

U. S. Steel Košice Foundation

Annual Report 2009

Address : **Vstupný areál U. S. Steel**
 044 54 Košice
 INO: 35549891

Annual Report of the U. S. Steel Košice Foundation

A. FOUNDATION ACTIVITIES IN 2009

The U. S. Steel Košice Foundation (hereinafter “the USSK Foundation“) was established on December 9, 2002 and incorporated in the Register of Foundations kept by the Ministry of Internal Affairs of the Slovak Republic with the number 203/Na-2002/695 on December 11, 2002. The USSK Foundation was established by U. S. Steel Košice, s.r.o. in order to support public-benefit activities in the following areas:

- healthcare,
- social, humanitarian and charity,
- supporting retirees – former employees of U. S. Steel Košice, s.r.o.,
- schools, science and education,
- supporting youth,
- physical activities and sport,
- culture including cultural heritage recovery,
- protection and formation of the environment,
- preservation of natural treasures,
- humanitarian assistance for individuals or groups of people whose lives are at risk, or who need urgent help due to impact of natural disaster.

In 2009, the USSK Foundation supported projects in the following areas:

AREA	NUMBER OF PROJECTS	AMOUNT
healthcare	2	31,373.69 EUR
schools, science and education	54	31,862.87 EUR
social, humanitarian and charity	14	29,230.62 EUR
physical activities and sport	7	24,862.00 EUR
preservation of natural treasures	1	299.30 EUR
Total	78	117,628.48 EUR

Healthcare

The USSK Foundation supported two (2) healthcare projects totaling EUR 31,373.69. The main one was the project to help the Casualty Surgery Clinic at Košice L. Pasteur University Hospital to purchase positionable operating table with special equipment which will be used for patients from the entire East Slovak Region. The USSK Foundation supported this project with providing financial funds totaling EUR 30,991.83. The joint gift from the USSK Foundation, company U. S. Steel Košice, s.r.o. and its employees has tripled the amount and this gift was presented at the gala Christmas charity concert on December 11, 2009 in the Košice State Theater.

Information about other supported projects is given under Item *E. List of People and Entities Who Received Funds from the Foundation* – section Healthcare.

Schools, Science and Education

During 2009 the USSK Foundation supported four (4) projects organized by educational institutions, focusing mainly on education process enhancement and provided 50 scholarships. The cash funds provided totaled EUR 31,862.87.

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Scholarship Program

This intends to support the university studies of talented students from foster homes, incomplete families or other socially-disadvantaged conditions from the Košice and Prešov regions. The program also motivates university students who are engaged in different social and volunteer activities, and at the same time it motivates high school students to achieve better results, since their enrollment in the program also depends on their school results.

Information about the specific projects supported is given under Item *E. List of People and Entities Who Received Funds from the Foundation* – section Education, Science and Schools.

Social, Humanitarian and Charity

During 2009 the USSK Foundation supported 14 projects of social, humanitarian and charity organizations in the Košice and Prešov regions totaling EUR 29,230.62, 11 of them were supported by public fundraising. One of other projects in this area was the “Wishing Tree” project, which tries to fulfill the Christmas wishes of children in foster homes, schools and institutions around the East Slovakian region. Each year, this support is given to different foster homes, schools and institutions. In 2009 project the USSK Foundation supported the foster homes in Medzilaborce, Vranov nad Topľou and Joint School, Opatovská 97, Košice. Cash funds to purchase audio equipment, children’s winter clothing and footwear, paint and tools, contributions to purchase a minibus and a seven-seater Volkswagen Caddy MPV were provided.

Information about the specific projects supported is given under Item *E. List of People and Entities Who Received Funds from the Foundation* – Social, humanitarian and charity section.

Physical Activities and Sport

In this area the USSK Foundation supported seven (7) projects, providing cash funds totaling EUR 24,862.00. The USSK Foundation concentrated mainly on the grant program “Your Chance To Play”. Among the projects supported by the USSK Foundation in 2009 there was also an international indoor soccer tournament for students with hearing disabilities in Prešov, which is the only official tournament worldwide specifically for this category of disabled soccer players.

The “Your Chance To Play” grant program

The program focuses on supporting children whose families do not have enough resources to finance their sport activities. These children have an opportunity to make progress only due to this support. The USSK Foundation’s approach is consistently based on equality of opportunities for everyone. A specific demonstration of this approach can be found in the three programs supporting ice-hockey, basketball and football players. The young ice-hockey players’ support program applies mainly to boys aged between 5½ and 15 years, for whom the USSK Foundation pays club fees in the Košice Ice-Hockey Club and part of the cost of buying hockey equipment. There is a similar situation with the soccer talents aged between 10 to 13 years who are members of the Jednota Košice Athletics Club. For girls aged 10 to 13 years there is a young basketball players’ program, with the same form of support.

Information about the specific projects supported is given under Item *E. List of People and Entities Who Received Funds from the Foundation* – Physical education and sport section.

B. FINANCIAL INFORMATION 2009

BALANCE SHEET Balance as of December 31, 2009 in EUR

ASSETS	
Bank accounts	323,669
Accrued revenues	75
Total	323,744
EQUITY AND LIABILITIES	
Foundation basic capital	6,639
Retained earnings (losses)	229,404
Profit for the period	87,701
Total	323,744

Distribution of profit

In accordance with the Foundation Charter of the USSK Foundation (Article VIII), the Supervisory Board approved the transfer of profit for the year 2008 totaling EUR 82,215.73 to the retained earnings on its meeting as of July 14, 2009.

INCOME STATEMENT Balance as of December 31, 2009 in EUR

INCOME STATEMENT	
Revenues	206,869
Expenses	119,168
profit / (loss)	87,701

A breakdown of income (revenues) is presented under Item C. *Breakdown of Income (Revenues) by Original Source*. A breakdown of expenses (costs) is given under Item D. *Breakdown of Expenses (Costs) by Individual Activities of the Foundation*.

C. BREAKDOWN OF INCOME (REVENUES) BY ORIGINAL SOURCE

INCOME (REVENUES)	
	<u>Amount in EUR</u>
Contributions received from other entities	200,000
Contributions received from people – public fundraising	5,706
Interest income from time deposits	1,163
Total	206,869

In 2009, the USSK Foundation received the following donations or financial funds exceeding EUR 331 from the same donor:

U. S. Steel Košice, s.r.o.	EUR 200,000
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D. BREAKDOWN OF EXPENSES (COSTS) BY INDIVIDUAL ACTIVITIES OF THE FOUNDATION

EXPENSES (COSTS)	Plan in EUR (approved by the Executive Board)	Amount in EUR
Administrative Costs		
Protection and appreciation of the Foundation assets	-	-
Promotion of public-benefit purpose	-	-
Foundation Operation		
- cost of audit services	996	988
- bank charges and other fees	498	346
- accounting software	-	-
administrator's emoluments	-	-
compensations of expenses according to special regulation	-	-
wages and salaries	-	-
Total administrative costs	1,494	1,334
Operating costs of other activities of the Foundation		
withholding tax on interest	996	206
Gifts		112,378
Public fundraising funds provided		5,250
Total	2,490	119,168

At its meeting on November 6, 2008, the USSK Foundation Executive Board approved the budget for administration of the USSK Foundation for the year 2009.

A breakdown of donations provided by individual sources is presented under Item A. *Foundation Activities in 2009.*

E. LIST OF PEOPLE AND ENTITIES WHO RECEIVED FUNDS FROM THE FOUNDATION

Healthcare

No.	Entity Name	Gift Value (EUR)	Gift Purpose	Gift Contract No.
1.	University Children's Hospital, Košice	381.86	Purchase of endoscope	01/2009
2.	L. Pasteur University Hospital, Košice, Casualty Surgery Clinic	30,991.83	Purchase of positionable operating table with special equipment	50/2009

Education, science and schools

No.	Entity Name	Gift Value (EUR)	Gift Purpose	Gift Contract No.
1.	Elementary Art School, Bernolákova Street # 26, Košice	278.76	Art supplies for the Fine-Art Department – public fundraising	4/2009
2.	Elementary Art School, Irkutská Street # 1, Košice	110.49	Art supplies for school students - public fundraising	11/2009
3.	Elementary Art School – Fine-Art Dept., Kováčska Street # 43, Košice	192.67	Art supplies for school students - public fundraising	14/2009
4.	Re-education Home for Children & Youth, Košice	256.95	Sports equipment for inmates - public fundraising	15/2009

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LIST OF STUDENTS SUPPORTED				
No.	Student Name	Gift Value (EUR)	Gift Purpose	Gift Contract No.
1.	Jana Pecúchová, Prešov	438.00	study expenses at Prešov University in Prešov, Faculty of Education	30/2008
2.	Róbert Okoš, Lipany	840.00	study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics	31/2008
3.	Filip Jerga, Košice	2,200.00	study expenses at the University of Nottingham, UK, Dept. of Management Studies	32/2008
4.	Matúš Mihalčín, Prešov	738.00	study expenses at Masaryk University in Brno, Czech Republic, Faculty of Medicine	33/2008
5.	Mišel Batmend, Stará Ľubovňa	840.00	study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics	34/2008
6.	Monika Švihurová, Prešov	492.00	study expenses at Catholic University in Ružomberok, Faculty of Pedagogy	35/2008
7.	Viktória Vargová, Trebišov	738.00	study expenses at Comenius University in Bratislava, Faculty of Humanities	36/2008
8.	Marek Hatiar, Košice	492.00	study expenses at the Technical University in Košice, Faculty of Aeronautics	37/2008
9.	Matúš Fedák, Stará Ľubovňa	738.00	study expenses at Comenius University in Bratislava, Faculty of Math, Physics and Informatics	38/2008
10.	Michal Mochťak, Strážske	840.00	study expenses at Masaryk University in Brno, Czech Republic, Faculty of Social Studies	39/2008
11.	Zuzana Batmendijnová, Stará Ľubovňa	200.00	study expenses at Comenius University in Bratislava, Faculty of Math, Physics and Informatics	40/2008
12.	Miroslava Murcková, Stará Ľubovňa	300.00	study expenses at Catholic University in Ružomberok, Faculty of Theology	41/2008
13.	Martin Ondrej, Prešov	348.00	study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics	42/2008
14.	Zuzana Celuchová, Prešov	450.00	study expenses at Comenius University in Bratislava, Faculty of Math, Physics and Informatics	49/2008
15.	Jakub Beran, Košice	840.00	study expenses at Comenius University in Bratislava, Faculty of Math, Physics and Informatics	50/2008
16.	Peter Reblán, Cestice	348.00	study expenses at P. J. Safárik University in Košice, Faculty of Law	51/2008
17.	Matej Mačák, Košice	1,320.00	study expenses at the University of Oxford, UK, Dept. of Political and Social Science	52/2008
18.	Jana Imrichová, Prešov	1,320.00	study expenses at Canterbury Christ Church University, UK	53/2008
19.	Xénia Michaličová, Košice	492.00	study expenses at the Technical University in Košice, Faculty of Economics	54/2008
20.	Júlia Batmendijnová, Stará Ľubovňa	840.00	study expenses at Comenius University in Bratislava, Faculty of Humanities	55/2008
21.	Mária Hanobíková, Prešov	492.00	study expenses at Prešov University in Prešov, Faculty of Education	56/2008
22.	Martina Remáčová, Sobrance	840.00	study expenses at Comenius University in Bratislava, Jesenius Faculty of Medicine	57/2008
23.	Tomáš Kocák, Košice	492.00	study expenses at Comenius University in Bratislava, Faculty of Math, Physics and Informatics	58/2008

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LIST OF STUDENTS SUPPORTED				
No.	Student Name	Gift Value (EUR)	Gift Purpose	Gift Contract No.
24.	Lenka Turzáková, Dobšiná	492.00	study expenses at Matej Bel University in Banská Bystrica, Faculty of Education	59/2008
25.	Lucia Fedáková, Stará Ľubovňa	342.00	study expenses at Prešov University in Prešov, Faculty of Humanities and Natural Sciences	60/2008
26.	Dominika Fedáková, Stará Ľubovňa	492.00	study expenses at Comenius University in Bratislava, Faculty of Math, Physics and Informatics	61/2008
27.	Lenka Dlugošová, Prešov	1,400.00	study expenses at the University of Economics in Prague, Czech Republic	62/2008
28.	Matúš Mihalčín, Prešov	600.00	study expenses at Masaryk University in Brno, Czech Republic, Faculty of Medicine	20/2009
29.	Lenka Turzáková, Dobšiná	400.00	study expenses at Matej Bel University in Banská Bystrica, Faculty of Education	21/2009
30.	Mišel Batmend, Stará Ľubovňa	680.00	study expenses at the Technical University in Košice, Faculty of Electrical Eng. and Informatics	22/2009
31.	Marek Hatiar, Košice	400.00	study expenses at the Technical University in Košice, Faculty of Aeronautics	23/2009
32.	Michal Mochťak, Strážske	680.00	study expenses at Masaryk University in Brno, Czech Republic, Faculty of Social Studies,	24/2009
33.	Jakub Beran, Košice	600.00	study expenses at Comenius University in Bratislava, Faculty of Math, Physics and Informatics	25/2009
34.	Júlia Batmendijnová, Stará Ľubovňa	600.00	study expenses at Comenius University in Bratislava, Faculty of Humanities	26/2009
35.	Mária Hanobíková, Prešov	440.00	study expenses at Prešov University in Prešov, Faculty of Education	27/2009
36.	Martina Remáčová, Sobrance	680.00	study expenses at Comenius University in Bratislava, Jesenius Faculty of Medicine	28/2009
37.	Dominika Fedáková, Stará Ľubovňa	400.00	study expenses at Comenius University in Bratislava, Faculty of Math, Physics and Informatics	29/2009
38.	Lucia Fedáková, Stará Ľubovňa	280.00	study expenses at Prešov University in Prešov, Faculty of Humanities and Natural Sciences	30/2009
39.	Lucia Fabišíková, Košice	600.00	study expenses at the Slovak Technical University in Bratislava, Faculty of Chemical Technology and Food Production	31/2009
40.	Ivan Kuzma, Pavlovce nad Uhom	800.00	study expenses at Canterbury Christ Church University, UK	32/2009
41.	Peter Čižmár, Vranov nad Topľou	520.00	study expenses at the Technical University in Košice, Faculty of Mechanical Engineering	33/2009
42.	Petra Vasilková, Svidník	600.00	study expenses at Trnava University in Trnava, Faculty of Law	34/2009
43.	Mária Betková, Petrovce	600.00	study expenses at Comenius University in Bratislava, Jesenius Faculty of Medicine	35/2009
44.	Zuzana Čekanová, Sabinov	360.00	study expenses at Prešov University in Prešove, Faculty of Humanities	36/2009
45.	Róbert Hrdlovič, Košice	800.00	study expenses at the Slovak Technical University in Bratislava, Faculty of Architecture	37/2009
46.	Lucia Špaková, Kežmarok	600.00	study expenses at Comenius University in Bratislava, Faculty of Management	38/2009
47.	Katarína Dlugošová, Stará Ľubovňa	340.00	study expenses at Charles University	47/2009

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LIST OF STUDENTS SUPPORTED				
No.	Student Name	Gift Value (EUR)	Gift Purpose	Gift Contract No.
			in Prague, Czech Republic, 2nd Faculty of Medicine	
48.	Lucia Lendelová, Košice	200.00	study expenses at P. J. Šafárik University in Košice, Faculty of Humanities	48/2009
49.	Ivana Šulíková, Stará Ľubovňa	240.00	study expenses at the University of Economics in Bratislava, Faculty of Economics	51/2009
50.	Kristína Batmendijnová, Stará Ľubovňa	240.00	study expenses at Comenius University in Bratislava, Faculty of Math, Physics and Informatics	54/2009

Social, humanitarian and charity

No.	Entity Name	Gift Value (EUR)	Gift Purpose	Gift contract no.
1.	Centipede Maternity Center - Košice South	246.07	to cover operating costs of the center; to create a safe and hygienic place for children's games and meaningful use of free time by parents on maternity leave – public fundraising	3/2009
2.	Košice Wheelchair Users' Organization for Independent Life, Košice	124.51	to cover running costs and operating expenses of the organization - public fundraising	5/2009
3.	ŠANCA, not-for-profit org., Košice	331.71	to purchase material and equipment for schools with physically-disabled pupils and students - public fundraising	6/2009
4.	Children's Club for Physically Disabled Children and Youth in Košice	435.87	to purchase physiotherapy aids for physically-disabled children - public fundraising	7/2009
5.	Special-interest Association for Women, Fenestra, Košice	306.13	to cover running costs and operating expenses of the association - public fundraising	8/2009
6.	Foster Home - Košická Nová Ves	635.46	to furnish satellite accommodation for the foster home inmates - public fundraising	9/2009
7.	Sparkle of Assistance, not-for-profit org., Košice	364.57	to purchase an endoscope for the University Children's Hospital in Košice - public fundraising	10/2009
8.	Smile At Me Civic Association, Košice	210.48	to purchase special teaching aids for Practical Elementary School on Vojenská Street in Košice - public fundraising	12/2009
9.	ArtEst – polyesthetic education for disadvantaged youth, Košice	503.18	to purchase arts materials for mentally-disabled children - public fundraising	13/2009
10.	Archdiocesan Charity, Košice	231.41	to cover running costs and operating expenses of the Mother Teresa Hospice in Bardejovská Nová Ves, retirement homes and social services centers in Košice, Lipany, Veľký Šariš, Vojčice - public fundraising	16/2009
11.	Foster Home, Uralská Street # 1, Košice	341.23	to purchase arts and working materials for the therapeutic workshop - public fundraising	17/2009
12.	Foster Home, Vranov nad Topľou	8,500.00	to purchase a minibus	39/2009
13.	Foster Home, Medzilaborce	8,500.00	to purchase audio equipment, children's winter clothing and footwear, paint and tools, and to cover costs of decorating the foster home	40/2009
14.	Integrated School, Opatovská Street # 97, Košice	8,500.00	to purchase a seven-seater Volkswagen Caddy MPV	41/2009

Physical activities and sport

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No.	Entity Name	Gift Value (EUR)	Gift Purpose	Gift contract no.
1.	Sports Club for Hearing-impaired Children, Prešov	830.00	to cover costs of organizing the 17th edition of the international under-16 indoor soccer tournament for hearing-impaired children	18/2009
2.	Košice Ice-hockey Club	242.00	Your Chance To Play – ice-hockey (Oliver Mandelík)	19/2009
3.	School Sports Club, ABOVIA 96, Košice	2,475.00	Your Chance To Play – basketball - Jana Demeterová, Juliana Kuczik, Adriána Špaková, Sára Majorošová, Monika Kicová, Barbora Diheneščiková, Alexandra Beňová, Natália Janitorová, Nikola Fogarašová, Lucia Kašperanová	42/2009
4.	Basketball Club SOUŽ Košice	940.00	Your Chance To Play – basketball - Laura Pražmová, Mária Pražmová, Lenka Bednáriková	43/2009
5.	Jednota Athletics Club, Košice	320.00	Your Chance To Play – soccer - Dejan Marič, Ján Špak	44/2009
6.	Košice Ice-hockey Club	18,905.00	Your Chance To Play – ice-hockey - Filip Jozef Bittner, Adrián Palacko, Richard Herich, Ivan Čavara, Ivan Michal Ries, Gabriel Patrik, Sebastián Kozma, Tristan Kozma, Denis Konovalov, Gerhard Longauer, Robert Mikita, Marek Kažimír, Samuel Sirotnák, Dominik Tóth, Oliver Mandelík, Matúš Varga, Adam Jobbágy, Sebastián Dimun, Ľubomír Patlevič, Dávid Boldižár, Samuel Neupauer, Ervin Halász, Christían Michalčin, Adam Baník, Nikolas Kolárik, Samuel Rudy, Juraj Rudy, Matúš Horváth, Lukáš Horváth, Tomáš Robert Metzger, Samuel Koper, Roland Weis, Adam Matej, Miroslav Sovič, Marián Oros, Richard Píga, Jakub Köver, Jakub Cibák, Adam Garaj, Michal Planeta, Ľuboš Diheneščik, Oliver Glitta, Patrik Koziarszky, Štefan Marci, Dávid Šipoš, Benjamín Janovič, Jakub Študenc, Martin Eštu, Matej Porkoláb, Jakub Černák, Denis Anderko	45/2009
7.	Union Press School Sports Club	1,150.00	Your Chance To Play – basketball - Miroslava Sobolová, Nikola Švábová, Andrea Evelleyová, Dajana Barnová	46/2009

Preservation of natural treasures

No.	Entity Name	Gift Value (EUR)	Gift Purpose	Gift contract no.
1.	Association of Mutual Assistance of People and Dogs, Košice-Haniska	299.30	animal shelter activities and building extension - public fundraising	2/2009

F. CHANGES MADE IN THE FOUNDATION CHARTER AND THE USSK FOUNDATION BODIES

Changes in Foundation Charter

There were no changes made to the Foundation Charter in 2009.

Changes in membership of the USSK Foundation bodies

There were no changes in USSK Foundation bodies during 2009.

G. FOUNDATION ADMINISTRATOR AND OTHER BODIES' EMOLUMENTS

In 2009, no emoluments were paid for their activities either to the Administrator or to the members of the Executive or Supervisory Boards of the USSK Foundation.

H. OVERVIEW OF FOUNDATION FUNDS' ACTIVITIES

In 2009, the USSK Foundation did not establish any Foundation Fund.

I. EMPLOYEES

In 2009, the USSK Foundation did not have any employees.

J. EXPECTATIONS FOR FUTURE DEVELOPMENT OF THE USSK FOUNDATION ACTIVITIES

The intention of the USSK Foundation is to continue supporting public projects in the field of education and healthcare, to financially support science, culture and charity through the foundation programs, to proceed with supporting talented children and youth either by financial or material contributions focusing on improvement of education processes and standard of living. The USSK Foundation will focus above all on supporting those individuals who need assistance, mainly children in foster homes and disabled individuals, as well as organizations and clubs involved in social and charity activities that are beneficial for our community. The USSK Foundation will be involved in humanitarian aid for individuals or groups who are affected by disasters or whose lives are at risk, as well as in environment protection and nature preservation.

Košice, March 18, 2010

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Slávka Tvrdoňová
Foundation Administrator
U. S. Steel Košice Foundation

.....
George F. Babcoke
Chairman, Executive Board
U. S. Steel Košice Foundation

U. S. Steel Košice Foundation

Financial Statements as of December 31, 2009

INDEPENDENT AUDITOR'S REPORT

To the Executive Board and Administrator of the foundation Nadácia U. S. Steel Košice ("the Foundation"):

We have audited the accompanying financial statements of the Foundation that comprise balance sheet as of December 31, 2009, the related income statement and notes to the financial statements for the year then ended.

Management's Responsibility for the Financial Statements

These financial statements are the responsibility of the management of the Foundation. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and accounting methods as well as making accounting estimates that are reasonable in their circumstances.

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 International Standards on Auditing published by the Slovak Chamber of Auditors (SKAU). These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The audit includes examining, on a test basis, evidence supporting the financial statements data. An audit also includes assessing the accounting principles used and significant estimates made by the Foundation as well as evaluation the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2009 and the results of its operations for the year then ended in accordance with the provisions of Act No. 431/2002 Coll. on Accounting and related accounting regulations.

Prešov, March 23, 2010

ADEZ s.r.o.
ul. Hlavná 137
080 01 Prešov
SKAU licence No. 310

Ing. Zdenka Kvasková
responsible auditor
SKAU licence No: 427

BALANCE SHEET
as of December 31, 2009
(in EUR)

For accounting period from month year to month year

For previous accounting period from month year to month year

Financial statements:

- ordinary
 - extraordinary
 - interim

Tax Identification Number

INO

Accounting Entity Name

Residence of the Entity

Street and Number

ZIP Code

Town

Area Code

Phone Number

Fax Number

e-mail address

Prepared on: March 18, 2010	Signature of a member of entity responsible for accounting: Ing. Marcela Drenčaková	Signature of a member of entity responsible for preparation of financial statements: Ing. Adam Dudič, FCCA	Signature of entity's statutory body or a member of entity's statutory body: Mgr. Slávka Tvrdoňová
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Assets		Row No.	Current Period			Prior Period
			Gross 1	Adjustment 2	Net 3	Net 4
A		b				
A. TOTAL NON-CURRENT ASSETS r. 002 + r. 009 + r. 021		001				
1.	Intangible non-current assets total r. 003 to 008	002				
	Development costs 012 - (072 + 091AÚ)	003				
	Software 013 - (073 + 091AÚ)	004				
	Valuable rights 014 - (074 + 091AÚ)	005				
	Other intangible non-current assets (018 + 019) - (078 + 079 + 091 AÚ)	006				
	Acquisition of intangible non-current assets (041 - 093)	007				
	Advance payments made for non-current intangible assets (051 - 095AÚ)	008				
2.	Tangible non-current assets total r. 010 to r. 020	009				
	Land (031)	010		X		
	Works of art and collections (032)	011		X		
	Buildings 021 - (081 - 092AÚ)	012				
	Machinery and equipment 022 - (082 + 092AÚ)	013				
	Vehicles 023 - (083 + 092AÚ)	014				
	Perennial crops 025 - (085 + 092AÚ)	015				
	Livestock and draught animals 026 - (086 + 092AÚ)	016				
	Small tangible non-current assets 028 - (088 + 092AÚ)	017				
	Other tangible non-current assets 029 - (089 + 092AÚ)	018				
	Acquisition of tangible non-current assets (042 - 094)	019				
	Advance payments made for tangible non-current assets (052 - 095AÚ)	020				
3.	Non-current financial assets r. 022 to r. 028	021				
	Shares and ownership interests in controlled entities (061 - 096AÚ)	022				
	Shares and ownership interests in companies with significant influence (062 - 096AÚ)	023				
	Debt securities held to maturity (065 - 096 AÚ)	024				
	Loans to related parties and other loans (066 + 067) - 096 AÚ	025				
	Other non-current financial assets (069 - 096 AÚ)	026				
	Acquisition of non-current financial assets (043 - 096 AÚ)	027				
	Advanced payments made for non-current financial assets (053 - 096AÚ)	028				
Control Number r. 001 to r. 028		991				

Assets		Row No.	Current Period			Prior Period
			Gross	Adjustment	Net	Net
a		b	1	2	3	4
B. CURRENT ASSETS r. 030 + r. 037 + r. 042 + r. 051		029	323,669		323,669	236,043
1.	Inventories r. 031 to r. 036	030				
	Raw material (112 + 119) - 191	031				
	Work in progress and semi-finished production (121 + 122) - (192 + 193)	032				
	Finished goods (123 - 194)	033				
	Animals (124 - 195)	034				
	Merchandise (132 + 139) - 196	035				
	Advance payments made for inventories (314AÚ - 391AÚ)	036				
2.	Long-term receivables r. 038 to r. 041	037				
	Trade receivables (311 AÚ to 314 AÚ) - 391AÚ	038				
	Other receivables (315 AÚ - 391 AÚ)	039				
	Receivables from associations members (358 AÚ - 391 AÚ)	040				
	Miscellaneous receivables (335AÚ + 373AÚ + 375AÚ + 378AÚ) - 391AÚ	041				
3.	Short-term receivables r. 043 to r. 050	042				
	Trade receivables (311 AÚ to 314 AÚ) - 391AÚ	043				
	Other receivables (315AÚ - 391AÚ)	044				
	Settlement with Social Insurance Company and health insurance companies (336)	045		X		
	Tax receivables (341 to 345)	046		X		
	Receivables due to financial relations to the state and regional budget (346 + 348)	047		X		
	Receivables from associations members (358 AÚ - 391AÚ)	048				
	Linking account for association (396 - 391AÚ)	049				
	Miscellaneous receivables (335AÚ + 373AÚ + 375AÚ + 378AÚ) - 391AÚ	050				
4.	Financial accounts r. 052 to r. 056	051	323,669		323,669	236,043
	Cash in hand (211 + 213)	052		X		59
	Bank accounts (221AÚ + 261)	053	323,669	X	323,669	235,984
	Bank accounts with restriction period more than one year (221AÚ)	054		X		
	Short-term financial assets (251 + 253 +255 + 256 + 257) - 291 AÚ	055				
	Acquisition of short-term financial assets (259 - 291AÚ)	056				
C. Accruals and prepayments total r. 058 to r. 059		057	75		75	
1.	Prepaid expenses (381)	058				
	Accrued revenues (385)	059	75		75	
TOTAL ASSETS r. 001 + r. 029 + r. 057		060	323,744		323,744	236,043
Control number r. 029 to r. 060		992	1,294,901		1,294,901	944,172

Equity and Liabilities		Row No.	Current Period	Prior Period	
a		b	5	6	
A. Total liabilities and equity		r. 062 + r. 068 + r. 072 + r. 073	061	323,744	236,043
1.	Basic capital and cash funds	r. 063 to 067	062	6,639	6,639
	Basic capital	(411)	063	6,639	6,639
	Cash funds created according to special regulation	(412)	064		
	Reproduction fund	(413)	065		
	Gains or losses from revaluation of assets and liabilities	(414)	066		
	Gains or losses from revaluation of investments	(415)	067		
2.	Funds created from profit	r. 069 to r. 071	068		
	Reserve fund	(421)	069		
	Funds created from profit	(423)	070		
	Other funds	(427)	071		
3.	Retained earnings / (losses)	(+;-;428)	072	229,404	147,189
4.	Profit / (loss) for the period	r. 060 – (r. 062 + r. 068 + r. 072 + r. 074 + r. 101)	073	87,701	82,215
B. Total liabilities		r. 075 + r. 079 + r. 087 + r. 097	074		
1.	Provisions	r. 076 to 078	075		
	Legal provisions	(451 AÚ)	076		
	Other provisions	(459 AÚ)	077		
	Short term provisions	(323 + 451 AÚ + 459 AÚ)	078		
2.	Long-term liabilities	r. 080 to r. 086	079		
	Liabilities from the social fund	(472)	080		
	Bonds issued	(473)	081		
	Payables from rental	(474 AÚ)	082		
	Long-term advance payments received	(475)	083		
	Long-term un-invoiced deliveries	(476)	084		
	Long-term bills of exchange payable	(478)	085		
	Other long-term payables	(373 AÚ + 479 AÚ)	086		
3.	Short-term liabilities	r. 088 to r. 096	087		
	Trade payables	(321 to 326) except 323	088		
	Payables to employees	(331+ 333)	089		
	Settlement with Social Insurance Company and health insurance companies	(336)	090		
	Tax payables	(341 to 345)	091		
	Payables due to financial relations to the state and regional budget	(346 + 348)	092		
	Payables for unpaid subscribed shares and participations	(367)	093		
	Payables to associations members	(368)	094		
	Linking account for association	(396)	095		
	Other payables	(379 + 373 AÚ + 474 AÚ + 479 AÚ)	096		
4.	Bank loans and borrowings	r. 098 to r. 100	097		
	Long-term bank loans	(461AÚ)	098		
	Short-term bank loans	(231+ 232 + 461AÚ)	099		
	Short-term borrowings received	(241+ 249)	100		
C. ACCRUALS AND DEFERRED INCOME		r. 102 to r. 103	101		
1.	Accrued expenses	(383)	102		
	Deferred income	(384)	103		
TOTAL EQUITY AND LIABILITIES		r. 061 + r. 074 + r. 101	104	323,744	236,043
Control number		r. 061 to r. 104	993	977,871	714,768

INCOME STATEMENTas of December 31, 2009
(in EUR)

For accounting period from month year to month year

For previous accounting period from month year to month year

Financial statements

 - ordinary
 - extraordinary

Tax Identification Number

INO

Accounting Entity Name

Residence of the Entity

Street and Number

ZIP Code

Town

Area Code

Phone Number

Fax Number

e-mail

Prepared on: March 18, 2010	Signature of a member of entity responsible for accounting: Ing. Marcela Drenčaková	Signature of a member of entity responsible for preparation of financial statements: Ing. Adam Dudič, FCCA	Signature of entity's statutory body or a member of entity's statutory body: Mgr. Slávka Tvrdoňová
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Acc. No.	Expenses	Row Number	Activity			Prior Period
			Main non-taxable	Business taxable	Total	
a	b	c	1	2	3	4
501	Consumption of material	01				
502	Consumption of energy	02				
504	Merchandise sold	03				
511	Repair and maintenance	04				
512	Travel expenses	05				
513	Entertainment costs	06				
518	Other services	07	1,035		1,035	830
521	Wages and salaries	08				
524	Legal social and health insurance	09				
525	Other social insurance	10				
527	Legal social expenses	11				
528	Other social expenses	12				
531	Road tax	13				
532	Real estate tax	14				
538	Other indirect taxes and fees	15				
541	Contractual fines and penalties	16				
542	Other fines and penalties	17				
543	Receivables written-off	18				
544	Interests	19				
545	Foreign exchange rate losses	20				
546	Gifts	21	112,378		112,378	140,727
547	Special expenses	22				
548	Shortages and damages	23				
549	Other operating expenses	24	299		299	314
551	Depreciation and amortization expense of intangible and tangible non-current assets	25				
552	Net book value of intangible and tangible non-current assets sold	26				
553	Securities sold	27				
554	Material sold	28				
555	Costs of short-term financial assets	29				
556	Creation of funds	30				
557	Costs of securities revaluation	31				
558	Creation and settlement of provisions for impairment	32				
559	Creation and settlement of legal provisions for impairment	33				
561	Contributions provided to organization units	34				
562	Contributions provided to other entities	35				
563	Contributions provided to people	36				
567	Provided contributions from public fundraising	37	5,250		5,250	5,221
Account class 5 total r. 01 to r. 37		38	118,962		118,962	147,092
Control Number r. 01 to r. 38		994	237,924		237,924	294,184

Acc. No.	Revenues	Row. Number	Activity			Prior Period
			Main non-taxable	Business taxable	Total	
a	b	c	1	2	3	4
601	Revenues from own products	39				
602	Revenues from services sold	40				
604	Revenues from merchandise sold	41				
611	Change in work-in-progress	42				
612	Change in semi-finished production	43				
613	Change in finished goods	44				
614	Change in animals	45				
621	Capitalization of materials and merchandise	46				
622	Capitalization of internal services	47				
623	Capitalization of intangible non-current assets	48				
624	Capitalization of tangible non-current assets	49				
641	Contractual fines and penalties	50				
642	Other fines and penalties	51				
643	Payments from receivables written-off	52				
644	Interest	53	1,163		1,163	3,772
645	Foreign exchange rate gains	54				
646	Gifts received	55				
647	Special revenues	56				
648	Legal fees	57				
649	Other operating revenues	58				
651	Revenues from intangible and tangible non-current assets sold	59				
652	Revenues from long-term financial assets	60				
653	Revenues from securities and ownership interest sold	61				
654	Revenues from material sold	62				
655	Revenues from short-term financial assets	63				
656	Income from fund used	64				
657	Revenues from securities revaluation	65				
658	Rental income	66				
661	Contributions received from organization units	67				
662	Contributions received from other entities	68	200,000		200,000	215,773
663	Contributions received from people	69				
664	Membership contributions received	70				
665	Contributions from income tax share	71				
667	Received contributions from public fundraising	72	5,706		5,706	10,472
691	Subsidies	73				
Account class 6 total r. 39 to r. 73		74	206,869		206,869	230,017
Profit / (loss) before tax r. 74 – r. 38		75	87,907		87,907	82,925
591	Income tax expense	76	206		206	710
595	Additional payments of income tax	77				
Profit / (loss) after tax (r. 75 - (r. 76 + r. 77)) (+/-)		78	87,701		87,701	82,215
Control number r. 39 to 78		995	589,552		589,552	625,884

1. GENERAL INFORMATION

a. Business Name and Address

Nadácia U. S. Steel Košice
Vstupný areál U. S. Steel
044 54 Košice
Company INO: 35549891

Nadácia U. S. Steel Košice (hereinafter “the USSK Foundation”) was established on December 9, 2002 and incorporated in the Register of Foundations kept by the Ministry of Internal Affairs of Slovak Republic under No. 203/Na-2002/695 on December 11, 2002.

b. Bodies of the USSK Foundation

The USSK Foundation bodies as of December 31, 2009 were:

Executive Board

<u>Name</u>	<u>Position</u>
George F. Babcoke	Chairman
RNDr. Miroslav Kiraľvarga, MBA	Member
Ing. Ján Bača	Member

Statutory Body

Mgr. Slávka Tvrdoňová was an administrator of the USSK Foundation.

Supervisory Board

<u>Name</u>	<u>Position</u>
John Frederick Wilson	Member
William Clyde King	Member
Ing. Martin Pitorák	Member

c. Main Activities of the USSK Foundation

The purpose of the USSK Foundation is to support activities in the areas of:

- healthcare,
- social, humanitarian and charity,
- supporting retirees – former employees of U. S. Steel Košice, s.r.o.,
- schools, science and education,
- supporting youth,
- physical activities and sport,
- culture including cultural monuments recovery,
- protection and formation of the environment,
- preservation of natural treasures,
- humanitarian assistance for individuals or groups of people whose lives are at risk, or who need urgent help due to impact of natural disaster.

The USSK Foundation did not perform any profit making activity in 2009 and 2008, respectively.

d. Average Number of Employees

The USSK Foundation did not have any employees as of December 31, 2009 (December 31, 2008: 0 employees).

e. Financial Statements for Previous Accounting Period

Financial statements for 2008 were approved by Supervisory Board on March 10, 2009.

f. Financial Statements Currency

Financial data in these financial statements are presented in whole euros. Comparable financial data for 2008 were translated using conversion rate 30.1260 SKK/EUR.

2. ACCOUNTING METHODS AND GENERAL ACCOUNTING PRINCIPLES

a. Basis for Financial Statements Preparation

The financial statements of the USSK Foundation were compiled on the going concern basis in compliance with Act No. 431/2002 Coll. on Accounting and Regulation of the Slovak Ministry of Finance MF/24342/2007-74 as amended, which determines details of accounting procedures and chart of accounts for accounting entities that were not founded or established to do business and Regulation of the Slovak Ministry of Finance MF/25682/2007-74 as amended, which determines financial reports and scope of information from the financial statements to be disclosed for accounting entities that were not founded or established to do business.

b. Accounting Policies

Short-term Financial Assets

Short-term financial assets consist of balances held at current and term deposit bank accounts and petty cash balances at nominal value.

Liabilities

Liabilities are initially measured at their nominal value. If document inventory identifies that liabilities value is different from book amount, the liabilities are adjusted in the books and financial statements in the new value.

Prepaid Expenses and Accrued Revenues

Accrued revenues represent accrued interest income from term deposits and are recognized in amount representing revenue for the period from depositing cash funds at term deposits to the date of financial statements.

Accrued Expenses and Deferred Income

Deferred income represents deferred contributions received from income tax share paid and is recognized in amount representing contributions received but not used in current year. Contributions from public fundraising were also deferred in 2007 and released in 2008, however, they are no longer deferred since 2008 pursuant to valid Regulation of the Slovak Ministry of Finance No. MF/24342/2007-74.

Notes to the financial statements as of December 31, 2009

Revenues and Expenses

Revenues and expenses of the USSK Foundation are recognized in the related accounting period on accrual basis.

Costs of cash funds provided are recorded based on concluded donation contracts in the period when donation contract was concluded. If the donation contract includes option to terminate providing of the funds anytime based on the USSK Foundation decision, the costs are recognized in the period when the cash is provided.

Revenues from received contributions from entities and people are recognized in the period when cash is received at the bank account or at cash desk of the USSK Foundation.

Revenues from contributions arising from income tax share are recognized in the period when the contribution is used.

c. Subsidies and Grants Provided to the USSK Foundation

No subsidies or grants were provided to the USSK Foundation in 2009 and in 2008, respectively.

d. Events after the Balance Sheet Date

After December 31, 2009, no significant events have occurred that would require recognition or disclosure in the 2009 financial statements.

3. INFORMATION WHICH COMPLETES AND EXPLAINS BALANCE SHEET DATA

Short-term Financial Assets

Short-term financial assets consisted of (in EUR):

	as of Dec 31, 2009	as of Dec 31, 2008
Current bank accounts	258,669	15
Term deposits and overnights	65,000	235,969
Petty cash	-	59
Total	323,669	236,043

The cash funds at term deposit accounts or overnights were deposited on the term deposit account as of December 31, 2009 for 3 months period at market interest rate 0.50 % p.a. (December 31, 2008: 1 day and 1.32 % p.a.).

Equity

The movement of equity is in the following tables (in EUR):

	Balance as of Dec 31, 2008	Profit 2008 distribution	Profit 2009	Balance as of Dec 31, 2009
Foundation basic capital	6,639	-	-	6,639
Retained profits (losses) of previous periods	147,189	82,215	-	229,404
Profit/ loss for current year	82,215	(82,215)	87,701	87,701
Total	236,043	-	87,701	323,744

Notes to the financial statements as of December 31, 2009

	Balance as of Dec 31, 2007	Profit 2007 distribution	Loss 2008 and accounting correction	Balance as of Dec 31, 2008
Foundation basic capital	6,639	-	-	6,639
Retained profits (losses) of previous periods	2,046	145,143	-	147,189
Profit/ loss for current year	145,143	(145,143)	82,215	82,215
Total	153,828	-	82,215	236,043

Foundation basic capital of EUR 6,638.78 was contributed in cash by the only founder – Company U. S. Steel Košice, s.r.o..

The USSK Foundation did not create either Foundation Fund or other funds as of December 31, 2009 and December 31, 2008.

Accrued Revenues

Accrued interest revenue from term deposit totaling EUR 74.79 was recognized as of December 31, 2009 (December 31, 2008: EUR 0).

4. INFORMATION WHICH COMPLETES AND EXPLAINS DATA IN INCOME STATEMENT

Revenues from received contributions

Revenues from received contributions are as follows (in EUR):

	2009	2008
Contributions received from other entities	200,000	215,773
Contributions received from people - public fundraising 2009	5,706	-
Contributions received from people - public fundraising 2008	-	5,250
Settlement of deferred income relating to contributions received from people - public fundraising 2007	-	5,222
Total	205,706	226,245

Other revenues

Other revenues of 2009 comprise interest income from term deposits and overnights totaling EUR 1,163.09 (2008: EUR 3,772.22).

Donations

The costs resulting from donation contracts concluded in 2009 totaled EUR 112,377.83 (2008: EUR 140,726.79).

Other expenses

Other expenses were (in EUR):

	2009	2008
Audit of financial statements fees	988	830
Bank and other fees	346	314
Withdrawing tax from interest income	206	710
Total	1,540	1,854

Auditor of the USSK Financial Statements did not provide any other services to the USSK Foundation in 2009 and in 2008, respectively.

5. OTHER ASSETS AND LIABILITES

In 2009, the USSK Foundation concluded donation contracts totaling EUR 120,004.48 (2008: EUR 143,408.23). As of December 31, 2009, EUR 21,740.00 was outstanding (December 31, 2008: EUR 20,463.58), from which EUR 21,740.00 (2008: EUR 20,463.58) represents the unpaid amount from donation contracts concluded with particular students to support their studies. This amount will be recognized in the cost of the USSK Foundation when the cash will be paid.

As of December 31, 2009 and December 31, 2008, the USSK Foundation did not have any future possible cash or non-cash liabilities that are to be recognized in the balance sheet. The USSK Foundation did not have any financial rights and duties that are not accounted for and recognized in the balance sheet.

The USSK Foundation does not control or own any cultural real estate properties.

Prepared on: March 18, 2010	Signature of the individual responsible for book-keeping:	Signature of the individual responsible for financial statements preparation:	Signature of statutory body of accounting entity or a member of statutory body of accounting entity:
Approved on: March 19, 2010	Ing. Marcela Drenčaková	Ing. Adam Dudič, FCCA	Mgr. Slávka Tvrdoňová