



Frank Bold Society
 a member of the Frank Bold Group
2022 Annual Report



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Frank Bold in 2022

We live in a time of a social transformation, which represents a great challenge as well as an opportunity. At Frank Bold, we started the year 2022 with our sleeves rolled up, ready and eager to continue our work on the green transformation of the Czech economy. What we could not have foreseen then, was that soon after the beginning of the year, we would have to pause for a moment and offer our help some place else. On Thursday 24 February, the Russian military attack on Ukraine stopped us in our tracks. We had to react.

On the very same day, we therefore approved a financial contribution to Post Bellum, an organisation providing help to the invaded country.

Despite this, we continued our work. I am glad that a few months later, we could share some good news and celebrate together the co-founding of the Community Energy Union (Unie komunitní energetiky), which aims to change Czech legislation law to recognise energy communities and sharing energy produced from private renewable sources. In the autumn, we celebrated the adoption of the Corporate Sustainability Reporting Directive (CSRD), which in its final version includes in its final version many of our recommendations, and which is key to more responsible business in Europe. In a way, the directive is the culmination of many years of our work in the area of non-financial reporting.

In our future efforts to transform the economy towards more sustainability, we need to focus on three key areas in the Czech Republic: industry, construction, and the energy sector. Together, these three sectors generate 73% of all CO2 emissions in the country. To move forward, we need to not only support innovation, but also continue cooperation between private and public sectors, and share know-how. This is what drives us to move forward and continue with our vision, and is also what we hoped to achieve in the autumn of 2022 when we organised Bold Future—the biggest Czech conference on sustainable business.

Let me make one more wish, and an appeal to you as you read this. We all want to have a good life, to enjoy a good meal in the evening. But life is much more colourful when we add one more ingredient, one more reason into our actions and our decisions: the good feeling coming from the fact that we are serving not only our own needs but those of others too. I know from my own experience that sometimes that good feeling is priceless.

Pavel Franc,

CEO Frank Bold



About Frank Bold Society

We are a **publicly beneficial organisation** working in areas related to the development of civil society, transparency in public administration, and green transformation of the economy.

We run a **free legal counselling centre**, and we founded and continue to provide expertise for the **Reconstruction of the State**. In doing so, we contribute to and provide expert assistance with anti-corruption issues and good governance in the Czech Republic. We also founded the **Alliance for Corporate Transparency** which addresses the issue of **corporate responsibility in the EU**.

We are actively helping to find the best ways possible for a smooth **transition to a low-emissions energy sector**, and we initiated the creation of the **Community Energy Union**. We also work on the topic of **free speech**, which is a foundation of a free and democratic society.

Board members

Pavel Franc
(CEO)

Stanislav Kutáček

Martin Fadrný

Programme sections and their team leaders

Reconstruction of the State

Josef Karlický

Service for Citizens

Michal Kuk

Responsible Energy

Laura Otýpková

Responsible Companies

Filip Gregor


Frank Bold's management and staff

Frank Bold Society is a **registered society**, with the **Members' Meeting** as its highest authority. The statutory body is the Board. The society's activities in between sessions of the Members' Meeting are managed by the CEO. The society consists of 4 programme sections, whose activities are assisted by support teams (finance, administration, HR, PR).





Reconstruction of the State			Service for Citizens	Responsible Energy	Responsible Companies	Management and support teams	
Josef Karlický	Tereza Adrian	Vendula Menšíková	Michal Kuk	Laura Otýpková	Filip Gregor	Pavel Franc (CEO)	Jana Kravčíková (CPO)
Věnek Bonuš	Petr Bouda	Daniel Netrval	Petra Marie Andrášik	David Blažek	Susanna Arus	Markéta Cooiman	Pavčina Gbelcová
Miroslav Crha	Ervín Hausvater	František Novotný	Kristýna Zahálková	Vavřinec Dudek	Joanna Houston	Žaneta Goňová	František Hladký
Dora Hlaváčová	Pavčina Hojná	Tomáš Pavlica		Petra Kalenská	Ondřej Janků	Pavla Hloušková	Hana Husovská
Eva Hromádková	Kateřina Janovská	Olga Pek		Anna Michalčáková	Julia Otten	Michala Chatrná	Vojtěch Krejčíř
Vojtěch Jaroněk	Filip Jelínek	Zuzana Pozlovská		Kristína Šabová		Pavla Sedláčková	Kristýna Srnková
Martin Jurík	David Klempíř	Lucie Vernerová		Petra Urbanová		Kristýna Špačková	Zuzana Vašíčková
Kristýna Klepáčková	Lukáš Kraus	Markéta Voborník Mašková				Dagmar Veselá	Lenka Zdražilová
Tereza Křištofová	Jakub Kvapil	Ladislav Zeman					

The table lists all staff who worked with Frank Bold Society in 2022 on an employment contract basis. The asterisk  marks employees on parental leave.

The following people contributed to the Frank Bold Society activities on the basis of a work agreement:

Karolína Doleželová, Vavřinec Dudek, Karolína Gyurovská, Marek Jankovský, Vendula Kohoutová, Sofie Korčyková, Iveta Kvardová, Zuzana Malá, Jan Martinek, Petra Milichovský, Diana Mojsevič, Lucie Petrová, Václav Prais, Monika Slováková, Martin Szabó, Hana Varmužová (Tománková), Johana Žižáková.

Jakub Černý, Jan Kára, Jan Králík, Ihor Konopka, Martin Luhan and Jakub Švejkovský worked as external collaborators.



Frank Bold Students

Frank Bold systematically involves university students in all of its activities, mainly as part of our **student internship programme** (*available only in Czech*). The programme is aimed at **law students** as well as students of **finance, IT, journalism or psychology**, among others. As a part of their internship, students are involved in the publicly beneficial activities of Frank Bold Society; some work in our law firm, Frank Bold Attorneys, while others support the internal operation of the wider organization. We provide students with **valuable and meaningful work experience**, while also supporting them in their efforts to learn more about their chosen fields and helping them acquire useful skills. Emphasis is also placed on shared values and ethics. Alongside the internship programme, we take part in summer schools and student job fairs.



Frank Bold Students

Real-life experience and skills



„It's great to feel like you're always working on something important as part of your internship, such as when I was updating a guide which appears first in the Google search engine and is read by thousands of people. Or when I was working on a new and potentially far-reaching project, helping a team which has already had a number of successes of national importance (for example, the media coverage of the case of the Turów mine, or adoption of laws thanks to the Reconstruction of the State). It's not very common to be involved in everything right from the beginning, but it is the case with Frank.”

—Jan, legal internship alumnus



„When starting my internship, I struggled with speaking in front of more than two people at once. I'm now leaving the programme having the experience of hosting an alumni event attended by dozens of people. And what's more, I actually felt comfortable in that role.”

—Diana, HR internship alumnus



„I appreciate being involved in solving real cases, particularly where I personally see it as meaningful. Combining business and non-profit work, and being able to experience both of those 'worlds', was also something I found interesting.”

—Hana, legal intern

Frank Bold interns in 2022

In 2022, we welcomed new interns mostly in our support teams—in addition to our legal teams, students are currently also part of our **HR** and **PR**. A total of **31 students** were part of the Frank Bold team last year, of whom 18 were law students and 13 were students of other fields.

Frank Bold interns in 2022

Barbora Baránková

Patrik Broniek

Lenka Chochulová

Magdaléna Doležalová

Karolína Doleželová

Vavřinec Dudek

Michael Eisenreich

Barbora Hučková

Diana Huslíková

Marek Jankovský

Michaela Jelenová

Sofie Korčyková

Iveta Kvardová

Štěpánka Lužová

Zuzana Malá

Jan Martinek

Hana Martínková

Jan Měkuta

Petr Milichovský

Diana Mojsevič

Lucie Petrová

Václav Prais

Anna Rytířová

Monika Slováková

Martin Szabó

Hana Varmužová
(Tománková)

Karolína Umová

Anna Veselá

Natálie Vladařová

Sára Wranová

Johana Žižáková





Responsible Companies

At both the European and national level, we promote a change in practices as well as in the regulatory framework which determines how the business sector responds to key challenges, such as climate change or respect for human rights. The way of doing business is changing. Responsibility towards employees, suppliers, communities, the environment and society at large is becoming increasingly important for success. To help companies understand the legislation and put sustainability into practice, we create guides, publish articles, and organise seminars.

Corporate transparency

Since 2012, we have been actively involved in the development of the European legal framework for corporate sustainability reporting. This framework plays a key role in corporate accountability and the redirection of financial flows in support of sustainable activities and economic transformation. In 2018, we founded the [Alliance for Corporate Transparency](#) (Alliance), which brings together 20 prominent European organisations, and which we continue to lead. The aim of the Alliance is to provide a critical analysis of current practices and to promote improvements to the regulatory framework.

Throughout 2022, we continued our work on the Corporate Sustainability Reporting Directive (CSRD) and sustainability reporting standards, which will ensure transparency, limit greenwashing practices, and enable sustainable financing. The final version of the directive, on which the European Parliament and Council reached an agreement in June 2022, took into account a number of our recommendations. We summarised its main benefits and shortcomings in a [joint Alliance briefing](#).

The CSRD gave the European Commission a mandate to adopt detailed [EU sustainability reporting standards](#). Filip Gregor, the Head of Frank Bold's Responsible Companies team

who has been a long-time contributor to the development of reporting standards, was appointed in 2022 as a member of the EFRAG Sustainability Reporting Board, the European Commission's advisory body on this issue. Another member of our team, Joanne Houston, was involved in the standards' development as part of the EFRAG Technical Expert Group.

In November 2022, EFRAG successfully approved [the final draft of the standards](#) and submitted them to the European Commission to adopt. Among other things, the standards require companies to measure and report on their carbon footprint, carry out analysis of climate risks, and report on the implementation of due diligence with regard to impacts in their supply chains.

To support the adoption of the proposed standards, we put together a joint [letter](#) of civil society organisations to the European Commissioner Mairead McGuinness.

As part of our Alliance for Corporate Transparency efforts, and together with other organisations, we also released a [statement](#) proposing that the global standards which are being developed in parallel by the International Financial Reporting Standards Foundation require reporting of key impact data on sustainability, rather than simply on the financial risks of sustainability for the corporations themselves.

Due diligence and sustainable corporate governance

We continue our cooperation with the European Coalition for Corporate Justice (ECCJ), whose goal is to set up a legal framework for corporate responsibility for human rights violations and serious environmental impacts in global supply chains. In particular, we focus on integrating sustainability issues into corporate governance.

From rushed reactions to proper preparedness

Corporate due diligence in times of armed conflict

Our long-standing work on corporate responsibility of large corporations resulted in a draft proposal of the [EU Corporate Sustainability Due Diligence Directive](#) (CSDDD) in February 2022. The aim of the proposed directive is to ensure that large companies identify and address, proportionately to their involvement and capabilities, serious human rights and environmental impacts in their value chains.

In January 2022, we organised a [webinar](#) to discuss the principles of due diligence with representatives of public administration and the business sector from the Czech Republic, which in the second half of 2022 held the Presidency of the Council in the second half of 2022, and successfully coordinated the adoption of a joint member states' position on the proposed directive. The webinar was attended by 344 people. To help companies further understand the issue, we published an e-book (in [Czech](#) and in [English](#)) which explains the due diligence process, its costs and benefits, using specific examples.



Following the release of the proposed new legislation, we continued to provide our recommendations for improvements of the directive, for example via joint civil society statements (see [here](#) and [here](#)) to the member states and members of the European Parliament. We further supported effective and meaningful due diligence obligations in an NGO [briefing](#) focusing on climate, and in

a [joint statement](#) calling for the strengthening of specific provisions of the CSDDD.

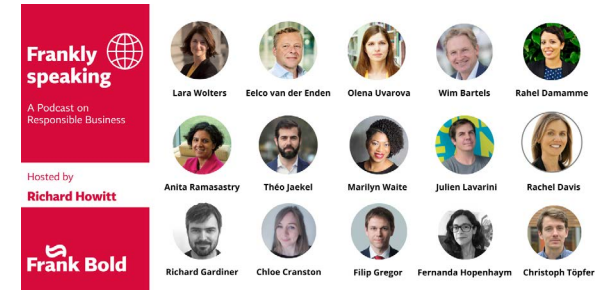
In response to Russia's war in Ukraine, we worked together with the ECCJ on a [briefing](#) describing the role of corporate due diligence in times of armed conflict, and highlighting the need for new legislation when addressing these situations.

Podcast



In September 2022, we launched a new [podcast](#) "[Frankly Speaking](#)", where we discuss the latest developments in ESG, corporate responsibility, and sustainability reporting. We talk about ESG with investors, policy makers and businesses, thereby offering different perspectives. Guests on the podcast have included, among others, MEP Lara Wolters, GRI CEO Eelco van der Enden, and Decathlon's ESG and Sustainability Reporting Leader Rahel Damamme.

As of spring 2023, the podcast has more than 6,500 plays, with an average of 200 listens per episode. It has over 500 followers on Spotify



Events and media

At the Bold Future conference in October, co-hosted by Frank Bold Expert Group, we delivered a presentation on how to implement ESG reporting and how it might benefit companies. Filip Gregor, Head of the Responsible Companies section, also provided an overview of key points and mandatory indicators in the EU reporting standards.

The sustainability reporting requirements introduced by the CSRD legislation and the European ESG standards that are being developed, as well as their practical implications, draw the attention of the global media, which seek our expertise. Susanna Arus, Policy Officer at Frank Bold, described ESG reporting for the [New York Times](#). The prestigious news agency [Reuters](#) published an extensive essay on the convergence of global and European ESG reporting standards by our Senior Advisor Richard Howitt. Our experts also regularly appear at webinars and conferences at the European level. In 2022, they spoke at events for [Accountancy Europe](#), [Workforce Disclosure Initiative](#), [ISFC](#), [DIEH](#) and among others.



Responsible Energy

Climate change is one of the greatest global challenges of today. To prevent dangerous global warming, we must significantly reduce our greenhouse gas emissions by 2030. To that end, we promote systemic change and use legal means to facilitate the gradual transition to carbon-neutral energy production in the EU. Our vision for the future of the European energy sector is the decentralisation and democratisation of energy production, and reduction of its negative impact on the environment and human health. We are accelerating the transition away from coal towards renewable energy and working to set up a legal framework for community energy. We promote clear and transparent rules for the effective use of funding from subsidy programmes for new renewables.



Launching the Community Energy Union



Together with Hnutí DUHA – Friends of the Earth Czech Republic, we founded the Community Energy Union ([Unie komunitní energetiky](#) - available only in Czech, UKEN) in March. It brings together representatives of municipalities, business and civil society organisations which share a common goal: **introducing the concept of community energy to the Czech Republic, and helping to kick-start the development and implementation of first projects.** The Union has almost tripled in size, growing from the initial 16 to **44 members** by the end of the year, and still counting.

We have also established strategic partnerships and cooperation with key actors. Considerable interest from politicians showed us how necessary the foundation of UKEN was. We had dozens of meetings with Members of Parliament, discussing the opportunities community energy offers to

citizens, businesses and local governments. We have become a respected expert partner for the state authorities responsible for introducing community energy into the Czech Republic. We also participated in seminars on community energy in the Chamber of Deputies and the Senate.

Assisting with new legislation on community energy

Despite the obligation of EU Member States to transpose the EU directives on energy communities into national legislations by the end of 2020 or mid-2021, the Czech Republic has yet to adopt the relevant national regulation. However, a key moment arrived in 2022, when the Ministry of Industry and Trade started work on an **amendment to the existing Energy Act**, the so-called Lex RES II, to enable and accelerate the development of energy communities and energy sharing in the Czech Republic.



This gave us a great opportunity to promote the development of local renewable sources of energy. As part of the Lex RES II preparation, we provided the Ministry with legal assistance and helped prepare legislation on community energy that would make sense not only on paper but also in reality.

[Lex RES II](#) (available only in Czech) was submitted for the inter-ministerial comment procedure **in November 2022.** After carefully analysing the proposal, we shared our conclusions with the relevant ministries. We were, for example, the first to point out a problematic provision that would paradoxically result in making electricity more expensive for those involved in energy sharing. We also continued our close cooperation with the Ministry of Industry and Trade, helping to defend Lex RES II from a growing number of attacks by the centralised energy sector.

Lastly, we participated in the preparation of [an amendment to the regulation on rules for the electricity market](#) (available only in Czech), by which the Energy Regulatory Office enabled electricity sharing in apartment buildings, as of 1 January 2023. In particular, we worked to ensure that the process of sharing electricity is as simple as possible, and that those involved in sharing are not required to pay any fees to install new electricity meters. This was eventually achieved. After the amendment was passed, we shared the information with the public.

Advising on municipal solar power



The clean and safe future of the Czech energy sector must be created not only in legislation but also in practice. That is why UKEN published **a step-by-step guide for mayors on solar power plants in municipalities** (*available only in Czech*). The contributors included Frank Bold Attorneys, Jan Šrytr from Frank Bold Energy and also UKEN members, who provided additional perspectives, including a mayor with practical experience and an energy consultant.

The guide takes readers from the first thought of a photovoltaic power plant, through implementation and operation, to the idea of starting an energy community. Even six months after its publication, we receive nothing but praise for the guide, with mayors and consultants appreciating how practical, clear and easy-to-follow it is.

Promoting accessible financing of community energy

We conclude UKEN's activities of last year with a hot topic—the money. Access to funding for emerging energy communities and for renewables in general is crucial for a safe and just transformation of the Czech energy sector. By taking a proactive approach, UKEN secured itself a seat at the negotiating table, gaining the opportunity to comment on the upcoming subsidy rules, and even being able to put forward our own proposals.



We managed to **simplify the conditions for municipal calls for proposals** within the **RES+ programme** (*available only in Czech*) from the Modernisation Fund, and participated in **developing rules for a call which focuses on pre-project activities in setting up energy communities**.

Monitoring compliance of coal power plants with emission limits

Compliance with the law must be ensured even in times of crisis. For more than a year now, we have therefore been pushing for coal power plant operators to comply with the **current emission limits** (*available only in Czech*) **for releasing mercury and other pollutants** into the air. Some, however, try to circumvent this obligation using unlawful exemptions. One such example is the Chvaletice power plant, whose exemption was, following our legal action, first suspended in June 2022 and later revoked as unlawful in December 2022 by the administrative court. This ruling should prevent more than one ton of mercury from being released into the environment.



Protecting groundwater near the Turów mine

The case of the Turów mine saw many new developments in 2022. These included an agreement between the Czech and Polish governments, the filing of a constitutional complaint, a final decision from the Polish Ministry of Climate and Environment on the impact assessment of the plan to extend the mining until 2044, and a complaint filed to the European Commission. Frank Bold has been actively involved and continued the efforts to prevent violations of Czech and European regulations as well as environmental harm.



We submitted a **Freedom of Information request, followed by an appeal against the decision to provide information** on the amount of water flowing into the mine. We stayed in contact with MEPs, Czech political party representatives, MPs, and local government representatives. We provided **legal assistance to the local**

citizens, both Czech and international environmental organisations, and communicated extensively with the media in order to keep the public informed. We are not giving up the fight.



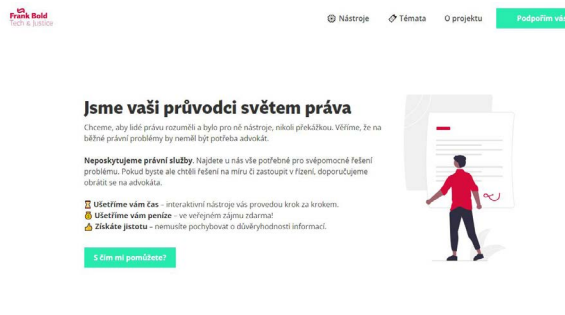


Service for Citizens | Tech & Justice

Tech & Justice, formerly known as Service for Citizens, is a partner service for active citizens, providing practical legal know-how and skills which they can apply in their local communities and during their involvement in public affairs. By supporting active individuals and local grass-root initiatives, we aim to strengthen and support civil society. Through our legal counselling website and freely available legal guides and manuals, we further aim to educate the general public in the area of good governance and legislation.

In addition to providing individual legal consultations through our online counselling centre, we continue to work on the automation of interactive legal assistance, making it more easily accessible for diverse groups of people. To this end, we continue developing **interactive tools** (available only in Czech), **legal guides and manuals** (available only in Czech), as well as **templates of legal documents** (available only in Czech) which provide help in addressing and resolving specific legal issues. We can also apply our know-how and experience to benefit other organisations, for example, by preparing tailor-made legal tools for other non-profits, or by offering our assistance to **public authorities and local governments** (available only in Czech). By the end of 2022, we had made progress in preparation of a new web portal for the Tech & Justice project.

Tech & Justice portal



Following the transformation of Service for Citizens into the Tech & Justice project at the end of 2021, and after some internal testing,

we launched the **new portal** (available only in Czech) in 2022. We will gradually move the content from our existing legal counselling centre to the new portal, i.e. legal guides and manuals, templates of legal documents, interactive online tools as well as previously answered inquiries.

The new Tech & Justice portal offers its users easier access to the existing information. Most importantly, it combines and connects all available content, such as responses to past inquiries and other information on the website, with our interactive tools. This will provide users with more comprehensive answers to their questions. In addition, we plan to introduce the option to create a user account on the portal, which will give people access to community features. In this way, we want to allow people, for example, to share their experience, network within communities, and alert others in case of any problems.

Interactive tools

In 2022, we continued running our successful online tools in areas such as concerning the formation of civil society organisations, access to information, or the functioning of municipalities and local governments, and other such topics. We also focused on the development of the new portal.

Together with the non-profit organisation Oživení, we launched **the Rules of Procedure**

generator for municipalities (available only in Czech) in December 2022. More than 150 people used the generator after the September 2022 elections. The tool also includes an accompanying guide for local citizens to help them navigate their municipality's Rules of Procedure and their rights.



Online legal counselling

As part of the Service for Citizens transformation, we redesigned all our legal guides and manuals into a uniform format to make them more accessible and easier to navigate.

We also continue to improve the quality of the information we make available on our website, so people can resolve their legal issues themselves, without any expert assistance. This has led to reduced numbers of individual inquiries, allowing us to focus on those which require more analysis and legal expertise.



Service for citizens | Tech & Justice in 2022 in numbers

- We generated **6,532 tailor-made legal documents**.
- As part of our EIA Monitor—an online monitoring tool for Environmental Impact Assessments—we sent out **6,823 emails** with information about the ongoing EIA proceedings.
- The Tech & Justice portal had **748 registered users**.
- We responded to **457 inquiries**, most of which concerned the functioning of municipalities and local councils, also due to the local elections.
- **80% of the people** who used our services reported in their feedback that they had already taken or were planning to take further action in their case.
- We sent out **6,402 legal templates** through our website.



Reconstruction of the State

Reconstruction of the State promotes smart laws against corruption and for a modern public administration which meets the demands of the 21st century. For obvious reasons, 2022 was not an easy year—politicians were preoccupied with the war in Ukraine, the after-effects of the pandemic, the energy crisis and inflation. Despite that, we managed to put forward several key changes for better public governance, promote better public access to information, and launch the Resilient Czechia project, which proposes systemic solutions for the effective enforcement of sanctions against the Russian regime.



A state for citizens

Less bureaucracy and more services, fewer barriers and more trust. We want an efficient state which treats its citizens as partners, which is why we brought together a group of experts and prepared background materials for a new Civil Service Act. The basic outlines for the Act are published on the website lepsistat.cz (available only in Czech). We helped push through a new Digital and Information Agency Act, and assisted with setting up the operation of the agency.

As a member of a working group at the Ministry of Regional Development, we cooperate on speeding up the process of digitalisation of certain citizen services. This work is done under the joint initiative [Moderní státní správa](#) (available only in Czech).

(More) Rational public procurement

The Czech public sector spends approximately 600 billion crowns through public procurement every year, which is about one tenth of our GDP. Unfortunately, this money is not always spent in a reasonable, efficient and transparent way.

We therefore continue to advocate for greater independence and efficiency of the Office for the Protection of Competition. In the autumn of 2022, we analysed [the systemic failures in the Dozimetr corruption case](#) (available

only in Czech) and proposed a set of measures which would prevent other similar cases in the future.

Together with the Ministry of Regional Development, we are working to draw up more transparent rules for small-scale public contracts financed from EU funds. We launched a watchdog centre, through which we have analysed public contracts in 11 towns.

Limiting the space for corruption



Corruption remains a serious problem, affecting public budgets and undermining trust in democracy. We therefore advocate for further systemic changes to reduce the space for corruption and clientelism. We have successfully lobbied for [citizens to have easier access to key information](#) (available only in Czech) — such as politicians' declaration of assets or state-owned companies' responses

to requests for information under the Freedom of Information Act. An [amendment to the Register of Beneficial Owners Act](#), which included measures for increased transparency of companies applying for public money, has also been passed by the Parliament.

We warned against the [amendment to the Act on the Public Prosecutor's Office](#) proposed by the government, which would increase the dependence of the Prosecutor General on the government. We also recommended that the government revise the proposed [Whistleblower Protection Bill](#) (available only in Czech) which, according to experts, should also protect anonymous whistleblowers, who are often behind the most serious cases such as Bečva, Lány and Dozimetr.

Fair and Open Politics



We proposed a reform of the office which provides supervision and oversight of fair

elections and transparent political party financing. [The Office for the Oversight of Financing of Political Parties and Movements](#) (available only in Czech) will soon become [more effective and independent](#) (available only in Czech). The reform, which we pushed through as a high-priority government proposal, is currently awaiting its reading in the Senate.

We are also working to propose laws that would stop the financing of political parties from countries outside of the EU and limit party financing from anonymous companies.

Resilient Czechia

In response to the Russian invasion of Ukraine, we launched [the Resilient Czechia project](#)—presenting a list of practical measures to prevent the influence of undemocratic regimes, organised crime, and terrorist groups in the Czech Republic. We helped push through an amendment to the Act on the Implementation of International Sanctions, which introduces a ban on awarding public contracts or providing subsidies to sanctioned persons and entities, as well as the Czech equivalent of the so-called Magnitsky Act.



We prepared recommendations for the government, Members of Parliament, European Commission and Czech Financial Analytical Office on [strengthening the enforcement of sanctions](#). Together with [Datlab Institute](#) we worked on mapping Russian influence in the Czech Republic, and offered our [analytical screening tool](#) to other EU countries.

Independent media

Impartial and independent media are the foundation of a functioning democracy. Czech media legislation sadly lags behind and needs to address a number of current issues. Reconstruction of the State, together with other experts, outlined these issues on the [nezavisla.media](#) website, including a set of measures to address the most significant problems.

The end of the Wild West in the digital world?

We participated in drafting the [amendments to the laws on Czech Television and Czech Radio](#) (available only in Czech) to strengthen

the independence of media councils from politicians. We will further focus, among else, on [preventing the emergence of “media deserts”](#), [regulation of online and private media](#) with respect to media pluralism, and [supporting self-regulatory mechanisms within the media sector](#).

Freedom of Expression Online

Freedom of expression is a fundamental human right, which needs to be protected even in the online sphere. In 2022, we focused primarily on [protecting the rights of internet users against restrictions to freedom of speech imposed by digital platforms](#).

We published a unique guide called [„The End of the Wild West in the Digital World”](#) (available only in Czech) on the protection of civil rights online, with the help of the new European Digital Services Act (DSA). We initiated a European network of organisations working together on the DSA implementation across EU member states.

The Ministry of Interior also invited us to join the preparation process of the [bill on restricting the dissemination of content threatening national security online](#) (available only in Czech). We introduced safeguards into the proposed law against misusing it for censorship or to suppress political competition.

Network for the Protection of Democracy

Nearly **180 organisations, 80 experts and thousands of individuals** are already part of the Network for the Protection of Democracy (Síť k ochraně demokracie), together protecting the principles of democracy and the rule of law. We bring together experts and civil society actors, which allows for the quick identification and assessment of potential threats, as well as a broader discussion about solutions to the Czech Republic's long-term problems.

Following the Russian invasion of Ukraine, we organised **a series of expert meetings and put together 60 recommendations** (available only in Czech), which we presented to politicians. We further developed some of the recommendations in more detail, for example, in the area of **strategic state communication** (available only in Czech).

Our members have shared within the network **15 appeals to mobilise civil society**—for example, in **support of Ukraine** (available only in Czech), or against increasing inequality in education. Starting from 2022, it is now possible to follow the Network's activities on its **Facebook profile**.



Thank you

We would like to express our gratitude and thanks to all of you who financially supported the activities of our non-profit teams in the last year. It is only thanks to your generosity and trust that we could continue our work addressing some of the key challenges of our time, such as the energy crisis, corporate sustainability, and transparency and accountability in public administration. It was your support that made it possible for us to pursue positive change in our society in 2022.

Thank you for standing by us in difficult times. Your support and trust give us the strength and motivation to continue our efforts. We believe that together we can solve even the biggest challenges of today.



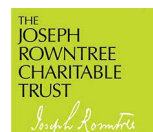
Reconstruction of the State supporter



Responsible Companies supporter

OPEN SOCIETY FOUNDATIONS

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Network of European Foundations

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Laudes Foundation

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Service for Citizens | Tech & Justice supporter

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Service for Citizens | Tech & Justice supporter



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NADAČNÍ FOND
RODINY ORLICKÝCH



Frank Bold Society
supporter



Responsible Energy
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supporter



**Responsible Energy and
Responsible Companies**
supporter



Responsible Energy
supporter

Our thanks to donors who donated 100,000 CZK or more

Jan Barta	Reconstruction of the State	Martin Vohánka	Reconstruction of the State
Dušan Šenkypf	Reconstruction of the State	Libor Winkler	Reconstruction of the State
Ondřej Fryc	Reconstruction of the State	Megapixel s.r.o.	Reconstruction of the State
Livesport s.r.o.	Reconstruction of the State	Martin Ducháček	Reconstruction of the State
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Marcel Soral	Reconstruction of the State	Ondřej Bartoš	Reconstruction of the State
Karel Janeček	Reconstruction of the State	HOBRA - Školník s.r.o.	Reconstruction of the State
David Holý	Reconstruction of the State	FORTEMIX s.r.o.	Service for Citizens Tech & Justice
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We further thank the following donors for their support

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AT Offix s.r.o., Baginová Anna, Bartek Miroslav, Blahut Jan, Bodiš Vladimír, Boháč Petr, Burdych Pavel, Cibulec Tomáš, Česká pošta, Drlíková Jana, Dvořáčková Olga, Eklová Kateřina, ENERGO SYSTEMS HEL, ENERGO KLIMA s.r.o., Fiala Michal, Fischerová Olga, Formánek Jakub, Fraňková Eva, Galík Pavel, Gemperle František, Gregor David, Hakr Tomáš, Hazucha, Richard, Hlisnikovská Petra, Hofreiter Jiří, Holečko Martin, Hrtoňová Veronika, Vladislav Toulec, INISOFT S.R.O., INTL FCSTONE LTD, JABLOTRON ALARMS A.S, Jičínská Gabriela, Kadaník Petr, Kadlec Tomáš, Kalčík, Josef, KAPPA CREDIT S.R.O., Karpenko Yuriy, Kokoška Tomáš, Kopic Daniel, Kostrba Jiří, Kout Libor, Kovačič Sebastian, Král Filip, Král Martin, Kremláčková Edita, Kuk Michal, Kutáček Stanislav Kvapil Josef, Labohy Jan, Lasek Martin, Lasek Martin, Lhoták Martin, LinuxBox.cz s.r.o., Lollok Michal, Loskot Tomáš, Machač Jan, Martin Janík, MC GAFFIN JANA, Melecký Karel, Moudřík Josef, Mrázková Markéta, Mühlpachr Michal, Müller David, Musil Zdeněk, Nakládal Josef, Němec Jiří, Nespěchal Tomáš, Noha Jakub, Nováková Adéla, Pánek Jan, Patříčný Martin, PEDOPSYCHIATRIE S.R., Polydorová Karla, PROFI PRESS,S.R.O., Rakušan Lukáš, Sedmihradský Milan, Seiner Miroslav, Sejkorová Veronika, Skotnica Marek, Sladký Richard, Sláma Jiří, Slavík Pavel, Snopek Jakub, Sparlingová Zdeňka, Srencová Kristýna, Straka Jakub, Šestauber Martin, Šimbera Jan, Šlechta Jan, ŠTARHA ENGINEERING, THE PRAGUE CONCERT, Tieftrunk Petr, Tomášek Ondřej, Tregellas John Lind., Urban Michal, URBANITY DEVELOPMENT, Valentová Stella, Valvoda Rostislav, Vaněk Jan, Vémola Luděk, Visinka Jan, Vokáč Michal, Vrbický Tomáš



Frank Bold Society is a non-profit organisation, and a member of the Frank Bold group. Other members of the group in the Czech Republic include the law firm Frank Bold Attorneys, the accounting and consultancy firm Frank Bold Advisory, the company Frank Bold Energy, and Frank Bold Kids, a non-profit operating the Sýkorka forest kindergarten and the Medláňka forest club. In 2022, Frank Bold Institute was also founded and further added to the group. In addition, the non-profit organisation Fundacja Frank Bold operates in Poland.

Frank Bold financing

- Frank Bold Attorneys is a law firm financed by its own commercial activities.

- Frank Bold Advisory is a consultancy and accounting firm financed by its own commercial activities.

- Frank Bold Energy is a company financed by its own commercial activities.

- Frank Bold Kids is a non-profit organisation focusing on pre-school education, and is financed by membership fees, donations, loans, its own income and subsidies from public funds.

- Frank Bold Society is a non-profit organisation financed by its own income and, in particular, by a number of foundations, grants, corporate and individual donors.

- Frank Bold Attorneys is one of these donors. It contributes through non-financial assistance (Frank Bold Society uses its facilities and infrastructure free of charge) as well as financially.

- Fundacja Frank Bold is a non-profit organisation financed by grants and its own income.

- Frank Bold Institute is funded primarily by its own income-generating activities, foundations and donors.

Financing of the individual entities (members

of the Frank Bold Group) is separate. The financial relationships between the entities include the above-mentioned donations from the law firm Frank Bold Attorneys to the individual non-profit organisations. In addition, Frank Bold Society occasionally uses the services of Frank Bold Attorneys for its cases and projects. Similarly, Frank Bold Advisory occasionally orders services from Frank Bold Society for its clients, particularly in the area of ESG.

Prevention of conflicts of interest within the group

The activities of Frank Bold’s commercial entities and Frank Bold Society are separate. They are, however, guided by the same set of values and are not in conflict. All the entities within the group coordinate their activities to the extent necessary to prevent potential conflicts of interest, such as a situation in which Frank Bold Attorneys would represent one party in a dispute, while Frank Bold Society would be assisting the opposing party via its free legal counselling centre.

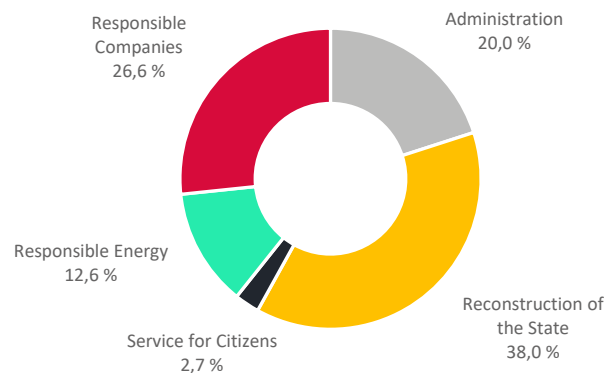
Frank Bold Attorneys has a strict code of ethics which is applied in the process of accepting new contracts. It does not provide representation in cases involving corruption, covering up crimes, legalising money laundering, environmental degradation, or human rights violations. Furthermore, clients of the law firm have no influence on Frank Bold Society’s activities and priorities.

Frank Bold Society’s revenues and expenses

The overview below shows Frank Bold Society’s expenses and revenues in 2022. To provide a better idea of the operational costs of individual teams, the graph shows a division of overall expenses between the different programme sections, by percentage.

Regarding the information provided in the profit and loss statement—in case of grants, subsidies and donations, these only include funds used in the given year. Following a binding methodology, Frank Bold Society uses fund-based accounting for this type of funding. Any income received is first recorded in a fund and is then only recorded as revenue once the expense has been incurred. Resources left in the fund for future use will therefore not appear in the revenues for the current year. Conversely, the table includes resources received in previous years which have only been used in the current year.

Cost ratio of individual teams





EXPENDITURES	EUR	REVENUES	EUR
office supplies	9,359	own revenue	63,266
literature	1,965	others (exchange rate gains, pre-invoicing, funds)	10,113
travel costs	10,179	Membership contributions received	10,616
representation (mainly refreshment)	2,856	donations - Reconstruction of the state	514,313
communication costs	13,979	donations - others	116,657
print, copies, promotion	32,158	grants from public budgets and EU budget	
office rent (including services connected to rent)	71,388	Ministry of Justice	19,559
short-term rent (hire of venues)	7,905	grants from foundations and civic associations	
legal fees and services	10,202	European Climate Foundation (ECF)	263,750
expertises	159,191	The Network European Foundations (NEF)	23,485
translations and interpreting	1,488	Laudes Foundation	172,398
trainings and seminars	2,959	Climate Finance Fund (CFF)	31,339
software	8,600	Sigrid Rausing Trust	37,861
labour costs	892,650	Joseph Rowntree Charitable Trust (JRCT)	32,757
taxes; health and social insurance	231,418	Nadační fond Zeměkvět	10,367
legal and other social costs	40,658	Stichting Foundation for International Law for the Environment (FILE)	61,470
donations and contributions provided	41,000	Nadace VIA	1,659
bank fees	283,000	Foundation Open Society Institute (OSIFE)	102,915
property depreciation	779,000	Nadace BLÍŽKSOBĚ	45,615
Contributions provided	1,577	Nadace rodiny Orlických	2,376
other (exch. Rate, loses, penalties, audits...)	15,381	CAN - Climate Action Network Europe Headquarters (EBC)	4,947
exchange rate losses	26,128	Charles Leopold Mayer Foundation	15,681
TOTAL EXPENDITURES	1,541,144	TOTAL REVENUES	1,541,144
HOSPODÁŘSKÝ VÝSLEDEK - ZISK			0



ACCRUED REVENUES	EUR
Stichting Foundation for International Law for the Environment (FILE)	64,687
European Climate Foundation pro Odpovědnou energii	5,118
Nadační fond rodiny Orlických	8,294
The Network European Foundations (NEF)	3,969
Laudes Foundation	83,224
donations - Reconstruction of the state	113,611
donations - others	48,872
TOTAL	327,774




Frank Bold



22HLAV
audit&consult

MSI Global Alliance
Independent Member Firm

INDEPENDENT AUDITOR'S REPORT

on the 2022 Financial Statements

of

Frank Bold Society, z.s.

Prague, 26th April 2023



INTRODUCTORY DATA

Audited entity

Frank Bold Society, z.s.
Údolní 567/33, Brno-město, 602 00 Brno
CRN: 653 41 490

Subject of activity:

- Organizing campaigns and petition activities for the protection of the environment, cultural monuments, consumer rights, human rights, protection against discrimination, implementation and protection of other public interests
- Participation in the administration and other proceedings in which the interests of environmental protection, consumer rights and other public interests may be affected

Audit Report receiver

Senior Management of the Company

Subject of the audit

Financial Statements for the year ended 31 December 2022 – accounting period 1.1.2022 – 31.12.2022

Audit dates

10.3.2023 – 26.4.2023

Audit performed and Audit Report prepared by

22HLAV s.r.o.
Všebořická 82/2, Ústí nad Labem
Audit firm licence No. 277
Member of MSI Global Alliance,
Legal & Accounting Firms

responsible auditor: Ing. Jan Černý, Auditor licence No. 2455



INDEPENDENT AUDITOR'S REPORT

for the founder of Frank Bold Society, z.s.

Financial Statements Audit Report

Opinion

We have audited the accompanying financial statements of Frank Bold Society, z.s. (hereinafter also the “Organization”) prepared in accordance with accounting principles generally accepted in the Czech Republic, which comprise the balance sheet as at 31 December 2022, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details of the Organization, see introductory paragraph in notes to the financial statements.

In our opinion, the financial statements **give a true and fair view of the financial position of Frank Bold Society, z.s. as at 31 December 2022 and of its financial performance for the year then ended** in accordance with accounting principles generally accepted in the Czech Republic.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and the Council, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Committee of the Association for the Financial Statements

The Committee of the Association is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the Czech Republic and for such internal control as the Committee of the Association determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Committee of the Association is responsible for assessing the Organization’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of the Association either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the



aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of the Association.
- Conclude on the appropriateness of the Committee's of the Association use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Committee of the Association regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

22HLAV s.r.o.

Member of MSI Global Alliance, Legal & Accounting Firms

Všebořická 82/2, 400 01 Ústí nad Labem

Audit firm licence No. 277

In Prague, 26th April 2023



Ing. Jan Černý
Auditor licence No. 2455

This Auditor's Report includes the following attachments:

1. Balance sheet as of 31.12.2022
2. Income statement for the year ended 31.12.2022
3. Notes for the year ended 31.12.2022

This Audit Report is a translation of the Czech Audit Report for the audit of the 2022 financial statements.

R1

BALANCE SHEET
as of 31 December 2022
(in thousands rounded up to the next CZK)

Identification No. (IČO)
65341490

office

Name and registered

of the accounting unit

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

Frank Bold Society
Údolní 33
602 00 Brno

ASSETS		Line number	Balance as of the first day of accounting period	Balance as of the last day of accounting period	
a		b	1	2	
A.	Total fixed assets (lines 02 + 10 + 21 – 28)	1	40	22	
A.I.	Intangible fixed assets (lines 03 through 09)	2	0	0	
A.I.1.	Research and development (012)	3	0	0	
A.I.2.	Software (013)	4	0	0	
A.I.3.	Valuable rights (014)	5	0	0	
A.I.4.	Low-value intangible fixed assets (018)	6	0	0	
A.I.5.	Other intangible fixed assets (019)	7	0	0	
A.I.6.	Intangible fixed assets in progress (041)	8	0	0	
A.I.7.	Advance payments for intangible fixed assets (051)	9	0	0	
A.II.	Total tangible fixed assets (lines 11 through 20)	10	84	84	
A.II.1.	Land (031)	11	0	0	
A.II.2.	Works of art and collections (032)	12	0	0	
A.II.3.	Assets under construction (021)	13	0	0	
A.II.4.	Tangible movable assets and sets thereof (022)	14	84	84	
A.II.5.	Grown-up animals and their groups (025)	15	0	0	
A.II.6.	Breeding and draught animals (026)	16	0	0	
A.II.7.	Low-value tangible fixed assets (028)	17	0	0	
A.II.8.	Other tangible fixed assets (029)	18	0	0	
A.II.9.	Tangible fixed assets in progress (042)	19	0	0	
A.II.10.	Advances payments for tangible fixed assets (052)	20	0	0	
A.III.	Long-term financial assets (lines 22 through 27)	21	0	0	
A.III.1.	Shares – controlled or controlling person (061)	22	0	0	
A.III.2.	Shares – substantial interest (062)	23	0	0	
A.III.3.	Debt securities held until maturity (063)	24	0	0	
A.III.4.	Loans provided to branches (066)	25	0	0	
A.III.5.	Other long-term loans (067)	26	0	0	
A.III.6.	Other long-term financial assets (069)	27	0	0	
Sent on: 28.2. 2023		Official stamp: Frank Bold Frank Bold Society, z.s. Údolní 33, 602 00 Brno Tel.: + 420 545 575 229 E-mail: info@frankbold.org Identification No. (IČO): 653 414 90		Signature of statutory representative: Ing. Stanislav Kutáček <i>illegible signature</i>	

Page 1

Frank Bold

Frank Bold Society, z.s.
Údolní 33
602 00 Brno
IČO: 653 414 90
T: +420 545 213 975
E: info@frankbold.org

		Line number	Balance as of the first day of accounting period	Balance as of the last day of accounting period
a		b	1	2
A.IV.	Total accumulated depreciation and accumulated amortization on fixed assets (lines 29 through 39)	28	-44	-62
A.IV.1.	Accumulated amortization – research and development (072)	29	0	0
A.IV.2.	Accumulated amortization – software (073)	30	0	0
A.IV.3.	Accumulated amortization – valuable rights (074)	31	0	0
A.IV.4.	Accumulated amortization – low value intangible fixed assets (078)	32	0	0
A.IV.5.	Accumulated amortization – other intangible fixed assets (079)	33	0	0
A.IV.6.	Accumulated depreciation – constructions (081)	34	0	0
A.IV.7.	Accumulated depreciation – separate tangible movable assets and sets thereof (082)	35	-44	-62
A.IV.8.	Accumulated depreciation – cultures and crops (085)	36	0	0
A.IV.9.	Accumulated depreciation – breeding and draught animals (086)	37	0	0
A.IV.10.	Accumulated depreciation – low-value tangible fixed assets (088)	38	0	0
A.IV.11.	Accumulated depreciation – other tangible fixed assets (089)	39	0	0
B.	Total short-term assets (lines 41 + 51 + 71 + 80)	40	14,707	13,078
B.I.	Total inventories (lines 42 through 50)	41	0	0
B.I.1.	Material in stock (112)	42	0	0
B.I.2.	Material in transit (119)	43	0	0
B.I.3.	Work-in-process (121)	44	0	0
B.I.4.	Work-in progress (122)	45	0	0
B.I.5.	Finished products (123)	46	0	0
B.I.6.	Young animals and their groups (124)	47	0	0
B.I.7.	Goods in stock and in shops* (132)	48	0	0
B.I.8.	Goods in transit (139)	49	0	0
B.I.9.	Advances provided for inventories (314)	50	0	0
B.II.	Total receivables (lines 52 through 70)	51	459	536
B.II.1.	Trade debtors (311)	52	105	265
B.II.2.	Bills of Exchange to be collected (312)	53	0	0
B.II.3.	Receivables from discounting securities (313)	54	0	0
B.II.4.	Advance payments made (314+line 50)	55	0	0
B.II.5.	Other receivables (315)	56	0	0
B.II.6.	Receivables due from employees (335)	57	0	0
B.II.7.	Receivables due from social security and public health insurance institutions (336)	58	0	0
B.II.8.	Income tax (341)	59	0	0
B.II.9.	Other direct taxes (342)	60	0	0
B.II.10.	Value added tax (343)	61	0	0
B.II.11.	Other taxes and fees (345)	62	0	0
B.II.12.	Claims to subsidies and other settlements with state budget (346)	63	0	0
B.II.13.	Claims to subsidies and other settlements with budgets of independent territorial units (348)	64	0	0

			Line number	Balance as of the first day of accounting period	Balance as of the last day of accounting period
a			b	1	2
B.II.14.	Receivables due from from partners associated in the company	(358)	65	0	0
B.II.15.	Receivables from fixed forward operations and options	(373)	66	0	0
B.II.16.	Receivables from bonds issued	(375)	67	0	0
B.II.17.	Other receivables	(378)	68	354	271
B.II.18.	Estimated receivables	(388)	69	0	0
B.II.19.	Adjustment to receivables	(391)	70	0	0
B.III.	Total short-term financial assets (lines 72 through 79)		71	13,868	12,046
B.III.1.	Cash on hand	(211)	72	8	4
B.III.2.	Stamps, coupons and vouchers	(213)	73	0	0
B.III.3.	Cash at bank	(221)	74	13,860	12,042
B.III.4.	Shares and other securities for trading	(251)	75	0	0
B.III.5.	Debt securities for trading	(253)	76	0	0
B.III.6.	Other securities	(256)	77	0	0
B.III.7.	Short-term financial assets in progress	(259)	78	0	0
B.III.8.	Cash in transit	(+/-261)	79	0	0
B.IV.	Total other assets (lines 81 + 82)		80	380	496
B.IV.1.	Prepaid expenses	(381)	81		0
B.IV.2.	Accrued revenues	(385)	82	380	496
	TOTAL ASSETS (lines 1 + 40)		83	14,747	13,100
	Check figure (lines 1 through 83)		997		

LIABILITIES		Line number	Balance as of the first day of accounting period	Balance as of the last day of accounting period
c		d	3	4
A.	Total equity (lines 85 + 89)	84	1,683	2,003
A.I.	Total assets (lines 86 through 88)	85	187	507
A.I.1.	Equity (901)	86	0	0
A.I.2.	Funds (911)	87	187	507
A.I.3.	Gains/losses from revaluation of financial assets and liabilities (921)	88	0	0
A.II.	Total profit (lines 90 through 92)	89	1,496	1,496
A.II.1.	Profit/loss (+/-963)	90	218	0
A.II.2.	Profit/loss to be approved (+/-931)	91	X	X
A.II.3.	Retained earnings, accumulated losses from previous years (+/-932)	92	1,278	1,496
B.	Total liabilities (lines 94 + 96 + 104 + 128)	93	13,064	11,097
B.I.	Total reserves (line 95)	94	0	0
B.I.1.	Reserves (941)	95	0	0
B.II.	Total long-term liabilities (lines 97 through 103)	96	0	0
B.II.1.	Long-term loans (953)	97	0	0
B.II.2.	Bonds issued (953)	98	0	0
B.II.3.	Liabilities on lease (954)	99	0	0
B.II.4.	Long-term advance payments received (955)	100	0	0
B.II.5.	Long-term liabilities for Bills of Exchange (958)	101	0	0
B.II.6.	Estimated payables (389)	102	0	0
B.II.7.	Other long-term liabilities (959)	103	0	0
B.III.	Total short-term liabilities (lines 105 through 127)	104	2,661	2,947
B.III.1.	Trade creditors (321)	105	308	393
B.III.2.	Bills of Exchange to be paid (322)	106	0	0
B.III.3.	Advance payments received (324)	107	0	0
B.III.4.	Other liabilities (325)	108	0	0
B.III.5.	Employees (331)	109	1,334	1,374
B.III.6.	Other liabilities toward employees (333)	110	5	6
B.III.7.	Liabilities due to social security and public health insurance institutions (336)	111	553	615
B.III.8.	Income tax (341)	112	26	0
B.III.9.	Other direct taxes (342)	113	115	109
B.III.10.	Value added tax (343)	114	55	84
B.III.11.	Other taxes and fees (345)	115	0	118
B.III.12.	Liabilities from relation to state budget (346)	116	0	0
B.III.13.	Liabilities from relation to budgets of independent territorial units (348)	117	0	0
B.III.14.	Liabilities from subscribed unpaid securities and shares (367)	118	0	0
B.III.15.	Liabilities toward partners associated in the company (368)	119	0	0
B.III.16.	Liabilities from fixed forward operations and options (373)	120	0	0
B.III.17.	Other creditors (379)	121	255	171
B.III.18.	Short-term bank loans (231)	122	0	0
B.III.19.	Credits for discounted securities (232)	123	0	0
B.III.20.	Short-term bonds issued (241)	124	0	0
B.III.21.	Own bonds (255)	125	10	77
B.III.22.	Estimated liabilities (389)	126	0	0
B.III.23.	Other short-term debentures issued (379)	127	0	0
B.IV.	Total other liabilities (lines 129 + 130)	128	10,403	8,150
B.IV.1.	Prepaid expenses (383)	129	249	246
B.IV.2.	Accrued revenues (384)	130	10,154	7,904
	TOTAL LIABILITIES (lines 84 + 93)	131	14,747	13,100
	Check figure (lines 84 through 131)	998		

PROFIT AND LOSS ACCOUNT
as of 31 December 2022
(in thousands rounded up to the next CZK)

Identification No. (IČO)
65341490

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

Frank Bold Society
Údolní 33
602 00 Brno

Line number	Item	Line number	Core activities	Economic activities	Total
			1	2	3
A.	Costs (line 39)	1	X	X	X
A.I.	Total consumed purchases and purchased services (line 3 through 8)	2	7,679	546	8,225
A.I.1	Consumed materials, energy and other non-inventory items (501-3)	3	456	13	469
A.I.2	Merchandise sold (504)	4	0	0	0
A.I.3	Repairs and maintenance (511)	5	2	0	2
A.I.4	Travel expenses (512)	6	240	5	245
A.I.5	Entertainment and promotion expenses (513)	7	69	0	69
A.I.6	Other services (518)	8	6,912	528	7,440
A.II.	Change of levels of inventories from own activities and capitalization of materials, merchandise, internal services and fixed assets (lines 10 through 12)	9	0	0	0
A.II.7	Changes of levels of inventories from own activities (56x)	10	0	0	0
A.II.8	Capitalization of materials, merchandise and internal services (57x)	11	0	0	0
A.II.9	Capitalization of fixed assets	12	0	0	0
A.III.	Total personnel costs (lines 14 through 18)	13	26,741	1,346	28,087
A.III.10	Wages and salaries (521)	14	20,530	996	21,526
A.III.11	Statutory social insurance (524)	15	5,264	317	5,581
A.III.12	Other social insurance (525)	16	0	0	0
A.III.13	Statutory social expenses (527)	17	834	33	867
A.III.14	Other social expenses (528)	18	113	0	113
A.IV.	Total taxes and fees (line 20)	19	154	3	157
A.IV.15	Taxes and fees (53x)	20	154	3	157
A.V.	Total other costs (lines 22 through 28)	21	508	130	638
A.V.16	Contractual penalties, default interests and other fines and penalties (541)	22	0	0	0
A.V.17	Write-off of uncollectible account receivable (543)	23	0	0	0
A.V.18	Cost interests (544)	24	7	0	7
A.V.19	Foreign exchange losses (545)	25	500	130	630
A.V.20	Gifts and donations (546)	26	1	0	1
A.V.21	Shortages and damages (548)	27	0	0	0
A.V.22	Other expenses (549)	28	0	0	0
A.VI.	Total depreciation and amortization, assets sold and creation of reserves and adjustments (lines 30 through 34)	29	19	0	19
A.VI.23	Amortization of fixed intangible assets and depreciation of tangible fixed assets (551)	30	19	0	19
A.VI.24	Fixed assets sold (552)	31	0	0	0
A.VI.25	Securities and shares sold (553)	32	0	0	0
A.VI.26	Material sold (554)	33	0	0	0
A.VI.27	Creation of reserves and adjustments (556-9)	34	0	0	0
A.VII.	Total contributions provided (line 36)	35	38	0	38
A.VII.28	Provided membership fees and contributions settled between branches (58x)	36	38	0	38
A.VIII.	Total income tax (line 48)	37	0	0	0
A.VIII.29	Income tax (59x)	38	0	0	0
	TOTAL COSTS	39	35,139	2,025	37,164

Line number	Item	Line number	Core activities	Economic activities	Total
			1	2	3
B.	Revenues (line 64)	40	X	X	X
B.I.	Operating subsidies (line 42)	41	472	0	472
B.I.1	Operating subsidies (691)	42	472	0	472
B.II.	Total contributions received (lines 44 through 46)	43	34,667	256	34,923
B.II.2	Received contributions settled between branches (681)	44	0	0	0
B.II.3	Contributions (gifts and donations) received (682)	45	34,667	0	34,667
B.II.4	Membership fees received (684)	46	0	256	256
B.III.	Total revenues from own products, services and merchandise (lines 48 through 50)	47		1,525	1,525
B.III.1	Revenues from own products (601)	48	0	242	242
B.III.2	Revenues from services sold (602)	49	0	0	0
B.III.3	Revenues from merchandise sold (604)	50	0	0	0
B.IV.	Total other revenues (lines 52 through 57)	51	0	0	0
B.IV.5	Contractual penalties, default interest and other fines and penalties (641-2)	52	0	0	0
B.IV.6	Payments for write off of trade debtors (643)	53	0	0	0
B.IV.7	Interest receivable (644)	54	0	179	179
B.IV.8	Foreign exchange gains (645)	55	0	0	0
B.IV.9	Funds settlement (648)	56	0	0	0
B.IV.10	Other proceeds (649)	57	0	63	63
B.V.	Total revenues from sales of assets and settlement of reserves and adjustments (lines 59 through 63)	58	0	2	2
B.V.11	Revenues from sales of intangible and tangible fixed assets (652)	59	0	2	2
B.V.12	Revenues from sales of securities and shares (653)	60	0	0	0
B.V.13	Revenues from sales of material (654)	61	0	0	0
B.V.14	Revenues from short-term securities (655)	62	0	0	0
B.V.15	Revenues from long-term securities (657)	63	0	0	0
	TOTAL REVENUES	64	35,139	2,025	37,164
C.	PROFIT/LOSS BEFORE TAX (lines 39 – 64 + 38)	65	0	0	0
D.	PROFIT/LOSS AFTER TAX (lines 65 – 66)	67	0	0	0
	Check figure (lines 1 through 67)	999			

Sent on: 28.2. 2023	Official stamp: Frank Bold Frank Bold Society, z.s. Údolní 33, 602 00 Brno Tel.: + 420 545 575 229 E-mail: info@frankbold.org Identification No. (IČO): 653 414 90	Signature of statutory representative: Ing. Stanislav Kutáček <i>illegible signature</i>
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Frank Bold

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Notes to final financial statements for 2022

Frank Bold Society, z.s.

Údolní 567/33, Brno, postal code 602 00

Identification No. (IČ): 65341490

The accounting unit was incorporated on 11 November 1997 and entered into the register under the new name Frank Bold Society (the preceding name was Ekologický právní servis) on 1 January 2014.

The accounting period is the period between 1 January 2022 and 31 December 2022.

The books of accounts are maintained in compliance with the Accounting Act and the applicable accounting regulations.

Frank Bold Society, z.s. (hereinafter "Company") is a micro accounting unit keeping accounts in an electronic double-entry bookkeeping system using KELEXPRESS software of KELOC CS, s.r.o.

Members of the association's committee are: Mgr. Martin Fadrný and Ing. Stanislav Kutáček, PhD. Members of the association's committee are also statutory representatives of the association.

Company uses chart of accounts for not-for-profit organizations consisting of five-digit accounts; 4th and 5th digits represent analytical subaccounts as required from time to time.

Tangible and intangible fixed assets are depreciated according to the organization's guidelines. .

Low-value tangible fixed assets are recorded on off-balance sheet account No. 97128X "Operative evidence of low-value assets". Low value assets are consumed and posted to account 50100 "Office supplies", 50127 Small assets for consumption up to CZK 3,000 and 50128 "Small assets for consumption up to CZK 3,000 to CZK 80,000" at the moment of purchase.

Cash transactions in foreign currencies are typically accounted using the current exchange rate as of the date of the relevant accounting operation. Different accounting procedure for foreign exchange transactions is used where donors request so. Such procedure is then described in the relevant conditions or grant agreements.

Material is accounted for directly as used at the moment of purchase. At the balance sheet date, all purchased material was consumed.

Reimbursement for travel expenses and fares is stipulated in internal directives issued by members' meeting.

A credited EPS ticket is recorded in account No. 21313 - "Stamps". Other stamps (such as fee stamps or postage stamps) are accounted directly as used at the moment of purchase and posted to the relevant cost accounts.

The income from grants, subsidies and certain special purpose gifts or donations, although no corporate income tax is to be paid on such items, are accounted as revenues in the amounts equalling the expenses in the relevant accounting period and relating to the individual sources of such income. In the case of instalments that significantly exceed the relevant expenses incurred in the relevant accounting year, accruals are accounted in account No. 38400 "Accrued revenues" or in account No. 38500 "Deferred income". Where the revenues only insignificantly exceed the costs in the case of individual concrete grants and subsidies and it is certain that such exceeding will be settled in the subsequent year and a complete billing will be provided to the relevant foundation, no accruals are applied.

Income from grants and subsidies in 2022 (in CZK thousands):

Subsidies from public budgets and EU budgets	472
Subsidies from foundations and associations	19,451

Company's ongoing regular activities are performed by employees under employment contracts; such employees include both full time employees and, in justified cases, also part time employees. One-time activities are performed under agreements outside employment relationship.

On average, Company had equivalent of 41,1 full-time employees in 2022.

Personal costs of employees in 2022:

Wages and salaries: CZK 21 526 thousand

Social and health insurance: CZK 5 581 thousand

Statutory social costs: CZK 867 thousand

The members of the association perform their activities voluntarily without the right to remuneration. No loans, credits, guarantees or other benefits were provided to members of the Company in 2022.

A member of the statutory body (Ing. Stanislav Kutáček) has participation in persons with whom the organization entered into contractual relations in 2022, specifically in Frank Bold Advisory, s.r.o., he is an executive and partner, where he has a 49% share.

The Organization is a public utility taxpayer in compliance with Section 17a of Act No. 586/1992, Coll., the Income Tax Act, as amended (hereinafter the "**Income Tax Act**").

The Organization makes tax exempt gifts pursuant to Section 19b(2)(b) of the Income Tax Act whenever it is possible. In 2022, the association received donations amounting CZK 15 216 thousand. Out of this amount, individuals donated CZK 10 436 thousand and legal entities donated CZK 4 780 thousand.

The tax base was determined by showing the accounting result on line 10, without any adjustments, the accounting result corresponding to the profit or loss reported in the balance sheet and in the profit and loss statement. The items increasing the tax base (line 20 to line 62) and the items reducing the tax base (line 100 to line 162) adjusted the economic result to the tax base - line 220 of the tax return. From the status of a public benefit taxpayer, we then reduced the tax base in accordance with Section 20, Paragraph 7 of the Income Tax Act (on line no. 251), but not more than the amount of the tax base. The funds from the tax savings thus obtained will be used to cover costs (expenses) from the main activity in the following tax period.

In 2021, we had tax savings of CZK 57 thousand, which we used to cover the costs of the main activity, payment of invoice No. 220000408 – Jiří Skuhrovec.

Due to the current war in Ukraine, the Company's management discussed the possible effects of this conflict on the Company's activities. The Company's management did not find that the current war conflict should have a

significant impact on the Company's activities and does not jeopardize the assumption of a continuous operation of the company.

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Records of individual grants and activities

The accounting software used allows to divide the accounting into three categories: “centres”, “operations” and “orders”.

Code list “Centres”:

- costs and revenues for individual activities are recorded here.
- other numerical designations in the code list of the center are auxiliary or historical and have no relation to the corporate income tax.

Code list “Operations”:

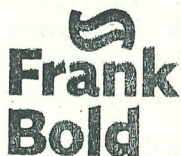
- This code list includes in particular all grants and gifts from foundations, i.e. movements that influence the operating results but are not subject to the corporate income tax. The numbers of the operations – “grants” have three digits.
- The other numbers in this code list are ancillary or historical and are not subject to the corporate income tax.

Code list “Orders”:

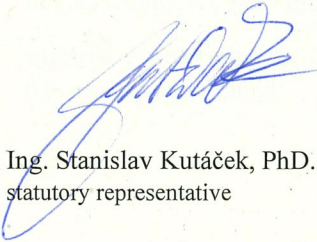
- The numbers of projects shown in this code list match with the numbers of the “operations” and in the code list “Orders” designate the costs shown as co-financed in the billings of said projects.
- The other numbers in this code list are ancillary or historical and are not subject to the corporate income tax.

No significant changes occurred between the balance sheet date (31 December 2022) and the date of the compilation of the final financial statements.

In Brno, 31 March 2023



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Ing. Stanislav Kutáček, PhD.
statutory representative

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