabilities*

Social security and health insurance liabilities amount to CZK 181 thousand, of which CZK 127 thousand represents social security liabilities and CZK 54 thousand health insurance liabilities. None of these liabilities are overdue

11/ *Other direct tax liabilities and subsidies*

The liability to the tax administration amounts to CZK 75 thousand, of which a substantial part represents personal income tax advances of CZK 67 thousand.

None of these liabilities are overdue.

In 2012, the company received no subsidies.

12/ *Information about the organization's projects*

The company reported zero tax liability from its activities subjected to corporate income tax in 2012.

All projects are described in detail above in this annual report.

13/ *Income tax*

The organization reported no tax obligation from activities subject to corporate income tax in 2012.

Other revenues are not subject to income tax in accordance with the provisions of Section 18 of Income Tax Act No. 586/1992 Coll., as amended, because they were acquired from activities arising from the purpose of a public benefit company.

14/ Administrative expenses

Administrative expenses of the company in 2012 amount to CZK 3 507 thousand. Their structure is as follows:

2012	Total expenses	Of which general expenses
Consumed purchases	347	326
Services	2 432	848
Personnel expenses	2 269	2 263
Taxes and fees	1	1
Other expenses	41	26
Depreciation, assets sold, creation of provisions and adjustments	43	43
Total	5 133	3 507

15/ Material subsequent event

On February 15, 2013, a new member – Mr. Jan Farský – was appointed to the Board of Directors. This change has still not been entered in the Register of Public Benefit Companies.

The Organization's management is not aware of any other events that have occurred since the balance sheet date that would have any material impact on the financial statements as at 31 December 2012.

Date: 29 May 2013

Signature of the statutory body or natural person
that is the accounting entity:



Radek Špicar
Executive Director

Independent Auditor's Report

This document is an English translation of the Czech auditor's report.
Only the Czech version of the report is legally binding.

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For the Board of Directors of Aspen Institute Prague o.p.s.

Financial statements

On the basis of our audit, on 29 May 2013 we issued an auditor's report on the Company's statutory financial statements, which are included in this annual report, and our report was as follows:

"We have audited the accompanying financial statements of the Aspen Institute Prague o.p.s., which comprise the balance sheet as of 31 December 2012, and the income statement for the year then ended, and the notes to these financial statements including a summary of significant accounting policies and other explanatory notes. Information about the company is set out in Note 1 to these financial statements.

Statutory Body's Responsibility for the Financial Statements

The statutory body of Aspen Institute Prague o.p.s. is responsible for the preparation of financial statements that give a true and fair view in accordance with Czech accounting legislation and for such internal controls as the statutory body determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Act on Auditors and International Standards on Auditing and the relevant guidance of the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements 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 the auditor's 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, the auditor considers internal controls 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 controls. 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 audit opinion.

Prague, 29 May 2013



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Ing. František Dostálek
Partner
License No. 176



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