

Registration number: 06211791

Charity Registration No. 1119423

The Polish Catholic Mission

Annual Report and Audited Financial Statements

for the Year Ended 31 December 2023

The Polish Catholic Mission

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The Polish Catholic Mission

Company Information

Trustees

Rev B Kolodziej
Dr M Marzanski
Rev R Jaroslowski
Rev A Strzepka
Rev R Szczodrowski
Mr M Tomas
Mr Z Green
Mr P Nowicki

Registered office

2 Devonian Road
London
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Auditor

Johnsons, Chartered Accountants
1-2 Craven Road Ealing
London
W5 2UA

The Polish Catholic Mission

Trustees' Report for the Year Ended 31 December 2023

The trustees, who are also the directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 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) (effective 1 January 2019)".

OBJECTIVES AND ACTIVITIES

Objectives and aims

Objectives of the Polish Catholic Mission as set out in the Memorandum of Association, and they include:

- The advancement of the Roman Catholic religion for the Polish Community;
- The advancement of religious education for the Polish Community;
- The relief of poverty for the Polish Community;
- Other charitable purposes which the Trustees judge fit for the benefit of the Polish Community.

Explanation of the Charity Aims

The primary objective of the Charity is the advancement of the Roman Catholic faith within the Polish Community. This objective underpins all activities undertaken by the Charity, which is committed to fostering spiritual growth, supporting religious practice, and addressing the broader needs of the community in alignment with its mission.

In furtherance of this objective, the Charity operates through a range of ministries designed to respond to the diverse and evolving requirements of the Polish Community in England and Wales. These ministries aim to provide pastoral care, religious education, and cultural support while promoting the core values of the Roman Catholic faith. The Charity's activities are undertaken with the utmost diligence and are aligned with its mission to serve the community in a manner that reflects the teaching and principles of the Church.

The Charity endeavours to meet the needs of its beneficiaries wherever possible, within the constraints of its available resources. All activities are carried out with due consideration of the current social, cultural, and spiritual challenges faced by the Polish Community, ensuring the Charity remains responsive and relevant in addressing its mission. This commitment is a guiding principle for the Trustees as they oversee the work of the Charity and its adherence to its foundational purpose.

Explanation of the Charity main objective for the year

The primary objective of the Charity during the year has been to continue practicing and advancing the Roman Catholic religion within the Polish Community. To facilitate this objective at a local level, the Head Office provides comprehensive support to its operations. This support includes administrative and financial assistance, advice from the Gift Aid Officer and on property management, guidance and strategic advice from the Head of Administration, as well as specialised advice from the Marriage Office to ensure compliance with canonical requirements for marriage.

In 2023, the Polish Catholic Mission remained focused on supporting the Local Polish Catholic Missions by ensuring the effective implementation of a financial system tailored to the specific activities and requirements of the Charity. This included providing personalised advice and training to local missions to enhance their financial management capabilities and ensure compliance with established procedures. The Charity's efforts reflect its commitment to fostering a cohesive and sustainable framework for its operations in alignment with its mission and objectives.

The Polish Catholic Mission

Trustees' Report for the Year Ended 31 December 2023 (continued)

Explanation of the Charity Strategies for achieving its stated objective

The Charity implements a range of financial management software solutions, including Sage, Thomson Reuters, Cashbooks, and HMRC RTT, to ensure effective financial control and accurate reporting across the Local Polish Catholic Missions. The secure implementation of these systems enables precise quarterly consolidations and the preparation of detailed financial reports. In accordance with a resolution of the Trustees, these reports have become a mandatory internal requirement and are presented by the Treasurer at Board Meetings to support informed decision-making and ensure financial transparency.

The Trustees have duly considered the guidance issued by the Charity Commission in determining the scope of the Charity's activities. They remain committed to continually enhancing the efficiency and effectiveness of the Charity's financial and operational processes through regular review and improvement, ensuring compliance with best practices and regulatory standards.

Significant activities

Financial

The Finance Director produces the accounts, including the quarterly Financial Reports, and oversees the management of the Head Office Payroll. Internal controls are maintained over Deposited Funds and Internal Loans, as well as the management of HMRC liabilities. Funding from external sources, including the Ministry of Justice, the Polish Foreign Ministry, and other institutional entities, is also overseen. The dual authorisation of payments is ensured, along with the accurate preparation of the annual integration and reconciliation of the Charity's consolidated data, thereby safeguarding the integrity of its financial operations.

Volunteer Contribution

The number of volunteers across the Local Polish Catholic Missions is collectively estimated to be approximately 1,250. On average, these volunteers dedicate a minimum of three hours per week, resulting in a total of approximately 195,000 volunteer hours annually. In addition to this core group, there are volunteer Local Polish Catholic Mission Administrative Councils, as well as numerous other individuals who contribute their time to support specific events. The Polish Catholic Mission is exceptionally fortunate that volunteers view their involvement as an essential part of their Catholic vocation.

Volunteers, alongside the Parochial Church Councils within the Local Polish Catholic Missions, provide invaluable support to the Priests and assist in the organisation of various ad hoc events facilitated by the Polish Catholic Mission. The Trustees extend their deepest gratitude for the tireless contributions of these volunteers, without whose support the Charity would be unable to fulfil its mission and objectives.

Fundraising

The Charity raises funds directly, without engaging professional fundraisers, and is not a member of any regulatory fundraising scheme. Fundraising activities are closely monitored through the review of quarterly financial returns submitted by the parishes. Donors have increasingly chosen to process their donations through the Charities Aid Foundation (CAF). CAF provides a platform that enables donors to contribute via services such as payroll giving, direct donations, and Gift Aid management, thereby enhancing the ease and efficiency of processing donations. While membership with CAF is not required to receive donations, it offers a trusted and streamlined mechanism for donor contributions. The Charity is not currently a member of CAF for the receipt of funds.

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Trustees' Report for the Year Ended 31 December 2023 (continued)

Policy Review

The Trustees have duly considered their obligations with regard to Safeguarding, Child Protection, and Reporting Serious Incidents, ensuring that appropriate measures are in place to protect vulnerable individuals and comply with legal requirements. Significant progress has been made in implementing the Investment Strategy, following the recommendations provided in June 2016, with full implementation occurring in August 2017. Additionally, the Trustees adopted comprehensive Money Laundering and Financial Crime Policies in 2022, to safeguard the charity against financial crime and ensure compliance with relevant legislation.

To ensure full regulatory compliance and good governance, the Trustees are committed to maintaining a comprehensive and up-to-date policy framework that covers all necessary operational and regulatory areas. This framework includes, but is not limited to, policies related to Financial Management, Cash Handling Procedures, Data Protection, and Health and Safety. The Cash Handling Policy establishes clear procedures for the receipt, storage, and disbursement of cash to safeguard the charity's assets and ensure accountability in all cash transactions.

These policies are periodically reviewed and updated to reflect changes in laws and regulations, and to support the charity's ongoing commitment to best practices, operational transparency, and the integrity of its financial processes. Each policy serves to protect the charity by ensuring that all activities are conducted with the highest level of financial accountability and in compliance with relevant legal requirements.

Public Benefit

The Polish Catholic Mission exists to address the spiritual needs of individuals who profess the Roman Catholic faith and are either born in Poland or have resided in Poland, as well as their spouses, children, and descendants. It also serves other individuals who identify as part of the Polish Community within England and Wales.

In fulfilling its mission, the Charity actively seeks opportunities for collaboration with other Christian organisations, where appropriate, to further enhance its outreach and service. The Charity's facilities, including churches, church halls, and meeting rooms, are made available to the public to support its activities and promote community engagement.

In the formulation of our objectives for the year and the planning of related activities, the Trustees have given due consideration to the Charity Commission's guidance on public benefit, specifically the document 'Public Benefit: Running a Charity' (PB2), ensuring that our operations align with the principles of public benefit as outlined in the guidance.

ACHIEVEMENTS AND PERFORMANCE

Charitable Activities

Outreach work

The Polish Catholic Mission is dedicated to supporting the religious and charitable initiatives undertaken by members of the Polish Community. The Polish Priests provide ministry to a wide segment of the general public, with key focus areas including:

- Religious education;
- Social and pastoral work;
- Enhancement of Anglo-Polish relations within local communities;
- Providing spiritual guidance and support for families;
- Promoting cultural integration and community cohesion;
- Organising community outreach programs and charitable events

The Polish Catholic Mission

Trustees' Report for the Year Ended 31 December 2023 (continued)

These activities are conducted across 73 Local Polish Catholic Missions and 221 locations where Mass is celebrated in Polish. In 2023, the Polish Catholic Mission was aided by 91 priests, who provided essential ministry and outreach to the community.

Regular attendance at Mass and the reading of Scripture are actively encouraged to foster a deeper understanding of the Christian Faith and to enrich comprehension of God's creative and redemptive work on earth, to which all are called to love one's neighbour as oneself. By learning from past traditions and building on them, the Charity ensures both continuity and adaptability for future generations. Requests for Mass in the Polish language continue to be received regularly from new areas across England and Wales.

Numerous congregations respond to requests to open their church buildings for special services, catering to groups who wish to gather in prayer outside of the regular programme. In particular, religious gatherings complementing the work at the Local Polish Catholic Mission level include the annual Pentecost and Corpus Christi celebrations at Laxton Hall, as well as the Polish Community pilgrimages to the Marian Shrines at Holywell in Flintshire, Walsingham in Norfolk, and Aylesford. The Polish Catholic Mission also hosts three major annual events at Laxton Hall: Children's Day, Family Day, and Youth Day, with Youth Day organised by the Local Polish Catholic Mission in Slough. These events attract thousands of participants each year and are vital in fostering unity within the pastoral community, bringing together families and individuals from across the country to celebrate their shared faith and cultural heritage.

Special collections are organised throughout the year at all Local Polish Catholic Missions to support various charitable needs, such as the Holy Land, Peter's Pence, and other designated purpose.

The Trustees maintain regular communication with the Local Polish Catholic Missions and the Priests in Charge through a combination of post, email, phone, site visits, and diocesan meetings. The Trustees wish to formally acknowledge the unwavering commitment of the Priests, the Local Polish Catholic Mission Administrative Councils, and the Polish Catholic Mission's staff. Their dedication, professionalism, and positive approach are invaluable and deeply appreciated in the furtherance of the Charity's objectives.

Polish Catholic Mission main activities for the year

The Polish community's pilgrimages to the shrines in the UK are significant spiritual events, drawing pilgrims who seek solace and a deeper connection to their faith. In 2023, one of the notable pilgrimage sites is St Winefride's Well in Holywell, Flintshire, which has been a destination of devotion for centuries. The site is famous for its miraculous waters, which are believed to have healing properties. According to tradition, St Winefride, a 7th-century Welsh martyr, was beheaded, and her head was miraculously restored by St Beuno. The well at the site is said to have sprung up from where her blood was spilled, and many pilgrims come to bathe in the waters, hoping for healing or spiritual renewal.

Another important pilgrimage destination for the Polish community in 2023 is Walsingham in Norfolk, known for its Shrine of Our Lady of Walsingham, which is considered one of the most significant shrines in the UK. It has been a centre for pilgrimage for over 1,000 years, offering a place for prayer, reflection, and spiritual healing. Pilgrims who visit the shrine participate in Mass, prayer services, and processions, all aimed at deepening their connection with the Virgin Mary. Walsingham continues to attract pilgrims from various communities, including the Polish Catholic Mission, who join in the centuries-old tradition of devotion.

Additionally, Aylesford Priory in Kent also hosts significant events for the Polish community during the year. This site has a long history of being a place for spiritual renewal and devotion. As a centre for the Order of Carmelites, Aylesford provides a peaceful atmosphere for reflection and is a popular pilgrimage destination, where people come to join in prayer and seek spiritual nourishment.

These shrines not only hold deep religious and historical significance but also offer a space for our community members to gather, share in their faith, and find spiritual healing through the centuries-old practices of pilgrimage.

In 2023, the Polish Catholic Mission continues to prioritise fostering community spirit and cultural heritage through the organisation of three significant annual events, which serve to unite Polish Community from across England and Wales. These events are a cornerstone of the Mission's pastoral and social activities, attracting thousands of participants annually:

- **Children's Day:** hosted annually at Laxton Hall, is an exciting and eagerly awaited event organised by the Polish Catholic Mission. Children from various Polish Saturday Schools and Local Polish Catholic Missions, along with their families, travel to the event by bus or with their parents. The day is filled with a variety of team-based games and activities designed to foster teamwork, creativity, and the celebration of Polish cultural heritage. This occasion not only allows the children to have fun but also offers them the opportunity to strengthen their connection to their faith within a supportive, vibrant community atmosphere.
- **Family Day:** Also hosted at Laxton Hall, Family Day is an event that gathers families together to celebrate shared faith and heritage. This event features various activities for all ages and aims to strengthen intergenerational bonds within the community, while also promoting a deeper understanding of Catholic values.
- **Youth Day:** Organised by the Local Polish Catholic Mission in Slough, Youth Day is a significant event designed to engage young people in both spiritual and cultural activities. This three-day event offers a platform for the youth to deepen their faith, develop leadership skills, and build connections with peers in an environment that celebrates Polish identity and Catholic teachings. The event includes communal prayer, inspiring faith talks, and evangelisation meetings, bringing together young people from Polish parishes across the UK. It serves as an opportunity for spiritual growth, fellowship, and active participation in the Catholic faith.

These annually events play a crucial role in the Polish Catholic Mission's pastoral strategy, complementing regular liturgical services and other significant gatherings, such as Pentecost and Corpus Christi celebrations at Laxton Hall and pilgrimages to shrines in England and Wales. They contribute to the enrichment of the community's faith and the preservation of Polish cultural identity, aligning closely with the charitable objectives of the Polish Catholic Mission.

Polish Catholic Mission Archives

The process of digitising the archives of the Polish Catholic Mission has continued throughout the year, with significant progress made in preserving and making accessible the invaluable historical documents and materials that form the foundation of the Mission's legacy. This effort aims to safeguard the rich history of the Polish Catholic community in the United Kingdom, including the activities and milestones of the Mission from its inception. The ongoing digitisation process ensures that these important records, which encompass both religious and cultural aspects of the Mission's work, are readily available for future reference and research.

The Polish Catholic Mission Archives provide a comprehensive historical account of the Mission's influence on the Polish community in England and Wales, documenting key moments in its development and the contributions of Polish clergy and laity to British society. The Trustees remain committed to supporting this important initiative, recognising its role in preserving the cultural heritage of the Polish Catholic community and making it accessible to a broader audience.

As part of this effort, we continue to engage with external experts and collaborators to ensure that the digitisation process adheres to best practices in archiving and digital preservation. This initiative will also facilitate greater accessibility to the archives, offering a valuable resource for both researchers and the general public to gain deeper insight into the Polish Catholic Mission's significant contributions to the spiritual and cultural life of the Polish diaspora in the United Kingdom.

Asset Management

The Trustees continue to receive regular reports and updates from the Local Polish Catholic Missions regarding any proposed expenditure over £10,000, typically relating to the refurbishment of church buildings, non-church buildings, and halls. Priests are required to seek prior approval from the Trustees for such expenditures, ensuring the Trustees are kept fully informed. The Polish Catholic Mission owns 29 churches and 14 chapels. In 2023, the Trustees instructed internal chartered surveyors to conduct valuations of specific properties to obtain up-to-date assessments of the Charity's assets.

The Polish Catholic Mission

Trustees' Report for the Year Ended 31 December 2023 (continued)

The Charity's charitable activities have continued in line with the objectives set in previous years, reflecting the ongoing commitment to serving the Polish Catholic community in England and Wales. These activities have been maintained and, where appropriate, enhanced to ensure that the needs of the community are met in accordance with the Charity's established mission. The continuation of these activities highlights the Charity's dedication to its core purpose, ensuring that its objectives remain effectively pursued and realised.

This approach underscores the Charity's commitment to achieving its goals through rigorous financial oversight and the continued fulfilment of its charitable mission.

FINANCIAL REVIEW

Financial position

A financial summary of the year's results can be found in the Accounts section.

The Roman Catholic Church primarily operates through donations received during Mass collections, Gift Aid contributions, and the Gift Aid Small Donation Scheme. The Charity encourages its priests to engage with parishioners, actively seeking their support for the maintenance and upkeep of the parish. This is an essential aspect of the charity's fundraising efforts, ensuring the sustainability of its religious, social, and community services. Through these channels, the Church aims to foster a sense of communal responsibility, allowing parishioners to contribute towards the continued operation of the parish and its associated activities.

Reserves Policy

It is the policy of the Charity to maintain unrestricted funds, which have not been designated for specific purposes, at a level equivalent to approximately six to twelve months' worth of expenditure. The Trustees believe that maintaining reserves within this range will provide the Charity with the financial stability necessary to continue its operations in the event of a significant reduction in funding. This reserve ensures that the Charity can maintain its current activities while exploring options for raising additional funds.

The Reserves Policy is reviewed annually by the Trustees in conjunction with the approval of the financial statements, ensuring that it remains aligned with the Charity's financial needs and operational objectives. This review process enables the Trustees to assess the adequacy of the reserves in supporting the Charity's long-term sustainability and the fulfilment of its mission.

Investment policy and objectives

The Trustees have reviewed the Charity's funds held as investments and considered new investment opportunities. The objectives are:

- I. To ensure a creation of an investment fund which is sufficient for the charity to fulfil its objectives as stated on page 1 and outlined in the Articles of Association;
- II. To maintain, and, if possible, through capital growth, enhance the value of the invested funds while they are retained, giving due and proper consideration to future potential needs.
- III. To generate an investment income for the furtherance of the Charity's aims.

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Trustees' Report for the Year Ended 31 December 2023 (continued)

PLANS FOR FUTURE PERIODS

The Trustees remain committed to continuing their support for all activities of the Polish Catholic Mission, with no anticipated significant changes in the upcoming year. The primary objective of the Trustees is to sustain further the mission's current initiatives and purposes. The Trustees will continue to focus on fulfilling the objectives outlined for the Charity, ensuring the ongoing provision of services and support to the Polish Catholic community.

The Trustees will also maintain their regular review of the Charity's activities and operations, ensuring alignment with both long-term strategic priorities and immediate community needs. This approach will ensure the Charity remains resilient and responsive to any challenges, while upholding its mission and commitment to the community.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Polish Catholic Mission was established in the United Kingdom in 1894 with the primary aim of addressing the pastoral and spiritual needs of Polish-speaking individuals residing in England and Wales, whether temporarily or permanently. Prior to the establishment of the Mission, Polish priests had been serving the Polish émigré community for approximately 50 years.

As the years leading up to the Second World War saw an increasing number of Polish nationals establishing cultural and business connections with the United Kingdom, the demand for Polish-speaking clergy rose significantly. This growing need was duly recognised by the Catholic Bishops of England and Wales, who took steps to ensure that such pastoral care was provided.

With the outbreak of the Second World War in 1939, Poland became an ally of the United Kingdom, resulting in tens of thousands of Polish soldiers, sailors, and airmen arriving in Britain to fight alongside British and Allied forces. Despite the Allied victory in Europe in 1945, Poland's independence was not restored, and over 250,000 Polish military personnel and their families, who had been associated with the Polish Armed Forces, chose to remain in the United Kingdom. This decision led to the establishment of substantial Polish communities in towns across the country.

In 1948, the Catholic Bishops of England and Wales entered into an agreement with the Polish Primate, appointing his nominee as Vicar Delegate to oversee the pastoral care of Polish-speaking Roman Catholics throughout England and Wales. In 1952, the Polish Benevolent Fund (Registration No. 213673) was established under English Charity Law to manage and safeguard the assets of the Polish Catholic communities. The Fund was administered by a Board of Trustees nominated by the Vicar Delegate.

With the introduction of the Charities Acts of 1960, 1993, and 2006, it became clear that a more modern and robust legal structure was necessary to replace the existing Trust Deed of the Polish Benevolent Fund. As a result, the Polish Benevolent Fund ceased operations on 31 December 2007, with all assets and liabilities being transferred to the newly incorporated The Polish Catholic Mission, which officially commenced its operations on 1 January 2008. On 8 May 2014, the Catholic Bishops' Conference of England and Wales formally approved a revised governance framework, introducing new structures and procedures for the role of the National Coordinator/Vicar Delegate of the Polish Catholic Mission.

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Trustees' Report for the Year Ended 31 December 2023 (continued)

Governing Document

The Polish Catholic Mission is governed by its Memorandum and Articles of Association dated 22 February 2007, and last updated on 16 November 2021.

Trustees

The trustees who held office during the year were as follows:

- Rt Rev Mgr S Wylezek - (resigned 1 July 2023)
- Rev B Kolodziej - (appointed 2 May 2023)
- Rev A Strzepka
- Dr M Marzanski
- Rev R Jaroslowski
- Rev R Szczodrowski
- Mr M Tomas
- Dr N Langer - (resigned 14 February 2023)
- Mr Z Green - (appointed 28 February 2023)

The following trustees were appointed after the year end:

- Mr P Nowicki - (appointed 18 April 2024)

Recruitment of Trustees

Trustees are recruited from senior clergy and suitably qualified and experienced lay faithful. The Rector, also known as the Vicar Delegate of the Polish Catholic Mission, is presented by the Bishops' Conference of Poland and appointed by the Cardinal Archbishop of Westminster on behalf of the Bishops Conference of England and Wales and in accordance with the Articles of Association 3.3, he alone appoints and dismisses the Trustees of the Charity.

Organisational Structure

The Trustees bear ultimate responsibility for the governance, policies, activities, and assets of the Charity. In the year 2023, in fulfilment of their fiduciary duties, the Trustees convened regular meetings as well as numerous ad hoc meetings. When necessary, they sought professional advice from a range of consultants, including property and employment specialists, solicitors, and auditors, to assist them in executing their responsibilities with due diligence.

The Rector and Chancellor are tasked with the day-to-day management of the Charity, including oversight of property matters. The Financial Director is responsible for the preparation and analysis of financial reports, ensuring financial control, and overseeing the Charity's financial management. Alongside the Finance Committee, the Financial Director ensures the smooth operation of the financial functions. The Financial Director is also responsible to produce the Statutory Financial Statements of the Polish Catholic Mission, in collaboration with the appointed auditors.

The Rector, who is responsible for the pastoral care of the Charity, is supported by the Council of Deans. The Polish Catholic Mission is organised into seven Deaneries and comprises 73 Local Polish Catholic Missions across 221 locations where Mass is celebrated in Polish. The Deans, Priests in Charge, and other clergy serving within the Local Polish Catholic Missions are appointed by the Rector. The Priests in Charge invite members of the congregation to join the Administrative Councils of the respective Local Polish Catholic Missions. Under the established Terms of Reference, these Administrative Councils are appointed for a fixed term by both the Rector and the Trustees. Additionally, the clergy regularly meet within their deaneries and annually at the Priests' Retreat, held in September.

The Polish Catholic Mission

Trustees' Report for the Year Ended 31 December 2023 (continued)

Induction and Training of New Trustees

New Trustees are inducted into their roles and responsibilities by the Rector, who ensures they are fully briefed on their duties. Upon appointment, Trustees are provided with relevant Charity Commission literature, alongside copies of the Trust Deed and the most recent financial documentation, enabling them to familiarise themselves with the governance framework of the Charity.

The Treasurer is responsible for preparing, presenting, and providing detailed explanations of the Financial Reports for the Polish Catholic Mission. These reports are discussed during the regular meetings of the Board and are also presented at the conclusion of each financial year, ensuring full transparency and accountability in the Charity's financial management.

Relationship with related parties

The Polish Catholic Mission maintains regular communication and collaboration with various well-established and emerging charitable organisations to effectively administer its pastoral care to the Polish community in the United Kingdom. In particular, the Priests in Charge of the Local Polish Catholic Missions provide significant support to numerous Polish Saturday Schools, delivering pastoral care and religious education to the children and families involved. The priests also offer pastoral care to veteran and youth organisations, as well as various other Catholic groups, further solidifying the Mission's outreach within the community.

In addition, the Polish Catholic Mission works closely with the Catholic Church in England and Wales, participating in shared ministries and utilising common resources, including churches and parishes. This partnership reflects the Mission's collaborative efforts with the wider Church network to serve the Polish community.

The Polish Catholic Mission's social work is further enhanced through its collaboration with the Polish Embassy and Consulate, which plays a critical role in supporting the Polish diaspora in England and Wales. The Mission engages in joint events throughout the year, demonstrating a shared commitment to the wellbeing of the community.

Risk Management

The Charity has conducted a thorough review of potential risks across several operational and financial areas, evaluating their possible impacts and implementing structured actions to mitigate the identified risks. The primary areas of focus for risk management are as follows:

Human Resources and Personnel Risk

This area includes reputational risks, employment-related issues, health and safety, the adequacy of priest numbers, trustee competency, elder care provisions, and safeguarding. The Charity has developed a robust framework to mitigate risks, including enhancing the involvement of laypersons, actively promoting vocations, providing trustees with relevant training materials, ensuring compliance with the Charity Commission guidelines, adhering to regulatory requirements, implementing rigorous staff vetting procedures, and ensuring that newly arrived priests from Poland receive adequate support from more experienced clergy prior to assuming greater responsibilities.

Safeguarding Risk

The Polish Catholic Mission prioritises safeguarding within its operational framework. A designated Safeguarding Representative has been appointed to support the Polish priests, and each Local Polish Catholic Mission has its own Safeguarding Representative. All priests are mandated to comply with the Safeguarding Policy set by the relevant Diocese, ensuring that safeguarding protocols are followed uniformly. In addition to annual safeguarding training for priests and lay representatives, safeguarding matters are regularly reviewed during Diocesan and Deanery meetings to maintain high standards.

The Polish Catholic Mission

Trustees' Report for the Year Ended 31 December 2023 (continued)

Property Risk

The Charity has identified several risks associated with the maintenance and security of its property assets, including the risk of property neglect, loss of records, and damage to physical assets. In mitigation, the Charity conducts regular property assessments, updates inventories, services security systems, and ensures secure data storage and backups. Furthermore, the Charity maintains comprehensive insurance cover to protect against any potential property-related losses or damages.

Financial Risk

Financial risk management is a critical focus for the Trustees, and it has been categorised under several key headings: asset security, reserves, investment policies, fraud or error, budgetary control, taxation, and compliance with legal and regulatory requirements. In addressing these financial risks, the Charity has implemented several precautionary measures, including obtaining professional investment advice, conducting performance monitoring, diversifying investment portfolios, enforcing strict financial controls, setting clear authorisation limits, ensuring compliance with PAYE, and other taxation regulations, and undergoing regular audits to maintain transparency and accountability in financial operations.

Remuneration

No Director received any remuneration for their role as a Director during the financial year. The Rector and Priests of the Polish Catholic Mission, in their ecclesiastical capacity, receive a fixed stipend and retain the offerings from Mass, stole fees, and special collections for Christmas and Easter, unless they voluntarily choose to forgo such payments. Additionally, they are provided with certain benefits, including accommodation and living expenses, which are covered by the Polish Catholic Mission.

Several clergy members, as well as one staff member, also serve as Trustees of the Polish Catholic Mission. The clergy Trustees are both housed and remunerated by the Polish Catholic Mission. All Trustees are reimbursed for expenses incurred in the course of performing their trustee duties; however, no Trustee received any remuneration for their role as a Trustee during the reporting period.

Furthermore, no Trustee held any beneficial interest in any contract entered into with the Charity.

Statement of Trustees responsibilities

The trustees, who are also the directors of The Polish Catholic Mission for the purpose of company law, 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).

Company Law 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, including the income and expenditure, of the charitable company 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; 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 adequate 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 Companies Act 2006. 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.

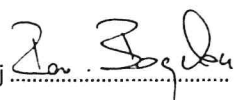

The Polish Catholic Mission

Trustees' Report for the Year Ended 31 December 2023 (continued)

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Approved by the Board on 22 November 2024 and signed on its behalf by:

Rev B Kolodziej  

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE POLISH CATHOLIC MISSION

Opinion

We have audited the financial statements of The Polish Catholic Mission ("the charity" or "the Company") for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cashflows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE POLISH CATHOLIC MISSION (CONTINUED)

Opinion on other matters prescribed by Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of the company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE POLISH CATHOLIC MISSION (CONTINUED)

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identification and assessment of potential risks

In identifying and assessing potential risks related to irregularities in identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we conducted:

- Meetings throughout the year with those charged with governance;
- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the charitable company's material policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance relating to the detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- Our reviews of the charitable company's remuneration policies and bonus levels;
- Our assessment of any material transactions with related parties and key individuals; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes the Audit Director and staff who have extensive experience of working with companies in the same sectors as the charitable company, and this experience was relevant to the discussion about where fraud risks may arise.

Risks arising from legal and regulatory frameworks

We are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks in which the charitable company operates, focusing on provisions of those areas that had a direct effect on the determination of material amounts and disclosures in the financial statements.

We did not identify any material audit matters related to the potential risk of fraud or non-compliance with laws and regulations from our work:

- Reviewing management override of controls;
- Testing the appropriateness of journal entries and other accounting adjustments;
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated our assessment of the relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE POLISH CATHOLIC MISSION (CONTINUED)

Risks arising from legal and regulatory frameworks (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Edmund Cartwright, FCCA, FMAAT (Senior Statutory Auditor)

for and on behalf of Johnsons, Chartered Accountants, Statutory Auditor

London, United Kingdom

Date: 22nd November 2024

The Polish Catholic Mission

**Statement of financial activities
for the year ended 31 December 2023**

		Unrestricted funds 2023	Restricted funds 2023	Total 2023	Unrestricted funds 2022 Restated	Restricted funds 2022	Total 2022 Restated
	Note	£	£	£	£	£	£
Income and endowments	3	7,215,035	-	7,215,035	6,710,198	-	6,710,198
Expenditure on charitable activities	5	(6,127,876)	(13,743)	(6,141,619)	(6,551,852)	(55,888)	(6,607,740)
Net (losses)/ gains on investments	6	(118,812)	-	(118,812)	230,667	-	230,667
Net income for the year		968,347	(13,743)	954,604	389,013	(55,888)	333,125
Net movements in funds		968,347	(13,743)	954,604	389,013	(55,888)	333,125
Reconciliation of funds:							
Fund balances brought forward		20,117,002	575,183	20,692,185	19,727,989	631,071	20,359,060
Fund balances carried forward		21,085,349	561,440	21,646,789	20,117,002	575,183	20,692,185

The statement of financial activities including income and expenditure account include all gains and losses recognised in the year. All income and expenditure are from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

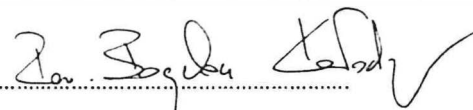
The notes on pages 20 to 35 form part of these financial statements.

The Polish Catholic Mission
Balance Sheet as at 31 December 2023

	Note	2023 £	2022 Restated £
Fixed assets			
Tangible assets	10	11,695,756	10,463,516
Investment properties	11	5,046,167	5,180,639
		16,741,923	15,644,155
Current assets			
Social investments	12	-	53,171
Debtors	13	138,829	152,390
Current asset investments	14	1,263,517	2,236,091
Cash at bank and in hand	15	3,963,011	3,029,699
		5,365,357	5,471,351
Creditors: Amounts falling due within one year	17	(256,442)	(219,272)
Net current assets		5,108,915	5,252,079
Total assets less current liabilities		21,850,838	20,896,234
Creditors: Amounts falling due after more than one year	17	(204,049)	(204,049)
Net assets		21,646,789	20,692,185
Income funds			
Restricted funds	21	561,440	575,183
<u>Unrestricted funds:</u>			
General unrestricted funds		21,085,349	20,117,002
		21,646,789	20,692,185

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 22 November 2024 and signed on its behalf by:

Rev B Kolodziej..... 

The notes on pages 20 to 35 form part of these financial statements.

The Polish Catholic Mission
Statement of Cash Flows for the year ended 31 December 2023

		2023	2022
	Note	£	Restated £
Cash flows from operating activities			
Cash generated from/(used in) operations	22	471,118	(562,037)
Cash flows from investing activities			
Purchase of freehold property		(1,560,615)	-
Purchase of investment property		-	(207,490)
Proceeds on disposal of tangible fixed assets		99,000	527,500
Withdrawal of Novia investments to bank account		1,011,469	-
Investment income		191,217	272,006
Rental income		667,952	432,252
Net cash from investing activities		409,023	1,024,268
Cash flow from financing activities			
Repayments of loans by related parties		53,171	170,929
Net cash from financing activities		53,171	170,929
Net increase in cash and cash equivalents		933,312	633,160
Cash and cash equivalent at beginning of year		3,029,699	2,396,539
Cash and cash equivalent at end of year		3,963,011	3,029,699

The notes on pages 20 to 35 form part of these financial statements.

The Polish Catholic Mission

Notes to the financial statements for the year ended 31 December 2023

1 General information

Polish Catholic Mission ("the charity" or "the Company") is registered with the Charity Commission for England & Wales with the registered charity number 1119423. Polish Catholic Mission is a Private Limited Company by guarantee without share capital use of 'Limited' exemption with the Company number 06211791. The registered address is 2 Devonia Road, London, Islington, N1 8JJ.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation of financial statements

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value. The financial statements of the charity in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling which is the functional currency of the entity and rounded to the nearest £.

Going concern

The trustees have assessed that the use of the going concern basis is appropriate. As part of their assessment, no possible events or conditions have been identified that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements, with the trustees, in particular, taking into consideration the latest available cash balances for the charity and any pressures specifically relating to capital commitments. The Trustees also consider that any future spending including for charitable activities will be limited to the extent of surplus cash balances after making payments for goods and services received in that period. After making enquiries and taking into account the charity has cash funds of £3,963,011, current asset investments of £1,263,517 as at 31 December 2023 and cash funds of £4,871,392, current asset investments of £ 1,360,005 as at 15 November 2024, the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

As such the charity is expected to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. On this basis, the trustees have concluded that the charity is a going concern.

The Polish Catholic Mission

Notes to the financial statements (continued) for the year ended 31 December 2023

Revenue recognition

All income is recognised in the Statement of Financial Activities ("SOFA") once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Income from grants and donations

Donations and grants are recognised when they have been communicated and received in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest income

Interest is recognised using the effective interest method and is recognised in statement of financial activities.

Dividend income

Dividend income is recognised when the Charity has the right to receive payment and that the dividend amount can be measured reliably.

Rental income

Rentals received in relation to investment properties are credited to the state of financial activities

Other income

Other income primarily represents proceeds from sale of assets and income from parking receipts.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

- Church buildings – 27 to 95 years (average 70 years)
- Freehold land and buildings – 26 to 95 years (average 60 years)
- Leasehold land and buildings – Over the life of the lease
- Fixtures & Fittings – 10%

The Polish Catholic Mission

Notes to the financial statements (continued) for the year ended 31 December 2023

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in statement of financial activities.

Investments

Listed investments are initially measured at transaction price and subsequently measured at the market value at the reporting date, with changes in the market value being recognised in the statement of financial activities.

Social investments consist of concessionary loans and are initially recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

The Polish Catholic Mission

Notes to the financial statements (continued) for the year ended 31 December 2023

Financial instruments

Polish Catholic Mission only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. The charity does not acquire or use put options, derivatives or other complex financial instruments.

Basic financial instruments are initially recognised at the transaction price unless the arrangement constitutes a financing transaction where it is recognised at the present value of the future payments discounted at market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the profit or loss immediately.

Any reversals of impairment are recognised in the statement of financial activities immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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 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.

Accruals

The charity makes an estimate of accruals at the year end based on invoices received after the year end and work undertaken which has not been invoiced based on quotations or estimates of amounts that may be due for payment.

Tangible fixed assets (freehold property)

The charity's freehold property consists of churches and residential properties. For churches, Trustees during the year has obtained independent valuation of few properties and considered that the share of building cost to the total property cost of these properties is relevant to whole portfolio given the similar nature of the assets. Trustees re-assessed the useful life of the freehold properties based on the independent opinion. For residential freehold properties, Trustees assigned the total value of the property to buildings as the ability and available market to sell land separately is limited. Trustees also reassessed the useful life of the residential freehold property during the year.

Investment properties

The Trustees performed valuation of investment properties on an open market value basis (which is considered to be a true reflection of the fair value) by reference to the market conditions and market evidence of transaction prices for similar properties.

The Polish Catholic Mission

Notes to the financial statements (continued) for the year ended 31 December 2023

3 Income and endowments

The analysis of the company's revenue for the year from continuing operations is as follows:

	2023	2022 (Restated)
	£	£
Donations and legacies	5,359,061	4,512,274
Charitable activities	826,046	846,312
Investment income	859,171	732,134
Other income	170,757	619,478
	7,215,035	6,710,198

Donations and legacies represent the income received from offertories (gift aid and non-gift aid), donations (gift aid and non-gift aid), legacies (will) and tax refunds.

Charitable activities represent income received from charitable events organised during the current year. During the year, income from charitable activities include an amount of £438,691 (designated fund) received for specific purposes (2022: £220,216) which was spent by the charity in full during the year.

Investment income represent income from dividends and rent from investment properties. Other income represent gain on disposal of asset and income from parking facilities.

4 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Head Office	7	6
Local Mission	5	6
Total	12	12

	2023 £	2022 £
Wages and salaries	256,735	283,336
Social security	17,461	7,754
Other pension costs	3,052	1,083
	277,248	292,173

There were no employees whose annual remuneration was £60,000 or more.

The Polish Catholic Mission

Notes to the financial statements (continued) for the year ended 31 December 2023

5 Expenditure

The analysis of the company's expenditure for the year from continuing operations is as follows:

	2023	2022 Restated
	£	£
Pastoral work	3,697,643	4,605,862
Church related activities	1,479,982	1,321,340
Outreach and events	17,522	32,798
Special projects and giving	113,850	102,347
Other expenses	832,622	545,393
	6,141,619	6,607,740

Pastoral work includes £13,743 (2022: £55,888) incurred by the charity from the restricted funds.

Other expenses include expenses incurred by charity amounting to £438,691 (designated fund) (2022: £220,216) towards specific purposes for which grants are received subsequently. The grants received is recognised as income in the statement of financial activities.

6 Net gains/(losses) on investments

	2023	2022 Restated
	£	£
Gain/(loss) on current asset investment	38,893	(97,039)
Revaluation of investment properties	(157,705)	327,706
	(118,812)	230,667

7 Depreciation expense

	2023	2022 Restated
	£	£
Depreciation expense	295,144	218,282

The Polish Catholic Mission

Notes to the financial statements (continued) for the year ended 31 December 2023

8 Trustees

During the year one or more Trustees have been paid remuneration from an employment with or service provided to the charitable company. This remuneration was paid for additional services provided to the charitable company not for those of being a Trustee. There are no other key management personnel other than Trustees.

Dr N Langer received remuneration of £13,239 (2022: £38,427) for her role as Financial Director of PCM and Treasurer of PCM HAL, which is combined and reimbursed back to PCM by PCM HAL.

Rt Rev Mgr S Wylezek received a stipend of £13,086 (2021: £21,230), Rev K Tyliczszak received a stipend of £91 (2022: £10,400), Rev B Kołodziej received a stipend of £11,754 (2022: £nil) and Rev A Strepka received a stipend of £17,487 (2022: £5,522).

9 Auditors' remuneration

The analysis of auditor's remuneration is as follows.

	2023	2022
	£	£
Fees payable to the charity's auditor and associates		
Audit of the financial statements	25,000	23,000

The Polish Catholic Mission

Notes to the financial statements (continued) for the year ended 31 December 2023

10 Tangible assets

	Freehold property £	Leasehold property £	Fixtures and fittings £	Total £
Cost				
At 1 January 2023	15,254,659	656,885	355,530	16,267,074
Restatement	(226,731)	(265,295)	-	(492,026)
At 1 January 2023 (restated)	15,027,928	391,590	355,530	15,775,048
Additions	1,441,645	-	118,970	1,560,615
Reclassification	(62,337)	-	-	(62,337)
Disposals	(25,000)	-	-	(25,000)
At 31 December 2023	16,382,236	391,590	474,500	17,248,326
Depreciation and impairment				
At 1 January 2023	782,341	49,269	314,655	1,146,265
Restatement	4,155,664	9,602	1	4,165,267
At 1 January 2023 (restated)	4,938,005	58,871	314,656	5,311,532
Current year Depreciation	253,802	898	40,444	295,144
Reclassification	(39,106)	-	-	(39,106)
Disposals	(15,000)	-	-	(15,000)
At 31 December 2023	5,137,701	59,769	355,100	5,552,570
Carrying Value				
At 31 December 2023	11,244,535	331,821	119,400	11,695,756
At 31 December 2022 (restated)	10,089,924	332,719	40,874	10,463,516

On 20 December 2023, the charity sold freehold property (4 and 4A Oliver Grove, South Norwood, SE25 6EJ) with cost of £25,000 and accumulated depreciation of £15,000 for £99,000. Total cost incurred to sell the property was £3,589. A gain of £85,411 is included in the statement of financial activities.

On 19 May 2023, the charity acquired freehold property (119 Church Road UB5 5AQ) with cost of £612,123.

The Polish Catholic Mission

Notes to the financial statements (continued)
for the year ended 31 December 2023

11 Investment properties

	2023
	£
At 1 January 2023	4,405,658
Restatement	774,981
	<u>5,180,639</u>
Additions	23,233
Net gain through fair value adjustments	(157,705)
At 31 December 2023	<u><u>5,046,167</u></u>

Investment property comprises of ten residential properties across Devon, Brighton, Stoke on Trent, Swindon, Boston House, Bristol, Peterborough and Birmingham. During 2023, charity has started letting out 2 properties (2 Arley Hill, Bristol, BS6 5PS and 27 Groundwell Road, SN1 2LT) with net book value of £23,233 and thus reclassified these properties from tangible assets to investment property.

The fair values of the investment properties have been arrived on the basis of valuations carried out on 31 December 2023 by management. All valuations were made on an open market value basis (which is considered to be a true reflection of the fair value) by reference to the market conditions and market evidence of transaction prices for similar properties.

12 Social investments

	2023	2022
	£	£
Loans to related parties		
- Due within one year	-	53,171
- Due after one year	-	-
	<u>-</u>	<u>53,171</u>

Movement in balances during the year	2023
	£
At 1 January 2023	53,171
Interest earned	475
Repayments	(53,646)
At 31 December 2023	<u><u>-</u></u>

During the year, PCM Housing Association Limited ("HAL") has paid £55,556 to the charity to settle the remaining loan. This resulted in overpayment of £1,910 by HAL to charity which is considered as payable by charity at year-end.

The Polish Catholic Mission

Notes to the financial statements (continued) for the year ended 31 December 2023

13 Debtors

	2023	2022
	£	£
Other debtors	22,400	16,500
Prepayments	102,395	100,294
Accrued income	14,034	35,596
	<u>138,829</u>	<u>152,390</u>

Other debtors represent loans provided to priests of local PCM's. No provision is made against the debtors as of year-end (2022: £nil).

14 Current asset investments

	2023	2022
	£	£
Investments	<u>1,263,517</u>	<u>2,236,093</u>

Movement in current asset investments

	2023
	£
Valuation	
At 1 January 2023	2,236,093
Withdrawal during the year	(1,011,469)
Gain on revaluation	38,893
At 31 December 2023	<u>1,263,517</u>

15 Cash and cash equivalents

	2023	2022
	£	£
Cash at bank	3,673,171	2,704,030
Cash in hand	100,745	-
Short-term deposits	140,000	-
Cash balance with investment managers	49,095	325,667
	<u>3,963,011</u>	<u>3,029,697</u>

Cash in hand represents the donations received by the charity towards the year-end. These are subsequently deposited in the charity's bank account.

The Polish Catholic Mission

Notes to the financial statements (continued) for the year ended 31 December 2023

16 Summary of funds

The purpose of the Professor Zych Fund is to help the propagation of the devotion of Jesus to the Merciful.

The MB Grabowski Fund represents the investment portfolio and cash resources in relation to the previously separate registered charity number 270110. The fund is required to be treated as restricted, following a Uniting Direction from the Charity Commission of 20 July 2007. A thorough analysis of the financial movements in the Fund is produced and approved by the trustees.

17 Creditors

	2023	2022
	£	£
Creditors: Amounts falling due within one year		
Social security and other taxes	8,153	4,018
Other payables	153,958	143,510
Accruals	94,331	71,744
	256,442	219,272

Other payables primarily represent the amounts collected by charity for specific purpose through special events at local parishes (£138,340).

Creditors: Amounts falling due after more than one year

Other payables	204,049	204,049
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Other payables include £152,049 (2022: £152,049) received from Mary Immaculate organisation for investment purposes. The balance amount of £52,000 (£52,000) is payable to Halski's Grant charity (290654).

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions paid by the charity amounting to £3,052 (2022: £1,083). Pension payable as at year end is £2,453 (2022: £nil).

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Notes to the financial statements (continued) for the year ended 31 December 2023

19 Related party transactions

The control of PCM Housing Association Limited (HAL) is closely related to the charity and has shared offices. In addition, the majority of the Trustees of the charity are Directors of PCM HAL.

The transactions during the year between the two consist of the following:

- An annual donation from PCM HAL to the charity of £24,000 (2022: £24,000).
- The part reimbursement of accountancy fees of £10,000 (2022: £10,000).
- An annual rental fee of £12,000 (2022: £12,000) from PCM HAL to the charity in respect of the shared head office.
- The loans from the charity to PCM HAL to fund a housing project, as disclosed in note 9. The loan has an agreed interest rate of 2%. The overpayment balance will be paid back and it is £1,910 (2022: £53,171 outstanding balance).

The transactions with Trustees is provided in noted 8.

20 Events after the reporting date

There are no material subsequent events that require adjustments or disclosure in the financial statements.

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		
	Balance at 1 January 2023	Resources expended	Incoming resources
	£	£	£
Professor Zych fund	49,191	(993)	-
MB Grabowski fund	525,992	(12,750)	-
	575,183	(13,743)	-
	561,440		

	Movement in funds		
	Balance at 1 January 2022	Resources expended	Incoming resources
	£	£	£
Professor Zych fund	50,129	(938)	-
MB Grabowski fund	580,942	(54,950)	-
	631,071	(55,888)	-
	575,183		

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**Notes to the financial statements (continued)
for the year ended 31 December 2023**

22 Cash generated from operations

	2023	2022
	£	Restated £
Surplus for the year	954,604	333,125
Adjustments for:		
Investment income recognised in statement of financial activities	(859,171)	(732,134)
Gain on disposal of tangible fixed assets	(89,000)	(523,261)
(Gain)/ loss on revaluation of Novia investments	(38,893)	97,039
Gain on fair valuation of investment properties	157,705	(327,706)
Depreciation of tangible fixed assets	295,144	218,282
Movements in working capital:		
Decrease in debtors	13,559	293,350
Increase in creditors	37,170	79,268
Cash generated from/(used) in operations	471,118	(562,037)

The Polish Catholic Mission

Notes to the financial statements (continued) for the year ended 31 December 2023

23 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022 as restated	2022	2022 as restated
	£	£	£	£	£	£
Funds balance at year-end are represented by						
Tangible assets	11,695,756	-	11,695,756	10,463,516	-	10,463,516
Investment properties	5,046,167	-	5,046,167	5,180,639	-	5,180,639
Current assets/(liabilities)	4,547,475	561,440	5,108,915	4,676,896	575,183	5,252,079
Long term liabilities	(204,049)	-	(204,049)	(204,049)	-	(204,049)
	21,085,349	561,440	21,646,789	20,117,002	575,183	20,692,185

24 Analysis of changes in net funds

	At 01 January 2023	Cashflows	Fair value movements	At 31 December 2023
	£	£	£	£
Cash at bank and in hand	3,029,697	933,314	-	3,963,011
Liquid investments	2,236,093	(1,011,468)	38,893	1,263,518
	5,265,790	(78,154)	38,893	5,226,529

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Notes to the financial statements (continued) for the year ended 31 December 2023

25 Prior period restatement

Balance sheet

		At 31 December 2022		
	Note	As previously reported	Adjustment	As restated
		£	£	£
Fixed assets				
Tangible assets	25.1	15,120,806	(4,657,290)	10,463,516
Investment properties	25.2	4,405,658	774,981	5,180,639
		19,526,464	(3,882,309)	15,644,155
Current assets				
Social investments		53,171	-	53,171
Debtors		152,390	-	152,390
Current asset investments		2,236,091	-	2,236,091
Cash at bank and in hand		3,029,699	-	3,029,699
		5,471,351	-	5,471,351
Creditors: Amounts falling due within one year		(219,272)	-	(219,272)
Net current assets		5,252,079	-	5,252,079
Total assets less current liabilities		24,778,543	(3,882,309)	20,896,234
Creditors: Amounts falling due after more than one year		(204,049)	-	(204,049)
Net assets		24,574,494	(3,882,309)	20,692,185
Income funds				
Restricted funds		575,183	-	575,183
<u>Unrestricted funds:</u>				
General unrestricted funds		23,999,311	(3,882,309)	20,117,002
		24,574,494	(3,882,309)	20,692,185

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Notes to the financial statements (continued) for the year ended 31 December 2023

25 Prior period adjustment (continued)

Statement of financial activities

		At 31 December 2022		
	Note	As previously reported	Adjustment	As restated
Income and endowments		6,705,113	5,085	6,710,198
Expenditure on charitable activities	25.3	(6,411,253)	(196,487)	(6,607,740)
Net gains/(losses) on investments	25.2	168,770	61,897	230,667
Fund balances brought forward	25.4	24,111,864	(3,752,804)	20,359,060

25.1 - Adjustment of £4,657,290 to tangible fixed assets include reduction in tangible fixed assets by £492,025 due to incorrect reclassification of investment property as tangible assets and increase in accumulated depreciation expense by £4,165,266 due to error in the basis for calculation of depreciation in prior years.

25.2 - Adjustment of £774,981 to investment properties include increase in investment properties by £417,979 due to incorrect reclassification of tangible assets as investment property and increase in fair value due to revaluation of these properties as per charity's accounting policies. An additional loss of £61,897 is recognised on these properties in the current year.

25.3 - Adjustment of £196,487 to increase depreciation expense charged in prior year for freehold and leasehold property due to error in the basis for calculation of depreciation in prior years.

25.4 – Adjustment of £3,752,804 represents the impact on the charity's fixed assets (Tangible assets and Investment properties) in prior years due to the errors identified in depreciation calculation on Tangible assets and incorrect reclassifications of investment property as Tangible assets.

