



# VALORES FOUNDATION

Annual Report 2018



VALORES FOUNDATION - WAS REGISTERED ON 14 AUGUST 2014, AS A FOUNDATION IN THE KRS - FOUNDATION REGISTRATION NUMBER 0000519888.

#### The Valores Team in 2018

The Board	
Ewa Konczal	<b>Chairperson of the Valores Board,</b> CEE Manager, European Venture Philanthropy Association (EVPA); former CEE Director of Ashoka
Iain Haggis	CFO & CRO, Central Europe Industry Partners
Erik Hallgren	Managing Partner, Equitin
Stanisław Knaflewski	Managing Partner, Altamira
Krzysztof Krawczyk	Partner, Head of Poland, CVC Capital Partners (Valores Board Member since July 2018)
Robert Manz	Managing Partner, Enterprise Investors; Head of PSIK Philanthropy Committee
Barbara Nowakowska	Managing Director, Polish Private Equity and Venture Capital Association (PSIK)
Khai Tan	Senior Partner, Bridgepoint Capital (stepped down as a Valores Board Member in June 2018)

The Executive Team	
Agnieszka Borek	Executive Director

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Valores is the first venture philanthropy fund in Poland and aims to increase the sustainability, scalability and social impact of selected and promising non-governmental organizations run by social entrepreneurs that tackle Poland's most serious social issues. Since its inception in 2014 through the end of 2018, the Valores Foundation has provided financial and non-financial support to eight social organizations that had previously participated in the PSIK<sup>1</sup> Social Business Accelerator (SBA) Program.

Valores supports its portfolio social organizations through the application of three principles of venture philanthropy: 1) financial support tailored to the organizations' individual needs; 2) non-financial support in the form of mentoring and the engagement of relevant resources to address managerial and financial challenges; and 3) establishing social impact measurement frameworks and assisting the organizations' teams to implement them. The financial support of Valores was so far provided typically in the form of three-year grants, while additional non-financial support, provided by Valores' Board Members, its Executive Team and persons from the wider business and legal community, complements the mentoring the organizations have been already receiving under the SBA Program from senior private equity professionals. The Valores Executive Team also leads the process of assessing existing impact measurement practices within each organization and introduces new tools and approaches as necessary. In this report, you will find a description of the results of the cooperation between the social organizations supported by Valores, the SBA mentors and the Valores' team.

**Valores' role is to support its portfolio of social organizations to develop high-impact strategies that produce measurable life-changing outcomes for the beneficiary groups that they serve: young persons with various disabilities, former prisoners after release from incarceration, persons with intellectual disabilities and their families, migrants and refugees, and homeless persons.**

Valores carries out its support through the active engagement of its Executive Director and its Board members via direct contacts with the portfolio on a regular basis, as well as monthly meetings of the Board to review progress. Valores applies the 'venture philanthropy' approach where its portfolio of social organizations is managed similarly to how private equity/venture capital funds manage their investment portfolios, i.e. through hands-on engagement that seeks to leverage the know-how and contacts of the investor to provide value-add to the portfolio. Valores acts in a similar way, leveraging the experience, competences and contacts of its Board, executives, donor network and PSIK members to assist the portfolio on a wide variety of their needs, both at the organizational level as well as within specific projects. The wide range of topics where support is provided includes strategy development, priority setting, cash flow planning, team management, client development, fundraising support, operational enhancement, human resources planning, sales and marketing improvement, as well as financial and impact reporting.

Throughout all of 2018 we supported the three Valores' investees that entered the portfolio prior to 2018 plus an additional two organizations (Ocalenie and Kamiliańska) that joined in March 2018:

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<sup>1</sup> PSIK – Polskie Stowarzyszenie Inwestorów Kapitałowych (Polish Private Equity and Venture Capital Association) [www.psik.org.pl](http://www.psik.org.pl)

- Fundacja Pomost (Bridge Foundation)
- BORIS Association
- Twoje Nowe Możliwości Association (TNM or Your New Opportunities Association)
- Fundacja Ocalenie (Rescue Foundation)
- Fundacja Kamiliańska Misja Pomocy Społecznej (the Camillian Mission for Social Assistance Foundation)

All five organizations currently in the Valores portfolio received a three-year financial commitment totalling an aggregate PLN 180,000 per each organization. This annual report presents the key achievements of the Valores portfolio in 2018.

The initial PLN 2.2 million of funding donated to Valores back in 2014-2015 was nearly fully committed during the course of the year 2018. The highly positive outcome of the first four years of Valores' activities, and in particular the measurable outcomes generated during the completed full cycle of engagement with the first three portfolio organizations that exited in 2017 (highlighted in the Valores Annual Report 2017), convinced us that our efforts have important sustainable benefits and should be continued. Therefore, in Autumn 2018, we commenced a fundraising effort called "Valores II", which secured new commitments of approximately PLN 3 million from more than 40 private individual donors to continue the strategy and activity of Valores in the coming years. **We are highly grateful to all those who have shown their support to Valores during this fundraising campaign.**

On the management side of Valores, in June 2018, Khai Tan stepped down as our Board Member and Krzysztof Krawczyk was appointed in his place. Valores greatly appreciates the significant and very active contribution made by Khai during his nearly four years on the Valores Board.

In 2019 we plan to continue our work with the organizations currently in the portfolio as well as add new social organizations from amongst the pool currently being mentored in the PSIK SBA Program. We also plan to start the development of a three-year supplementary project that will engage external resources aimed at enhancing the social impact measurement (as well as management) of our portfolio organizations that can also be used as a standard for other social sector organizations in Poland. We look forward to another exciting and challenging year in 2019.

We are proud to present the Valores Annual Report 2018 and hope you enjoy reading about the Valores portfolio.

**We would like to stress that the achievements described in this report are possible due to the participants in the PSIK SBA Program, their effort, commitment and patience. We value highly their impressive work and deep engagement with the social organizations. Thank you!**

**Also, we want to sincerely thank all of Valores' funders, friends and supporters for their belief in Valores' mission, their benevolence and readiness to help.**



Ewa Konczal  
Chairperson of the Board



Agnieszka Borek  
Executive Director

## THE VALORES PORTFOLIO OVERVIEW

Organization Name	Social Focus	Start Date with Valores	Exit Date from Valores
<b>Current Portfolio</b>			
Pomost Foundation	Ex-convicts re-integration into society	2016	2019
BORIS Association	Intellectually disabled persons	2017	2020
Twoje Nowe Możliwości Association	Disabled students seeking higher education and jobs	2017	2020
Ocalenie Foundation	Immigrants and refugees	2018	2021
Fundacja Kamiliańska Misja Pomocy Społecznej Foundation (Camillian Mission for Social Assistance Foundation)	Homeless persons	2018	2021
<b>Exited Portfolio</b>			
Integracja Foundation	Persons with disabilities	2015	2017
Robinson Crusoe Foundation	Youth in foster care	2015	2017
Fundacja Szczęśliwe Dzieciństwo (Happy Childhood Foundation)	Child education	2015	2017

THE CURRENT VALORES PORTFOLIO

POMOST FOUNDATION



## The Organization:

Pomost Foundation (Fundacja Pomost) has been working with prisoners and ex-prisoners from Silesia since 2012. It was founded and is led by Edward Szeliga, an ex-convict himself. In 2015, Pomost opened the first prisoner rehabilitation center in Zabrze, which offers a halfway home for released ex-convicts who would normally have problems re-integrating into society. In Poland, such individuals have statistically a very high chance (>80%) of re-offending and returning to prison. Pomost also provides supervised training apartments for ex-convicts, workshops in prisons and offers counselling to ex-convicts and their families. There are an estimated nearly 90,000 convicts released from Polish prisons each year.

Pomost operates the following key programs:

- **Rehabilitation Center (halfway home):** With the support of the City of Zabrze, Pomost operates a center providing accommodation for prisoners upon their release. They can live there for up to 12 months while seeking employment and adapting to social life outside of a prison. Pomost's therapists work on a rehabilitation program for all residents, to help them cope with addiction problems and general re-adaptation issues. It has been assessed and framed in cooperation with the Catholic University of Lublin (KUL). The center offers a safe and secure environment for up to 25 men at a time, with 24-hour supervision by Pomost staff. This program is highly effective, with 80-90% of participants not re-offending during the past three years.
- **Counselling Workshops:** Pomost's therapists visit a number of penitentiary institutions in the vicinity of Zabrze (Katowice, Wojkowice, Gliwice, Zabrze, Jastrzębie-Zdrój) to provide workshops and counselling for inmates awaiting release. This also allows Pomost to support a larger group of convicts and also carry out assessments of those who could benefit most from a stay in its rehabilitation center upon release. Pomost also offers counselling at its premises in Zabrze for non-resident ex-prisoners as well as their family members.
- **Supervised apartments:** Pomost has obtained two flats for approximately 12 people, which are used by residents after moving out of the rehabilitation center.
- **National Training Program:** In 2018, Pomost began a project with KUL to define and roll-out a program for organizations similar to Pomost in other regions of Poland. The program is focused on developing Pomost's model of ex-convicts rehabilitation and educating 16 NGOs in Poland to prepare them to be Social Rehabilitation Centers based on a social franchise of Pomost's model from Zabrze. KUL obtained EU funding for this project, and the training program will start in late 2019. In parallel to this, KUL and Pomost are preparing legislation, which would define therapy for ex-prisoners in a similar way to that currently provided to alcoholics and drug addicts. This would put an obligation on municipalities to provide such therapy programs and enable certification of organizations, which can train the therapists. Pomost became the first certified Social Rehabilitation Center in Poland. As a certified center, Pomost has a better chance of obtaining stable funding and strengthening the process of ex-convicts re-adaptation in Poland.

Valores' support helped to double the capacity of the halfway home and guided the organization through a financial crisis when key funding fell through in 2016. This helped provide a bridge until additional KUL funding became available in 2018. Valores has also helped Pomost set up a corporate fundraising effort to supplement its sources of income, which are currently grants and support from municipalities and the Ministry of Justice.



On exiting the Valores program in 2019, Pomost, with support from KUL, should be in a position to expand its model nationwide and be sustainable financially.

<b>IMPACT MEASUREMENT</b>	<b>Base level*</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>2015</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
No. of residents in the rehabilitation center	12	23	25	78
No. of penal institutions where workshops are provided	8	7	5	5
No. of participants in activities carried out in penal institutions	200	250	378	402
No. of non-resident ex-convicts and their family members counselled at the consultation point in Zabrze	20	30	25	60
No. of convicts and their family members counselled at the consultation point in Zabrze	N/a	N/a	233	597
% of rehabilitation center residents not re-offending.	N/a	89%	80%	95%

<b>FINANCIAL DATA (000 PLN)</b>	<b>2015*</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Income - grants (public)	112.2	165.0	241.6	479.5
Income - other income (incl. Valores)	-	207.1	157.0	94.3
Total Income	112.2	372.1	398.6	573.8
Personnel Costs	74.9	231.4	264.0	367.1
Other Costs	29.3	132.0	161.2	290.6
Total Costs	104.2	363.4	425.2	657.7
Net Result	8.0	8.7	-26.6	-83.9

\*Period before Valores' support.

<b>Valores pro bono support in 2018</b>		<b>Main Valores Activities in 2018</b>
Type of support	No. of hours	
Marketing / PR (Rafał Mikulski, Clos Brothers)	400	<ul style="list-style-type: none"> <li>- Preparation of corporate fundraising proposal</li> <li>- Financial reporting and monitoring</li> <li>- Extensive organizational support and cash flow management advice</li> <li>- Assistance with preparation of KUL project</li> <li>- Marketing and PR support, including website and other visual/comms material (total value of 50 000 PLN)</li> <li>- Implementation of impact measurement system</li> </ul>
Continuous support from PSIK SBA mentor: Jacek Pogonowski (Value4Capital)	20	
Support from Valores mentors: Iain Haggis, Ewa Konczal, Agnieszka Borek	70	

## **Key Activities of Pomost Foundation in 2018**

2018 was a significant and positive year of development for Pomost, both financially and program-wise. The financial income of the organization grew significantly as a result of an EU grant obtained through the relationship with KUL. This enabled Pomost to increase its level of activity significantly, while also preparing for the launch of its breakthrough National Training Program, due for implementation in the second half of 2019. This educational program (train the trainers) prepares therapists to work with convicts and ex-convicts in the frame of the model innovated by Pomost, which is recognized by authorities and proven to be effective. This marks a breakthrough stage of launching the profession of a specialist in adaptation of former prisoners and the system of educating professionals in this field in Poland. The main task achieved in 2018 with regard to this project was the standardisation of therapy tools and the structure of the work in Pomost's rehabilitation center for use as a model when replicated in other locations around the country. Also, work was commenced with regard to implementing relevant legislation (mentioned above) in connection with the National Training Program.

New fundraising activities included joining the OPP 1% program, allowing taxpayers to dedicate 1% of their tax to Pomost, and the building of a corporate fundraising initiative with the help of mentor Jacek Pogonowski and pro-bono contributions from Rafal Mikulski (and his team from Clos Brothers). It is hoped that both these initiatives will provide additional income in 2019 and the following years, free of the bureaucratic constraints imposed by public grants, which so far are the main source of funding for Pomost.

The recruitment pool for Pomost's rehabilitation center grew, as the number of workshops for prisoners in the penal institutions increased. The number of counselling sessions registered at the rehabilitation center was increased significantly with most of those counselled being ex-prisoners not resident in the rehabilitation center. The impact of this activity is not yet being measured but the tracking and recording of the progress of residents at the rehabilitation center has been enhanced to give better feedback regarding re-offence rates. The success of Pomost's work is largely reflected in the low level re-offending rate by participants of the organization's key program.

“SAFE FUTURE” PROJECT LED BY BORIS ASSOCIATION



## **The Organization:**

Biuro Obsługi Ruchu Inicjatyw Społecznych (BORIS, the Office for Servicing the Social Initiatives Movement) has existed since 1992. It has initiated or co-created a variety of innovative national network organizations addressing important social issues focused among others on NGO training and support and the Citizens Advice Bureau. BORIS is highly skilled and experienced at launching nation-wide programs that address critical social challenges. They build teams, partners and organizations around specific initiatives and then support them in their long-term development.

Paweł Jordan is the founder and CEO of BORIS and leads its social initiative, “**Safe Future**”, applying the BORIS comprehensive approach of incubating long-term social programs. Safe Future is the program supported by Valores.

Safe Future was inspired by a 20+ year old, innovative and successful Canadian program that secures the economic sustainability, social livelihood and independent living of persons with intellectual disabilities (“PIDs”) in the absence of their their parents or caretakers, who become incapacitated or pass away. BORIS is actively working to introduce this innovative concept and adapt it to Poland in order to create better lives for PIDs and help them remain independent. There are about 350,000 PIDs in Poland.

BORIS’ activities regarding the Safe Future program comprised the following in 2018:

- **Operation of a central coalition on the topic of PIDs:** The BORIS Association together with the Warsaw Circle of the Polish Association for the Mentally Disabled developed and tested the Safe Future Model to help people with intellectual disabilities "from birth to old age". It is a Polish solution to establish legal, financial, social and housing frameworks addressing the inevitable problem when a PID no longer has support from family caretakers (i.e., parents grow old, incapacitated and/or pass away). The key tool of the Safe Future project is a “circle of support” for each PID that is comprised of family, friends and other volunteers that enable conditions for the PID to remain independent and avoid entering institutional care. The first circles were created in Warsaw in 2015 and since that time Boris has supported their activity and established new ones (with ten such circles operating in Warsaw at the end of 2018).
- **Implementation of the Safe Future Model:** In 2018, implementation of the Model commenced after receipt of a PLN 4.7 million grant from the EU POWER program for which BORIS applied and was awarded. Boris implements the Model in cooperation with a nation-wide network of cooperating organizations, including three national associations, the University of Warsaw and local partners from eight communities in Gdańsk, Biskupiec, Goleniów, Ostróda, Elbląg, Jarosław, Nidzica, and Suwałki. These eight communities have started the development of ten support circles in each town around ten local PIDs and their families. Each family will develop its plan for the future taking into account financial and housing aspects related to health and functioning in the local community. The Safe Future project allows creation of a support system for PIDs and their families, making full use of the potential of local social services and infrastructure and stimulating civic activity. It is an excellent opportunity for de-institutionalization the care of PIDs and this is the goal of the program, including to convince local authorities to invest in this model of care.

Valores’ financial contribution has supported the Safe Future project during the phase of testing the operational model, documenting it and was used as a leverage for the application for the EU grant that will fund a national roll-out of the first commercial phase

of the project. Valores is also providing support to help run the on-going pilot Warsaw circles of support and create legal structures for transfer of assets from caretakers to PIDs.

IMPACT MEASUREMENT	Base level*	Actual	Actual
	2016	2017	2018
Developed the Safe Future operational model	N/a	Yes	Yes
Creation and operation of the central coalition – WFIONI, PSOUU, Warsaw University	N/a	Yes	Yes
Obtaining of the POWER/EU grant for the project	N/a	Application prepared	Grant approved
The number of local communities in which the system will be implemented	N/a	8	8
No. of pilot support circles in Warsaw	10	10	10
Number of PIDs covered by the Safe Future project	10	10	10
Number of institutional partners active in the circles of support	N/a	19	19
The number of non-family volunteers involved in support circles	4	20	20

\*Period before Valores' support.

Valores pro bono support in 2018		Main Valores Activities in 2018
Type of support	No. of hours	
Continuous support from SBA mentor: Dariusz Pietrzak (Enterprise Investors)	30	<ul style="list-style-type: none"> <li>- EU POWER program grant application review and support,</li> <li>- Working on the methodology of the Model's evaluation</li> <li>- Preparing a survey tool for members of the Warsaw circles of support</li> <li>- Preparing the practical guide "Legal actions for securing the property of an intellectually disabled person after the death of parents"</li> </ul>
Domański Zakrzewski Palinka sp. K	200	
Support from Valores mentors: Robert Manz, Agnieszka Borek	40	

## **Key Activities of BORIS in 2018**

In 2018, after a delay of almost 12 months on the government side, BORIS signed the key contract for receipt of the EU grant for funding the "Safe Future" Model in September 2018. A total amount of PLN 4.7mln has been committed to the project over a period of 2.5 years.

Following the securing of the funding, BORIS launched the initial steps to commence the Safe Future project in eight cities. The steps undertaken in the fourth quarter of 2018 included:

- Training and education of the key participants in the project, namely:
  - 20 members of the central team involved in implementation of the Safe Future Model;
  - 50 members of local teams and NGO partners;
  - 160 members of the eight local communities including intellectually disabled person and parents; and
  - local specialists (24 people) required for planning activities.
  
- The recruitment process was commenced for intellectually disabled persons and family members who will be participants in the project.

The ambitious plan for the EU-sponsored nationwide Safe Future project now includes:

- Recruitment of 160 intellectually disabled persons and their parents/guardians;
- Training 150 local representatives including families, intellectually disabled persons and creating coalitions of allies through participation in local seminars;
- Launching a knowledge database;
- Supervision of local teams;
- Verification of the first activities as part of the project model testing;
- Building support circles and long-term plans for 80 intellectually disabled persons (ten per city);
- Developing an impact measurement tool in cooperation with Valores; and
- Developing a plan to raise long-term funds for the support circles for the period following the EU funding

Concurrently, the ten Warsaw Support Circles continued to operate in 2018 and remain outside the EU-funded project. The following activities are now planned for these circles:

- Continuation of the 10 existing Warsaw circles with the goal to increase the number of these circles as well as public and non-governmental institutions involved in the circles; and
- Increasing the amount of funding available from public institutions to enable a more comprehensive and systematic model in Warsaw.

Also in 2018, thanks to the significant pro-bono contribution of lawyers from the firm Domański Zakrzewski Palinka (DZP), work was undertaken to develop from scratch a guide called "Legal actions for securing the property of an intellectually disabled person after the death of parents". This extensive and practical manual for families with PIDs was drafted and submitted for review to relevant external experts, and was completed in the first part of 2019.



## The Organization:

Twoje Nowe Możliwości (TNM, the Your New Opportunities Association), was created in 2010 in Wrocław by two young disabled graduates, who had experienced various practical difficulties while studying for a degree. The target group for TNM is talented young people (16-35 years old) with disabilities whose intellectual potential enables them to earn university degrees and then to perform professional work that requires advanced qualifications. This includes disabled high school students or graduates planning to start university studies, as well as disabled students and university graduates who need support to enter the labor market. TNM's programs are designed to help these individuals successfully realize their ambitions by working both with them as well as with teachers, universities and their staff. There are an estimated 30,000 disabled students nation-wide in Poland.

TNM is working in the following main areas:

- **Education and Vocational Support Center (CWEZ).** General support to higher education students from application to graduation. The Center runs (among others) the “Your New Job” program supporting students and alumni to obtain attractive jobs. The support focuses on career counseling and coaching, psychological support and other topics, during which the beneficiary creates his/her career path and implements it.
- **Center for the Adaptation of Teaching Materials**, which supplies material for visually impaired students.
- **“Study Independently”**, which provides disabled students with tools, skills and social competencies that enable them to function independently during their studies and to enter the labor market.
- **Personal assistant and auxiliary services** for disabled students, to make the beneficiaries as independent as possible.
- **Specialist language courses.**
- **Coaching and psychological support.** Support for students who are experiencing problems in their daily and long-term functioning.
- **“Dzamp” training and team-building camps;** once or twice a year, ten-day-long social activation camps.
- **Staff awareness training** whose target group is teachers and lecturers who teach disabled students.
- **Research project** to answer the question why graduates with a disability are 2.5x less professionally active than their “able-bodied” peers.
- **Face Controller** research project – development of software to enable students who cannot move their hands to use a computer thanks to a kinetic sensor.
- **Expert Board for Students with Disabilities:** a 'best practice' forum, brings together representatives of 13 universities in Lower Silesia.

Valores commenced its support of TNM in September 2017 and during 2018 was focused on the following areas:

- Geographical expansion of TNM's activities;
- Lobbying for a new regulation on financing support for students with disabilities in Polish universities;
- Implementation of an activation program of disabled graduates with a goal of a min. 40% employment rate (vs. the current employment rate of people with disabilities at around 23%);



- Diversification of TNM's revenue streams by increasing paid services from universities (taking advantage of the new law that provides additional sources of funding for universities to bring in more disabled students);
- Development and assessment of TNM's product portfolio and organization of its sales department; and
- HR management issues (leadership, supervision, team integration) in a fast-growing team.

IMPACT MEASUREMENT	Base level*	Actual	Actual
	2016	2017	2018
The total number of supported students	220	428	619
The number of candidates and students of the Education and Vocational Support Center (CWEZ) and related training and courses for students	140	140	198
No. of Dzamp camps and related activities	80	93	88
No. of assistant programs participants	-	55	72
No. of participants of academic staff programs	-	140	208

FINANCIAL DATA (000 PLN)	2016	2017	2018
Income from commercial activities, o/w:	558.6	645.0	651.3
Dzamp camps	248.9	269.0	271.5
Academic staff courses	0.0	26.0	64.3
Language courses and other activities for students	309.7	350.0	315.5
Net Profit (including Valores' grant)	0.2	1.3	151.1

*\*Period before Valores' support.*

Valores pro bono support in 2018		Main Valores Activities in 2018
Type of suport	No. of hours	
Continuous support from SBA mentor: Jacek Woźniak (ex-Enterprise Investors)	60	<ul style="list-style-type: none"> <li>- Implementation of a new budget management model with Jacek Woźniak's support</li> <li>- Strategy/priority setting</li> <li>- Project settlement/ financial reporting in respect of funds from both PFRON and own business activities</li> <li>- Networking with HR experts</li> </ul>
Support from Valores mentors: Ewa Konczal, Agnieszka Borek	60	

## **Key Activities of TNM in 2018**

In 2018 TNM continued to implement its extensive activities and grow its outreach to mobilize students from other parts of Poland. During the course of the year, TNM rolled out its long-term support programs in two additional voivodships and thus operated in five regions across Poland:

<b>Region</b>	<b>Number of Persons supported in 2017</b>	<b>Number of Persons supported in 2018</b>
Lower Silesia	398	487
Western Pomerania	25	79
Lubuskie	5	15
Mazowieckie	0	19
Opole	0	19

In 2018 TNM worked on establishing partnerships with the Wrocław University of Technology, University of Szczecin, and the Medical University in Wrocław in connection with the submission of projects to the EU Program "Available University". Those pilot partnership programs should serve as a model for rolling out a nation-wide approach, responding to the legal obligation of universities to provide conducive conditions for students with disabilities to enter higher education. This is planned to become an important element of TNM's development strategy where the total participation of those activities in TNM budget may reach approximately PLN 5 million for the period 2020-2024.

TNM continued to make progress in the area of universities' staff awareness trainings, which raises the understanding of the issues related to disabled students among tutors and other academics in 25 universities. The current project has been positively evaluated but there is no decision yet regarding new financing. If the project is implemented, the planned regional coverage is the whole of Poland, with 80 tutors and academics being supported, subject to co-financing being available.

During the course of 2018 and with the help of Valores, TNM worked on ways to monetize more of its competences. These include the areas of training, counseling, various audit work, and event management. The financial impact of this is expected in 2019.

During 2018, TNM recruited 5 extra core staff including a manager for all forms of support within the Educational and Vocational Support Center, a sales specialist for recruitment of beneficiaries and a specialist for the technical support of architectural audits and access for persons with disabilities. TNM now employs 99 persons (17 permanent core staff, 20 foreign language teachers, 55 personal assistants, 7 people cooperating temporarily), which is 13 more compared to 2017.



FUNDACJA  
**OCALENIE**  
**1% PODATKU TO TWOJA  
SUPERMOC. UŻYJ JEJ!**  
KRS NR 000030279

### The Organization:

The Ocalenie Foundation has operated since 2000. It helps migrants and refugee individuals and families integrate and assimilate to increase their chances for success and a fulfilling life in Poland. It provides support for some 3,000 refugees and migrants every year. The team is multicultural with 35 members from Poland, Chechnya, Georgia, Syria, Sudan, Ukraine, Belarus, and Vietnam, including persons with a wide-range of relevant specializations: psychologists, psychotherapists, lawyers, culture experts, career counselors, administrative workers, coordinators, animators, educators and coaches.

To prevent the marginalization of migrants and refugees in Poland, the Ocalenie Foundation runs the following key programs:

- **The Center for the Assistance to Foreigners:** a concept of comprehensive one-stop-shop assistance by an interdisciplinary and intercultural team. The project is carried out in Warsaw and Łomża and shared with a partner organization in the Tri-City.
- **Polish as a foreign language learning program:** a proprietary program mostly implemented by trained volunteers.
- **Welcome Home Program:** a proprietary program addressed to refugee families threatened with homelessness and based on re-renting affordable apartments to refugee families that are leased by Ocalenie from local Polish residents.
- **Refugees Welcome Polska:** an internet platform that connects refugees with local residents who have available rooms for rent. This approach helps refugees find a roof over their heads, at the same time opening the way to integration, mutual learning, and breaking stereotypes in the society. Refugees participating in the program can count on individual support from Polish volunteers who usually become their friends and support their integration process.
- **The Academy of Intercultural Mentors** – a training program aimed at preparing foreigners to become intercultural mentors.
- **The Academy of Intercultural Educators** – a training program aimed at preparing foreigners to become educators to teach others about their own cultures and religions.

Valores is providing financial assistance plus non-financial support for the organizational development of the Foundation. Valores' support focuses on Ocalenie's new and innovative Welcome Home Program, where it provides access to permanent housing, in addition to its usual integration assistance. The Program shows the potential for more successful fundraising as it is an innovative response to an important social problem, and no such measures have been implemented in Poland to date. The initial plan is to provide housing for 20 families, as a model approach with guidelines to be implemented on a larger scale across the country. In addition, Valores assists the Foundation with its plans to build its fundraising capacity that will allow Ocalenie to become less dependent on governmental funding sources.

<b>IMPACT MEASUREMENT</b>	<b>Base level*</b>	<b>Actual</b>
	<b>2017</b>	<b>2018</b>
No. of persons supported by Ocalenie across all programs	3,588	2,575
The number of persons living in flats under the Welcome Home Program	11	45
No. of persons supported by The Center for the Assistance to Foreigners	2,677	1,540
No. of persons learning Polish on Ocalenie courses	893	1,012
No. of consultations for migrants and refugees (legal issues, job support, psychological support, etc.)	2,437	3,220
<b>FINANCIAL DATA (000 PLN)</b>	<b>2017*</b>	<b>2018</b>
Total Revenue	1,672.0	1,139.1
- Public funds	1 346,0	302.0
- Own business activities	29,0	90.0
- Private donors (corporations/individuals/1%)	297,0	747.1
Total Costs	2,032.0	1,362.0
Net Profit/(Loss)	(360.0)	(222.9)
Cash Balance at End of Period	290.0	174.0

\*Period before *Valores'* support.

<b>Valores pro bono support in 2018</b>		<b>Main Valores Activities in 2018</b>
Type of support	No. of hours	
Continuous support from PSIK SBA mentor: Paweł Padusiński (Mid Europa Partners)	40	<ul style="list-style-type: none"> <li>- Team management support</li> <li>- Management of the organization's finances</li> <li>- Development of the Welcome Home Program</li> <li>- Work on the organization's financial stability</li> <li>- Solving current problems</li> <li>- Establishing contact with Netia to receive good internet service</li> </ul>
Support from Valores mentors: Erik Hallgren, Agnieszka Borek	70	

### **Key Activities of Ocalenie in 2018**

Ocalenie had to retrench since 2016 as the level of public funding for supporting refugees diminished significantly due to changes in government policy in Poland. It created the urgent need for the organization to build a self-sufficient and independent fundraising capability. This has been successful in 2018 and the overall organization appears to have stabilized, albeit with a lower level of financial income. This unfortunately led to a lower number of beneficiaries helped in 2018 compared to 2017.

Thanks to a great team effort during 2018 in fundraising and other areas, Ocalenie was able to support over 200 people a week. The activities demonstrated the comprehensive approach to migrant and refugee integration that we at Valores find so compelling. Highlights of the actions during the year are:

- Assistance provided in everyday matters for people who speak Polish poorly or encounter discrimination. Ocalenie supported contacts with administrative offices and healthcare institutions, looked for rooms and flats to rent, helped children remain in schools, helped fill in applications, wrote letters, resumes, etc.;
- Provided legal assistance to legalize their beneficiaries' stay in Poland and obtain international protection;
- Offered psychological support and psychotherapy, also for people with trauma and post-traumatic stress disorder;
- Provided free Polish courses for adults;
- Directed children and youth to additional educational and cultural activities;
- Provided emergency support (accommodation, food, clothing, medicine);
- Distributed material help (clothes, cosmetics, layettes for children, school accessories, furniture, household appliances);
- Organized integration and cultural events for their beneficiaries and residents of Warsaw - Polish and foreign.

The Valores-supported Welcome Home Program increased the number of beneficiaries living in rented flats from 11 to 45 during the course of the year. This was slightly below the target of 50 beneficiaries but is a highly satisfactory result considering the funding shortage as well as difficulties with sourcing apartments. The program will continue its development in 2019.

On the very important fundraising front, an area where Valores focused its support early in 2018, the 1% tax campaign (directed by taxpayers) was successful and almost doubled as a revenue source compared to 2017. At the same time, a CRM system was implemented and a fundraising section of the web page was designed. While the new section of the website was only launched in February 2019, already in 2018 funding from private donors increased by over 300%. This was also helped by a number of targeted campaigns including "Help Center for Foreigners (The Last-Chance Campaign)", which comfortably exceeded its crowdfunding target of PLN 90,000. The fundraising initiatives are helping to achieve the objective of freeing Ocalenie from dependence on public funding that is risky due to policy shifts of successive governments. A newsletter is due to be introduced in 2019 and targeted at several hundred donors. Other focused campaigns are already planned for 2019, with the target of increasing private donations by over 20%, which now represents about 60% of Ocalenie's total revenues. The organization has already secured additional funding for 2019 from BNP Paribas, the Benefit Systems Foundation and the Open Society Foundation.

Ocalenie, with Valores support, addressed the issue of the extremely high workload of the two-person management team (the founders). Since late 2018, the management board was expanded and now five people are in charge of the organization.

CAMILLIAN MISSION FOR SOCIAL ASSISTANCE FOUNDATION (CMSAF)



### **The Organization:**

The Camillian Mission for Social Assistance Foundation (CMSAF) was created in 2011 and was formally established as a foundation in 2017. It helps homeless persons – approx. 400 people are assisted annually. In addition to homelessness, the significant problems facing the clients of CMSAF include unemployment and lack of professional qualifications, legal status (no identification documents), housing and health issues, hygiene and food problems, as well as general practical helplessness in life. The estimated number of homeless persons in Warsaw alone is 2,700 while in all of Poland the number totals over 33,000.

The Foundation runs its key programs aimed at assisting victims of homelessness in the vicinity of Warsaw. These include:

- **The St Lazarus Welfare Boarding House**, which has the capacity for 80 homeless persons and houses some 300 persons annually.
- **Streetworking program**, where the Foundation’s staff and volunteers seek out and assist homeless persons in the districts of Włochy, Ochota and Ursus.
- **Training Apartments:** CMSAF operates 11 training apartments, where its beneficiaries can obtain longer-term residence to re-establish their lives, and become independent and self-sufficient again.
- **The “Piekne Miejsce” social cooperative** offers business services such as catering, security, and renovations and engages homeless persons working there as a way to help its beneficiaries return to the labor market and receive documents confirming their professional experience.
- **Advocacy:** CMSAF also is active in advocacy on behalf of the homeless and offers them free legal advice.

Thanks to Valores’ financial and non-financial support, CMSAF has further developed its training apartments’ program and an additional 15 places have been made available for homeless persons. The expansion of the training apartments capacity will also allow to host an additional 60 persons each year in the St Lazarus Welfare Boarding House. Valores’ grant supports the program and simultaneously encourages local authorities to finance it in their local areas. Valores also actively supports CMSAF in other organizational matters, including fundraising and internal managerial development.



<b>IMPACT MEASUREMENT</b>	<b>Base level*</b>	<b>Actual</b>
	<b>2017</b>	<b>2018</b>
No of persons supported in the St Lazarus Welfare Boarding House	292	300
No. of places in training apartments	35	51
No. of people participating in training apartments program**	55	126
No of participants successfully completing the training apartments program**	6	11

\*\* cumulatively from 2017

<b>FINANCIAL DATA (000 PLN)</b>	<b>2017*</b>	<b>2018</b>
Total Revenue	N/a	1,902.6
- Public funds	975.2	985.3
- Private donors (corporations/individuals/1%)	340.8	503.4
- Other	N/a	413.9
Total Costs	1,805.9	1,767.2
Net Profit/Loss	N/a	135.4
Cash Balance at End of Period	196.5	45.3

\*Period before Valores' support

<b>Valores pro bono support in 2018</b>		<b>Main Valores Activities in 2018</b>
Type of support	No. of hours	
Continuous support from PSIK SBA mentor: Paweł Maj (bValue)	40	<ul style="list-style-type: none"> <li>- Development of the Training Apartments Program</li> <li>- Improvement of internal communications and team management</li> <li>- Development of a systemic approach to crowdfunding</li> <li>- Solving current problems.</li> </ul>
Support from Valores mentors: Stanisław Knaflewski, Krzysztof Krawczyk, Agnieszka Borek	45	

## **Key Activities of Camillian Mission for Social Assistance Foundation in 2018**

The Training Apartments project was started from scratch in 2012 and is directly supported by Valores. This program involves the rental of flats that can be used by several homeless persons to help them find their way back into a more ordered life. The numbers of beneficiaries for the year was still relatively low but a number of barriers have been overcome and CMSAF is in a good position to develop the project in 2019 and beyond.

The change in regulations in December 2018 regarding municipality funding for homelessness has introduced an additional positive aspect of the Valores-supported apartments project. In order to benefit from local authority funding, the homeless person must have his or her last registered residence in the relevant local authority. Frequently homeless people in Warsaw do not meet this criteria but the flexibility offered in the Valores-supported flats means that homeless people not registered in Warsaw can also benefit from the program.

One of the key other activities of the CMSAF team during 2018 was the preparation of documents for the declaration of personal bankruptcy. In 2018, fifteen homeless persons took advantage of this, went bankrupt and could thus start a new phase in their lives without debt, which is a crucial step on the path to escape from homelessness. Also, CMSAF prepared documents for retirement and receipt of benefits from social welfare centers for certain of their beneficiaries.

In other CMSAF projects, active Street Working was conducted throughout the year, supported by additional staff hires in December 2018. The most common action in this field is bringing food to homeless persons with mobility problems and who are reluctant to accept residence in the shelter. CMSAF helps, for example, to provide them with needed ID cards or calls for medical help.

The "Piękna Miejsce" Social Cooperative strengthened financial stability and 2018 was the first year of operation with a net profit. The main activities focused on the development of cooperation with regular clients (e.g., the Social Welfare Center in Ursus, public libraries). The cooperative offers mainly cleaning, catering and renovation services. It purchased a used delivery vehicle to improve the transport of materials and equipment to support the services offered. Based on regular clients and acquired one-time orders in 2018, the cooperative operated in a stable manner and has good prospects for further development in 2019.

## VALORES FOUNDATION FINANCIAL INFORMATION

### SOURCES & USES OF CASH STATEMENT 2014 - 2018

PLN in 000s	2014*	2015	2016	2017	2018	Total since inception
<b>A. SOURCES OF CASH</b>						
Foundation capital	8.0	-	-	-	-	8.0
Donations to Valores I	1,339.8	866.2	3.4	3.2	0.8	2,213.4
Donations to Valores II	-	-	-	-	1,370.0	1,370.0
Interest income	-	22.3	19.7	2.8	21.3	66.0
Exchange rate difference (net)	4.2	6.8	32.7	(0.1)	-	43.7
<b>Total</b>	<b>1,352.1</b>	<b>895.3</b>	<b>55.7</b>	<b>5.9</b>	<b>1,392.0</b>	<b>3,701.1</b>
<b>B. USES OF CASH</b>						
Grants to investees	-	239.5	299.3	264.5	282.3	1,085.6
Integracja Foundation	-	100.0	60.0	20.0	-	180.0
Happy Childhood Foundation	-	60.0	60.0	60.0	-	180.0
Robinson Crusoe Foundation	-	79.5	60.0	39.6	-	179.1
Pomost Foundation	-	-	119.3	59.9	-	179.2
BORIS Association	-	-	-	55.0	54.8	109.8
Twoje Nowe Możliwości Association	-	-	-	30.0	55.0	85.0
Ocalenie Foundation	-	-	-	-	102.5	102.5
Camillian Mission for Social Assistance Foundation	-	-	-	-	70.0	70.0
Operating expenses	15.1	102.7	110.9	188.4	154.7	571.9
Staff costs	12.3	78.7	75.4	136.6	117.1	420.0
Office costs	2.0	18.8	19.9	39.3	29.7	109.7
Various costs (travel, bank, accounting)	0.8	5.3	15.5	12.5	8.0	42.2
<b>Total outlays</b>	<b>15.1</b>	<b>342.2</b>	<b>410.2</b>	<b>452.9</b>	<b>437.0</b>	<b>1,657.4</b>
<b>C. CASH BALANCE</b>						
	<b>1,336.9</b>	<b>1,890.1</b>	<b>1,535.6</b>	<b>1,088.6</b>	<b>2,043.6</b>	<b>2,043.6</b>
% of Total Capital Committed to Portfolio Grants**	N/a	24.3%	16.2%	8.1%	16.2%	64.8%
% Annual Operating Expenses to Total Capital**	0.7%	4.6%	5.0%	8.5%	7.0%	25.7%
% of Total Capital Disbursed**	0.7%	15.4%	18.5%	20.4%	19.7%	74.6%

\* Valores Foundation was registered in August 2014 and commenced operations in Q4/2014.  
\*\* calculated in relation to Valores I capital only

### COMMITMENTS AND DISBURSEMENTS TO VALORES PORTFOLIO

(as at 31 December 2018)

Organization (amounts in PLN)	Total Amount Committed	Disbursed 2014/15	Disbursed 2016	Disbursed 2017	Disbursed 2018	Outstanding Disbursements
Integracja Foundation	180,000	100,000	60,000	20,000	-	-
Happy Childhood Foundation	180,000	60,000	60,000	60,000	-	-
Robinson Crusoe Foundation	179,600	79,466	60,000	39,600	-	534
Pomost Foundation	180,000	-	119,320	59,900	-	780
BORIS Association	180,000	-	-	55,000	54,800	70,200
Twoje Nowe Możliwości Association	180,000	-	-	30,000	55,000	95,000
Ocalenie Foundation	180,000	-	-	-	102,500	77,500
Camillian Mission for Social Assistance Foundation	180,000	-	-	-	70,000	110,000
<b>TOTAL</b>	<b>1,439,600</b>	<b>239,466</b>	<b>299,320</b>	<b>264,500</b>	<b>282,300</b>	<b>354,014</b>

The PSIK Social Business Accelerator (SBA) is a mentoring program supported by members of the Polish Private Equity and Venture Capital Association (“PSIK”) and managed by Valores and PSIK. It is based on individual cooperation between senior and experienced private equity and venture capital investment professionals operating in Poland (PSIK mentors) and the leaders of social organizations that work towards solving the most urgent social problems in Poland. These organizations engage in areas such as children in foster care and at risk of exclusion, equal opportunities for people with disabilities, re-socialisation of ex-convicts, combatting human trafficking, and assisting refugees, homeless persons and other socially excluded groups.

Mentors from the private equity sector are paired one-on-one with leaders of social organizations to realize specific projects, usually related to commercialization of activities, financial sustainability of the organization and a host of other managerial and developmental needs. The SBA Program has become a natural way of selecting high potential organizations, which are subsequently invited to apply for Valores’ support. The role of SBA mentors in preparing candidate organizations for cooperation with Valores is crucial for their further development and enhancing their social impact.

The SBA Program commenced in 2011 and so far 55 social organizations have been supported by 45 PSIK mentors. The seventh annual edition of the PSIK SBA Program was launched in September 2018 and will run through June 2019. The participants in this latest edition of the program are:

	Social Organization	Social Leader(s)	PSIK Mentor/Firm
1	<b>Elbląskie Stowarzyszenie Wspierania Inicjatyw Pozarządowych</b> - focuses on the social and professional activation of people and communities at risk of social exclusion	<b>Arkadiusz Jachimowicz, Maciej Bielawski, Marta Florkowska</b>	<b>Konrad Korobowicz</b> Capital Partners
2	<b>Fundacja Audiodeskrypcja:</b> makes culture and art accessible to the visually impaired	<b>Tomasz Strzymiński, Barbara Szymańska</b>	<b>Marek Borzestowski</b> Giza Polish Ventures
3	<b>Fundacja Dobrych Inicjatyw</b> - focuses on improvement of social, educational and professional competences of children in foster care	<b>Bartłomiej Jójczyk</b>	<b>Maciej Zużalek,</b> Bridgepoint
43	<b>Fundacja im. Dr Piotra Janaszka “Podaj Dalej”</b> - helps people with disabilities to change their lives and live independently	<b>Zuzanna Janaszek-Maciaszek, Olga Janaszek-Serafin, Karol Włodarczyk</b>	<b>Piotr Misztal,</b> Value4Capital
5	<b>Fundacja LA STRADA:</b> acts against human trafficking and slavery	<b>Irena Dawid-Olczyk</b>	<b>Dariusz Prończuk,</b> Enterprise Investors
6	<b>Fundacja Sławek:</b> helps people who are socially excluded, in particular by supporting prisoners, ex-prisoners and their families	<b>Krzysztof Łagodziński</b>	<b>Tomasz Głowacki,</b> Riverside
7	<b>Fundacja Światło:</b> supports people in comas and with cancer	<b>Janina Mirończuk</b>	<b>Bartek Trzebiński</b>

8	<b>Fundacja Wspierania Rodzin KORALE</b> - works with parents whose children were taken away and helps them to overcome their addictions, diseases and crises to create safe conditions for the return of their children	Magdalena Cechnicka, Izabela Owczaruk	Magdalena Magnuszewska, Innova Capital
9	<b>Poradnia Spoza</b> : runs a non-public employment agency for people with disabilities, people in a difficult situation on the labour market, and those at risk of exclusion	Agnieszka Żarnecka	Kinga Stanisławska, Experior Venture Fund
10	<b>Sławęcińskie Stowarzyszenie Inicjatyw Lokalnych</b> - works with children at risk of social maladjustment; runs the Youth Center for Education and Social Rehabilitation	Beata Skubiak	Mariusz Banaszuk, Value Quest
11	<b>Stowarzyszenie Budujemy Przystań</b> : supports children and adolescents with motor and intellectual disabilities	Krzysztof Łyżwiński	George Swirski Abris Capital
12	<b>Stowarzyszenie Centrum PISOP</b> - supports persons at risk of social exclusion interested in work or volunteering in a social economy entity.	Ewa Gałka	Aleksander Kacprzyk, Resource Partners
13	<b>Stowarzyszenie Mali Bracia Ubogich</b> - counteracts marginalization of the elderly, breaks stereotypes about old age and alerts society about the difficult situation of seniors-	Joanna Mielczarek, Barbara Boryczka	Maciej Górski, Equitin
14	<b>Stowarzyszenie Otwarte Drzwi</b> - focuses on prevention of social exclusion, undertakes activities supporting the excluded and creates conditions for their return to society and full rights	Marta Perkowska	Leszek Muzyczyszyn Innova Capital
15	<b>Stowarzyszenie WĘDKA</b> – organizes free time for children and young people from various social backgrounds with a focus on groups with educational problems	Wojciech Przybysz	Małgorzata Bobrowska- Jarząbek, Resource Partners

IN 2018 VALORES AND ITS PORTFOLIO HAS BEEN KINDLY SUPPORTED WITH PRO-BONO CONTRIBUTIONS FROM THE FOLLOWING INSTITUTIONS:

**PSIK** P o l s k i e  
S t o w a r z y s z e n i e  
I n w e s t o r ó w  
K a p i t a ł o w y c h

**DENTONS**

  
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 **DZP**  
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