

Charity Registration No. 1078327

**THE CIECHANOWIECKI FOUNDATION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

THE CIECHANOWIECKI FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Peter Scott Count M Badeni Mrs T Mrozek-Folkierska Countess K Raczyńska Count A Zamoyski Professor A Rottermund
Charity number	1078327
Registered office	Number 22 Mount Ephraim Tunbridge Wells Kent TN4 8AS
Independent examiner	Sayers Butterworth LLP Chartered Accountants & Statutory Auditor 3rd Floor, 12 Gough Square London EC4A 3DW
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Investment Managers	Investec 30 Gresham Street London EC2V 7QN
Solicitors	Cripps Pemberton Greenish Number 22 Mount Ephraim Tunbridge Wells Kent TN4 8AS

THE CIECHANOWIECKI FOUNDATION

CONTENTS

	Page
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 14

THE CIECHANOWIECKI FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MAY 2021

The trustees present their report and financial statements for the year ended 31 May 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

When deciding on our activities for the year, the Trustees have considered the Commission's guidance on public benefit and therefore state that the charity's objects and activities are:-

- a) To enrich the collection of works of art and memorabilia at the Museum of the Royal Castle in Warsaw ("the Museum").
- b) To conserve and preserve works of art at the Museum.
- c) To provide bursaries and other awards to such academic staff as shall be chosen by the Trustees thereof or other officers for the time being who shall be in charge of the Museum.
- d) To facilitate the publication of books and academic works.
- e) To fund educational programmes particularly for the handicapped.

The main achievements of the charity during the year is that the trustees have made further donations to the Warsaw Foundation to provide education and support for the staff at the Royal Castle of Warsaw and to enable it to make acquisitions of items from the diaspora of the contents of the Royal Castle during the Second World War.

The trustees confirm that they have referred to the guidance contained in the Charity's Commission's general guidance on public benefit when reviewing the Charity's objective's and activities and that they have complied with section 17 of the Charities Act 2011.

Grant making policy

In applying the yearly income of the charity, the trustees have a policy to continue promoting aesthetic education in Poland, and the acquisition, conservation and preservation of works of art and objects that are connected particularly to the Royal Castle of Warsaw. The governing document should be referred to when making grants. Grants are not made to individuals.

Achievements, financial review and performance

The charity is funded by way of receiving donations and income from investments.

Legacies amounting to £3,526 (2020: £3,240) were received during the year. Investment income of £25,633 (2020: £35,553) were received during the year. Governance costs amounted to £38,021 (2020: £52,427). Grants amounting to £27,060 (2020: £512,818) were made during the year. Total funds held by the charity at the year end were £2,127,640 (2020: £2,034,302).

THE CIECHANOWIECKI FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

Reserves policy and risk

The Trustees will continue to utilise the assets and income of the Foundation in accordance with the objects of the charity. The Trustees consider that the level of reserves held at 31 May 2021 of £2,127,640 is sufficient for these purposes.

Major risks statement

The major risks to which the charity can be exposed to will be reviewed, and appropriate control procedures will be devised for minimising the potential risk exposure. These procedures will be monitored on a regular basis by the Trustees and appropriate action taken where necessary.

The trustees have identified the key risks which affect the Charity and considered steps to mitigate those risks and effective internal controls have been implemented. The major risk is that grants will not be used for the purpose for which they are given and this is managed by requiring a timely report from each recipient (mainly the Warsaw Foundation). When making decisions, the trustees assess the risks to which the charity might be exposed.

The main financial uncertainty is the long-term investment performance of the charity's funds and the impact of a sustained underperformance. This is managed by the trustees retaining expert investment managers and undertaking a regular review of the investment policies and ensuring a suitably diverse asset allocation to adapt to anticipated market performance to mitigate this risk. The rate of spend is reviewed in light of the longer-term return on assets and the charity's commitments.

The Trustees' policy is to maintain adequate reserves to enable the assets and income of the Foundation to be utilised in accordance with the objects of the charity.

Investment policy

Under the terms of the trust deed, the trustees have wide powers of investment. The trustees have delegated the management of the investment portfolio to the investment advisors appointed. The investments are held by the investment advisor's nominees. The trustee's overall investment objective as stated in the investment management agreement is to maximise capital growth. The charity does not operate an ethical investment policy. The performance of the trust investment portfolio is considered at regular intervals with the investment manager and is benchmarked against various market indices to ensure that the funds held are performing well. This manager, which is regulated by the Financial Conduct Authority in the United Kingdom, manages the investments within the restrictions set out in the investment management agreement. Any issues are addressed with the trustees as and when they arise.

Plans for the future

The trustees will continue to consider requests for donations from suitable charities, having regard to the primary objectives of the trust. All donation requests are considered by the trustees. During the coming financial year, the trustees plan to make donations in furtherance of aesthetic education in Poland and in particular the Royal Castle of Warsaw. The trustees will continue their policy of promoting aesthetic education in Poland and the acquisition, conservation and preservation of works art and objects d'art connected particularly with the Royal Castle of Warsaw.

THE CIECHANOWIECKI FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

Structure, governance and management

The Ciechanowiecki Foundation is an unincorporated registered charity (No. 1078327), and is governed by a trust deed dated 2 June 1999.

The organisation's affairs are conducted by the Trustees who meet throughout the year and who have the power to appoint new Trustees at their discretion. The charity does not have a formal programme for the induction and training of new Trustees. The Trustees are appointed by invitation from the existing board of Trustees.

The Ciechanowiecki Foundation is UK based with its headquarters in Kent. A board of Trustees administers the Trust. The day to day management of the charity has been delegated to Peter Scott who is also a Trustee. None of the Trustees has any beneficial interest in the charity.

The Trustees

The Trustees who served the charity during the year were as follows:

Peter Scott
Count M Badeni
Mrs T Mrozek-Folkierska
Countess K Raczynska
Count A Zamoyski
Professor A Rottermund

Peter Scott can be contacted on the following address:
Number 22, Mount Ephraim, Tunbridge Wells, Kent TN4 8AS.

The trustees' report was approved by the Board of Trustees.



Peter Scott
Trustee

Dated: 1 March 2022

THE CIECHANOWIECKI FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MAY 2021

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE CIECHANOWIECKI FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE CIECHANOWIECKI FOUNDATION

I report to the trustees on my examination of the financial statements of The Ciechanowiecki Foundation (the charity) for the year ended 31 May 2021 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
 - 2 the financial statements do not accord with those records; or
 - 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.
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I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Sayers Butterworth LLP

Hannah Clegg

Sayers Butterworth LLP
Chartered Accountants
3rd Floor, 12 Gough Square
London
EC4A 3DW

Dated: 02.03.2022

THE CIECHANOWIECKI FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MAY 2021

	Notes	Unrestricted funds £	Total 2021 £	Total 2020 £
<u>Income from:</u>				
Donations and legacies	4	3,526	3,526	3,240
Investments	5	25,633	25,633	35,553
Total income		<u>29,159</u>	<u>29,159</u>	<u>38,793</u>
<u>Expenditure on:</u>				
Charitable activities	7	<u>65,081</u>	<u>65,081</u>	<u>565,245</u>
Net gain on investments	10	<u>129,260</u>	<u>129,260</u>	<u>3,575</u>
Net movement in funds		<u>93,338</u>	<u>93,338</u>	<u>(522,877)</u>
Fund balances at 1 June 2020		<u>2,034,302</u>	<u>2,034,302</u>	<u>2,557,179</u>
Fund balances at 31 May 2021		<u><u>2,127,640</u></u>	<u><u>2,127,640</u></u>	<u><u>2,034,302</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE CIECHANOWIECKI FOUNDATION

BALANCE SHEET

AS AT 31 MAY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	6		1,196,714		1,079,569
Current assets					
Debtors	12	2,453		6,978	
Cash at bank and in hand		935,623		973,617	
		<u>938,076</u>		<u>980,595</u>	
Creditors: amounts falling due within one year	13	<u>(7,150)</u>		<u>(25,862)</u>	
Net current assets			930,926		954,733
Total assets less current liabilities			<u>2,127,640</u>		<u>2,034,302</u>
Income funds					
Unrestricted funds - general			2,127,640		2,034,302
			<u>2,127,640</u>		<u>2,034,302</u>

The financial statements were approved by the Trustees on 1 March 2022



Peter Scott
Trustee

THE CIECHANOWIECKI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared to give a 'true' and 'fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair" view.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Ciechanowiecki Foundation constitutes a public benefit entity as defined by FRS 102.

The charity's functional currency and presentational currency is pounds sterling (GBP).

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds

Core income and such other income for which there are no restrictions on the way it can be spent are termed 'Unrestricted'. Such unspent income at the balance sheet date is termed 'Unrestricted funds'.

1.4 Incoming resources

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Debtors:

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Legacies

Legacies are accounted for on a receivable basis. Residual legacies are recognised only when The Ciechanowiecki Foundation's interest can be measured, which is normally on a grant of probate. Where there are uncertainties surrounding the measurement of the Ciechanowiecki Foundation entitlement to an estate no income is recognised.

THE CIECHANOWIECKI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

Cash at bank and in hand:

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.5 Resources expended

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in the settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debtor the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable or similar charges.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost the effective interest method.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.7 Foreign exchange

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transaction. At each period end foreign currency monetary items are translated using the closing rate. Foreign exchange gains and losses are recognised in the statement of financial activities.

THE CIECHANOWIECKI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

1.8 Income and Expenditure

All income arising during the year is dealt with through the statement of financial activities.

Donated funds are included in income at the value of the financial cost borne by the donor where such a cost is quantifiable and measurable.

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Expenditure connected with the running of the charity is charged through the statement of financial activities and is included as governance costs.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Statement of funds

Unrestricted funds

Brought forward	2,034,302
Incoming resources	25,633
Legacies receivable	3,526
Gains on investments	129,260
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	2,192,721
Total income in the reporting period	
Total expenditure from unrestricted funds	(65,081)
Carried forward	2,127,640
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THE CIECHANOWIECKI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2021

4 Donations and legacies

	Unrestricted funds 2021	Unrestricted funds 2020
	£	£
Legacies receivable	3,526	3,240

5 Investment income

	Unrestricted funds 2021	Unrestricted funds 2020
	£	£
Income from listed investments	25,497	34,570
Bank interest receivable	136	983
	25,633	35,553

6 Fixed asset investments

Listed securities

Market value

As at 1 June 2020	1,079,569
Acquisition at cost	1,035
Disposal proceeds	(13,150)
Unrealised gains on revaluation in the year	127,746
Realised gain on disposal	1,514
At 31 May 2021	1,196,714

The listed investments held by the charity represent securities held in the UK and foreign listed entities.

THE CIECHANOWIECKI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

7 Charitable activities

	Governance Costs	Charitable Expenditure	Unrestricted funds Total 2021	Unrestricted funds Total 2020
	£	£	£	£
Accountancy fees	9,220	-	9,220	13,440
Investment fees	12,555	-	12,555	12,310
Legal fees	16,002	-	16,002	26,427
Postage and packaging	-	-	-	250
Bankruptcy searches	244	-	244	-
	38,021	-	38,021	52,427
Grant funding of activities (see note 8)	-	27,060	27,060	512,818
	38,021	27,060	65,081	565,245

8 Grants payable

	Unrestricted funds 2021	Unrestricted funds 2020
	£	£
Grants to institutions:		
Warsaw Foundation	27,060	508,462
Liechtenstein Foundation	-	4,356
	27,060	512,818

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. The Trustees received no reimbursed expenses during the year.

There are no direct employees of The Ciechanowiecki Foundation.

THE CIECHANOWIECKI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2021

10 Net gains/(losses) on investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Revaluation of investments	127,746	2,507
Gain on sale of investments	1,514	1,068
	<u>129,260</u>	<u>3,575</u>

11 Financial Instruments

	2021 £	2020 £
Financial assets measured and fair value through income and expenditure	1,196,714	1,079,569
Financial assets measured at amortised cost	935,623	973,617
	<u>2,132,337</u>	<u>2,053,186</u>

Financial assets measured at fair value through income and expenditure comprise investments. Financial assets measured at amortised cost comprise cash at bank.

12 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Cripps administration costs	-	4,500
Accrued interest	2,453	2,478
	<u>2,453</u>	<u>6,978</u>

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals - Sayers Butterworth LLP	7,150	17,400
Grants payable	-	8,462
	<u>7,150</u>	<u>25,862</u>

THE CIECHANOWIECKI FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

14 Related party transactions

One of the trustees, Peter Scott, was a member of Cripps Pemberton Greenish until May 2016 when he retired. He has acted as consultant for Cripps Pemberton Greenish since this date.

No trustee received remuneration or any reimbursement of expenses during the year. Cripps Pemberton Greenish charged fees of £16,002 (2020: £26,427) in respect of the professional fees rendered during the year. All invoices issued during the year had been settled by 31 May 2021. The trustees are authorised by the Trust Deed to pay professional charges to trustees engaged in a professional capacity on the instructions of the other trustees. Prof Rottermund is the President of the Warsaw Foundation and a Trustee. The charity made a donation to the Warsaw Foundation totalling £27,060 (2020: £508,462). Prof Rottermund, Count A Zamoyski and Countess R Raczynska are all members of the Liechtenstein Foundation and Trustees. The charity paid expenses on behalf of the Liechtenstein Foundation amounting to £Nil (2020: £4,356).

15 Controlling Party

In the opinion of the trustees, there is no one ultimate controlling party.

16 Analysis of changes in net funds

	At 1 June 2020	Cash flows	At 31 May 2021
	£	£	£
Cash at bank and in hand	973,617	(37,994)	935,623