

THE POLAND TRUST
formerly known as
SIDNEY MICHAEL POLAND FOR A HOME AND RECREATION GROUND

Trustees' annual report and financial statements for the period

from 1st July 2020 to 30th June 2021

Charity number 204424

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THE POLAND TRUST

Reference and administration information

Registered charity number: 204424

Charity's principal address

Poland House, Kiln Lane
Brockham, Betchworth
Surrey RH3 7LZ

Names of the charity trustee and its directors who manage the charity

Sidney Michael Poland Trustees Ltd

M A K Smith – Chairman

Mrs A Harmon – Secretary

deceased 5th October 2020

A T Barrett – Treasurer

Mrs L Cruickshank

T J Kenny

D F Minor

P J N Ritchie

Mrs V A Rogers-Wheatley

Mrs D Ferguson-Ross

appointed 12th May 2021

Independent auditor

Bullimores LLP

Chartered Accountants and registered auditors

Old Printers Yard

156 South Street

Dorking

Surrey RH4 2HF

Bankers

The Co-operative Bank

PO Box 250, Delf House

Southway

Skelmersdale WN8 6WT

Investment advisers

Charles Stanley and Company Ltd

25 Luke Street

London EC2A 4AR

THE POLAND TRUST

Charity number 204424

Report of the trustee for the period 1st July 2020 to 30th June 2021

Structure, governance and management

The Poland Trust (formerly known as Sidney Michael Poland Charity for a Home and Recreation Ground) was originally established by a Charity Commission Scheme dated 21st June 1957 which was replaced by a revised scheme ordered by the Charity Commissioners dated 26th January 2001. An alteration to the revised scheme was ordered by the Charity Commissioners on 19th October 2006. On 7th February 2019 the charity changed its name to The Poland Trust.

The charity is constituted as a trust.

On 26th February 2020 the trustees passed a resolution to appoint Sidney Michael Poland Trustees Ltd as trustee of the charity from that date and to resign their personal appointments as trustees. The former trustees were all appointed directors of Sidney Michael Poland Trustees Ltd. The directors meet alternate months, subgroups meet at other times to deal with specific issues and report to the full board of directors as soon as practicable.

The directors use their extensive knowledge of local residents to invite appropriately qualified individuals as directors of the trustee company to ensure continuity of expertise in all aspects of the affairs of the charity.

The trustee has examined the major strategic, financial and operational risks which the charity faces and confirms that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to reduce these risks.

Objectives and activities

The objectives of the charity are:

- The provision of housing accommodation for beneficiaries
- Charitable purposes for the benefit of the residents of the accommodation
- The provision and maintenance of amenity land to be used for recreation
- The relief of beneficiaries who are in need, hardship or distress
- Charitable purposes for the general benefit of the inhabitants of the area of benefit

The area of benefit of the charity is the parishes of Brockham, Betchworth, Leigh and Buckland with priority being given to the residents of Brockham. The trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

On 7th February 2019 the trustees passed resolutions to amend the Scheme dated 26th January 2001 to enable a corporate trustee to be appointed; to acquire additional land and to develop it or dispose of it; to manage additional land including the letting of rental properties and the collection of maintenance charges; and to change the name of the charity. These changes to the Scheme are primarily to provide a structure to the charity which will cope with the proposed local needs housing project referred to below.

After redecoration during the first three months there was full occupancy of Poland House so residents' contributions recovered. Further work has been carried out on the recommendations of the woodland's expert on the grounds and the five acres of woodlands. In accordance with the reserves policy further grants have been made from the Poland Fund to beneficiaries during the year.

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Achievements and plans for the future

Grants were made to a number of individuals and organisations in need. The roles of warden and assistant warden have worked well and they have organised a number of events for the residents and supporters of the charity. A programme of work on the amenity land has been carried out with a firm of tree specialists as well as the routine cutting and strimming of the area. The accommodation at Kiln Lane has been maintained to the usual high standard.

The project for local needs housing of twelve units for the charity to rent at affordable rents and five units for self-builders at affordable prices in order to give people an opportunity to stay in the area of benefit is now under construction. A contract has been signed with Scandia-Hus Limited for infrastructure for the whole site and building the twelve units for the charity. All the costs related to the project are included as land and buildings additions. The whole cost of the project is being treated as additional endowment and is being financed by the gift of the land, grants from Mole Valley District Council, the sale of the self-build plots and the charity's own resources. The development is called Poland Meadow.

Reserves policy, financial review and investment policy

As the Extraordinary Repair Fund was used in recent years for the refurbishment of all the original and the Peddell Wing units, and for considerable maintenance of the roof of the original building, the trustee considers that a balance of £50,000 at 30th June 2021 is sufficient. A Contingency Fund of £30,000 is maintained and the Housing Fund of £373,753 has been transferred to the Endowment Fund to reflect that Poland Meadow is an addition to the existing endowment. The balance of reserves is for use by the Poland Fund for the relief of beneficiaries in need, hardship or distress.

The direct cost per accommodation unit during the year was £6,716 (2020 - £6,560) and £3,895 (2020 - £4,833) was spent on the amenity land. Grants of £9,480 (2020 - £5,950) were made from the Poland Fund.

Investment income was less than in 2020 as funds were withdrawn from the equity investments and transferred to the deposit account in anticipation of funding the building project. Residents' contributions were higher as there were fewer voids than in the previous year.

There are no restrictions on the charity's power to invest. The investment strategy is set by the investment committee of the trustee with advice from Charles Stanley and Company Ltd. taking into account the income requirements, the risk profile and the investment manager's view of the market prospects in the medium term. The trustee has always kept a proportion of the portfolio in low and medium risk investments. Stock market recovery during the year combined with Charles Stanley's management resulted in a gain of £141,383 (2020 loss - £10,364) in the value of the investments.

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Trustee's responsibility in relation to the financial statements

Law applicable to charities in England and Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities and of the incoming resources and application of resources during the year and of its financial position at the end of the year. In preparing those financial statements the trustee is required to:

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

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

Approved by the trustee and signed on its behalf by:



M A K Smith, Chairman

18th April 2022

**Independent Auditor's Report
to the Trustees of
The Poland Trust**

Opinion

We have audited the financial statements of The Poland Trust (the 'charity') for the year ended 30 June 2021 on pages 8 to 16 which comprise statement of financial activities, balance sheets and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 30 June 2021, 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 Charities Act 2011.

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 charity 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.

Material Uncertainty relating to going concern

We draw your attention to note 20 in the financial statements, which indicates that the trust is in the process of arranging loan finance in connection with the completion of a major development project, commenced during the year for which there are specific financial commitments. The provision of the finance is subject to certain provisions being satisfied before the loan funds are advanced. Not all of the provisions have satisfied at the date of this report and as a result a material uncertainty exists.

Our opinion is not modified in respect of this matter

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.

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 trustees are responsible for the 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. Our opinion on the financial statements does not cover the other information and 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Trustees of
The Poland Trust**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees are responsible for the preparation of financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (FRS102, the Charities SORP (FRS 102), the Housing SORP 2018 and the Companies Act 2006).

We understood how the Charity is complying with those legal and regulatory frameworks by making enquiries of the trustees and management.

We did not identify any matters relating to non-compliance with laws and regulations or relating to fraud.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur by discussions with the trustees and management to understand areas where they considered there was susceptibility to fraud.

We also considered pressures on the trustees and management to meet any external pressures in reporting the financial results of the Charity.

**Independent Auditor's Report
to the Trustees of
The Poland Trust**

Audit procedures performed by the engagement team on the areas where fraud might occur included:

- evaluation of the management's internal processes designed to prevent and detect irregularities
- testing, with a focus on entries determined to be large or relating to unusual transactions
- review of data to detect unusual transactions.

Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:

- understanding of, and practical experience with audit engagements of a similar nature and complexity through the appropriate training and participation
- knowledge of the sector in which the Charity operates
- understanding of the legal and regulatory requirements specific to the Charity.

We have not audited the comparative figures.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Pat Casey

Patrick Casey FCA
For and on behalf of Bullimores LLP
Statutory Auditors and Chartered Accountants
Old Printers Yard
156 South Street
Dorking
Surrey RH4 2HF

Date: 5/4/2022

Bullimores LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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Annual accounts for the period from 1st July 2020 to 30th June 2021

Statement of financial activities

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £	Total 2020 £
Income and endowments from :						
Donations and grants		500	0	350,000	350,500	100
Charitable activities:						
Residents' contributions	3	0	0	54,513	54,513	49,693
Investment income	3	3,202	0	13,334	16,536	38,594
Other income		4,150	0	0	4,150	0
Total incoming resources		7,852	0	417,847	425,699	88,387
Expenditure						
Cost of raising funds						
Investment management costs	4	1,244	0	3,984	5,228	6,604
Charitable activities:						
Poland House expenses	5	0	0	72,685	72,685	69,507
ERF expenditure		0	0	9,579	9,579	11,734
Amenity land expenses		0	0	3,895	3,895	4,833
Poland Fund grants		9,480	0	0	9,480	5,950
Total expenditure		10,724	0	90,143	100,867	98,628
Net income (expenditure) before investment gains (losses)		(2,872)	0	327,704	324,832	(10,241)
Net gains (losses) on investments		34,604	0	106,779	141,383	(10,364)
Net income (expenditure)		31,732	0	434,484	466,215	(20,605)
Transfers between funds		(373,753)	0	373,753	0	0
Net movement in funds		(342,021)	0	808,237	466,215	(20,605)
Reconciliation of funds						
Total funds brought forward		442,025	106,775	1,416,276	1,965,076	1,985,681
Total funds carried forward		100,004	106,775	2,224,513	2,431,292	1,965,076

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Balance sheet at 30th June 2021

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total 2021	Total 2020
		£	£	£	£	£
Fixed assets						
Tangible assets	10	307,804	106,775	1,248,957	1,663,536	760,357
Investments	11	145,258	0	394,857	540,115	1,269,673
Total fixed assets		453,062	106,775	1,643,814	2,203,651	2,030,030
Current assets						
Cash at bank		606,214	0	0	606,214	3,231
SCC deposit held		0	0	48,500	48,500	0
Amount due to Endowment Fund		0	0	898,502	898,502	265,658
Total current assets		606,214	0	947,002	1,553,216	268,889
Creditors: amounts falling due within one year	12	60,769	0	6,304	67,073	68,185
Amount due by Reserve Fund		898,502	0	0	898,502	265,658
Net current assets (liabilities)		(353,057)	0	940,698	587,641	(64,954)
Deferred liabilities						
Poland Meadow grants		0	0	360,000	360,000	0
Total net assets		100,005	106,775	2,224,512	2,431,291	1,965,076
Funds						
Endowment Fund	13	0	0	2,224,513	2,224,513	1,416,276
Restricted funds:						
Peddell Fund		0	106,775	0	106,775	106,775
Mole Valley Council		0	0	0	0	0
Unrestricted funds:						
Contingency Fund		30,000	0	0	30,000	30,000
Extraordinary Repair Fund		50,000	0	0	50,000	50,000
Housing Fund		0	0	0	0	350,000
Reserve Fund		20,004	0	0	20,004	12,025
		100,004	106,775	2,224,513	2,431,292	1,965,076

Approved by the trustee on 1 April 2022 and signed on its behalf by:

M A K Smith (Chairman)

A T Barrett (Treasurer)

THE POLAND TRUST

Notes to the accounts for the year to 30th June 2021

1. Basis of preparation

The accounts of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and with the Charities Act 2011. The accounts 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 trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern and its functioning has been unaffected by Covid.

Financial Reporting Standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' :

- the requirements of Section 7 Statement of Cash Flows.

2. Accounting policies

(a)	Income	
	Recognition of income	Income is included in the Statement of Financial Activities when the charity becomes entitled to the resources; it is more likely than not the trustee will receive the resources; and the monetary value can be measured with reliability.
	Grants and donations	Revenue Grants are included and shown separately in the SOFA as income of restricted funds where appropriate. Donations are accounted for when the Charity is legally entitled to the income and it can be reasonably quantified. Donations to the charity other than in cash are valued, using reasonable estimates if necessary, and treated as two transactions - a receipt of funds and a purchase using or expenditure from such funds. The other accounting policies (capital expenditure, allocation to restricted/unrestricted funds) are then applied to each of these notional transactions. Any such donations which are significant in value in the context of the accounts are detailed separately in notes to the accounts.
	Investment income	Investment income is accounted for when received.
	Investment gains and losses	All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.
	Allocation	Investment income and investment gains and losses are split between the endowment and reserve funds on the basis of the value of the respective funds at the beginning of the financial year, excluding the Peddell Fund which was specific to the building of the Peddell Wing.

THE POLAND TRUST
Notes to the accounts for the year to 30th June 2021

(b)	Expenditure and liabilities	
	Liability recognition	Liabilities are recognised where it is more likely than not there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.
	Allocation of governance costs	Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. Governance costs have been allocated fully to the main charitable activity.
	Cost of raising funds	The cost of generating funds consist of investment management costs.
	Charitable activities	Costs of charitable activities include governance costs and direct support costs.
	Grants payable without performance conditions	These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity Grants are issued in line with the trusts governing document, at the discretion of the trustees for individuals and insititutions in hardship & need.
(c)	Assets	
	Tangible fixed assets for use by the charity	These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost less depreciation. The charity's policy is to maintain property to a high standard and the Extraordinary Repair Fund is intended to provide sufficient funds to maintain and refurbish the buildings at appropriate times. In accordance with this practice depreciation is not provided on freehold buildings where, in the opinion of the trustee, the residual values are such that any depreciation charge would be immaterial to the year and on a cumulative basis. The asset has been tested for impairment. Furniture and equipment is written off at 25% of the reducing balance each year over the estimated useful life.
	Investments	Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. The charity does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub-sectors.
	Debtors	Have been accounted for at cost as they fall due.

THE POLAND TRUST
Notes to the accounts for the year to 30th June 2021

		2021	2020
		£	£
3. Analysis of income			
Investment income	Dividends - UK equities	12,979	22,567
	Dividends - Overseas equities	3,440	2,842
	Interest - UK fixed interest	0	11,657
	Interest on cash deposits	117	1,528
		<u>16,536</u>	<u>38,594</u>
Charitable activities	Residents' contributions	54,513	49,693
Donations & Grants	Land Valued donated	<u>350,000</u>	<u>0</u>

		2021	2020
		£	£
4. Cost of raising funds			
Investment management fees		<u>5,228</u>	<u>6,604</u>

		2021	2020
		£	£
5. Analysis of charitable activities			
Charitable activities funded by endowment			
Poland House	Wardens' salary	18,947	18,477
	Wardens' expenses	650	1,050
	Community alarm	3,573	3,269
	Water rates	3,940	2,045
	Electricity and gas	12,858	9,420
	Insurance	1,354	1,336
	Repairs and renewals	14,898	16,714
	Garden maintenance	9,141	9,422
	Sundry expenses	1,408	3,341
	Depreciation	395	527
	Governance costs	<u>5,520</u>	<u>3,906</u>
		<u>72,685</u>	<u>69,507</u>
Other	Amenity land	<u>3,895</u>	<u>4,833</u>

Charitable activities funded by unrestricted funds			
Other	ERF expenditure	9,579	11,734
	Poland fund grants	<u>9,480</u>	<u>5,950</u>
		<u>19,059</u>	<u>17,684</u>

Poland fund Grant	Individuals	7,980	5,950
	Institutions	<u>1,500</u>	<u>0</u>
		<u>9,480</u>	<u>5,950</u>

		2021	2020
		£	£
6. Allocation of governance costs			
Stationery and telephone		1,220	1,406
Independent Auditor's fees		<u>4,300</u>	<u>2,500</u>
		<u>5,520</u>	<u>3,906</u>

The governance costs are allocated fully to the charitable activity expenditure, Poland House, attributable to the endowment fund.

THE POLAND TRUST
Notes to the accounts for the year to 30th June 2021

	2021	2020
	£	£
7. Staff costs and numbers		
Salaries and wages	18,947	18,477
Social security costs	0	0

The average number of employees during the year was 2 (2020 : 2) with all employee time involved in providing support services to charitable activities.

No employee received emoluments or employee benefits in excess of £60,000 (2020:0)

	2021	2020
	£	£
8. Grantmaking		
Grants made in accordance with the objectives of the charity	9,480	5,950

9. Comparatives for the Statement of Financial Activities

	Unrestricted funds	Endowment & Restricted funds	Total funds
	£	£	£
Income and endowments from :			
Donations	100	0	100
Charitable activities:			
Residents' contributions	0	49,693	49,693
Investment income	7,652	30,942	38,594
Total incoming resources	7,752	80,635	88,387
Expenditure			
Cost of raising funds			
Investment management costs	1,592	5,012	6,604
Charitable activities:			
Poland House expenses	0	69,507	69,507
ERF expenditure	0	11,734	11,734
Amenity land expenses	0	4,833	4,833
Poland Fund grants	5,950	0	5,950
Total expenditure	7,542	91,086	98,628
Net income (expenditure) before investment gains (losses)	210	(10,451)	(10,241)
Net gains (losses) on investments	(2,456)	(7,908)	(10,364)
Net income (expenditure)	(2,246)	(18,359)	(20,605)
Transfers between funds	(10,451)	10,451	0
Net movement in funds	(12,697)	(7,908)	(20,605)
Reconciliation of funds			
Total funds brought forward	454,722	1,530,959	1,985,681
Total funds carried forward	442,025	1,523,051	1,965,076

THE POLAND TRUST
Notes to the accounts for the year to 30th June 2021

10. Tangible fixed assets

	Land & buildings £	Furniture & equipment £	Total £
Cost			
At 1st July 2020	758,775	13,696	772,471
Additions	903,574	0	903,574
At 30th June 2021	1,662,349	13,696	1,676,045
Depreciation			
At 1st July 2020	0	12,114	12,114
Charge for the year	0	395	395
At 30th June 2021	0	12,509	12,509
Net book value			
At 30th June 2021	1,662,349	1,187	1,663,536
At 30th June 2020	758,775	1,582	760,357

11. Investments

	2021 £	2020 £
Market value at 1st July 2020	1,269,673	1,404,502
Acquisitions at cost	0	53,794
Transfers	(273,438)	89,189
Retained income	(5,788)	5,535
Sales proceeds from disposals	(591,715)	(272,983)
Gain (loss) in the year	141,385	(10,364)
Market value at 30th June 2021	540,117	1,269,673
Investments at market value comprised :		
UK equities	315,193	517,496
Overseas equities	78,983	138,573
COIF Charities Investment Fund	1,125	952
COIF Charities Fixed Interest Fund	0	188,610
Cash deposits	683	105,032
COIF Charities Deposit Fund	144,133	319,010
	540,117	1,269,673

12. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals	6,304	7,423
Held in custody for Sidney Michael Poland Charity no. 200254	60,769	60,762
	67,073	68,185

During the year the charity was custodian of the assets of Sidney Michael Poland Charity. After addition of interest due and deduction of disbursements for its charitable purposes the balance of assets at 30th June 2021 was £60,769 (2020 £60,762). This is represented in these accounts by investments in the COIF Charities Deposit Fund and the COIF Fixed Interest Fund.

In 2021 of the creditors £60,769 (2020 : £60,762) related to unrestricted funds and £6,304 (2020 : £7,423) related to the endowment fund.

THE POLAND TRUST
Notes to the accounts for the year to 30th June 2021

13. Analysis of charitable funds

Analysis of fund movements	Balance b/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	Funds c/fwd £
Permanent endowment	1,416,276	417,847	(90,143)	373,753	106,780	2,224,513
Restricted fund	106,775	0	0	0	0	106,775
Unrestricted fund	442,025	7,852	(10,724)	(373,753)	34,604	100,004
Total	1,965,076	425,699	(100,867)	0	141,384	2,431,292

Analysis of charitable funds - previous year

Analysis of fund movements	Balance b/fwd £	Income £	Expenditure £	Transfers £	Gains and losses £	Funds c/fwd £
Permanent endowment	1,424,184	80,635	(91,086)	10,451	(7,908)	1,416,276
Restricted fund	106,775	0	0	0	0	106,775
Unrestricted fund	454,722	7,752	(7,542)	(10,451)	(2,456)	442,025
Total	1,985,681	88,387	(98,628)	0	(10,364)	1,965,076

Unrestricted funds comprise those funds which the trustee is free to use in accordance with the charitable objects. The unrestricted funds are the Contingency Fund, the Extraordinary Repair Fund, The Housing Fund and the Poland Fund. The Extraordinary Repair Fund is to provide sufficient funds to maintain and refurbish the buildings comprising Poland House, including the Peddell Wing, at the appropriate times. The Poland Fund is for the relief of beneficiaries in need, hardship or distress. The Building Fund has been established to fund any local needs housing which the charity may provide in the future.

Restricted funds are funds which have been given for particular purposes and projects. The Peddell Fund was used wholly to provide the buildings known as the Peddell Wing of Poland House.

The endowment fund represents those assets which must be held permanently by the charity, principally land, buildings and investments. Income arising on the endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund.

14. Transactions with trustees and related parties

None of the directors of the trustee have been paid any remuneration, expenses or received any other benefits from an employment with the charity or a related entity.

During the year Benjamin Barrett, son of A T Barrett (director and treasurer), was paid £6,000 (2020 £5,791) for gardening services.

15. Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Capital Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the year.

16. Financial commitments

The charity has been gifted land on which to build affordable housing. Planning permission has been granted and a contract for £2,686,480 has been signed with Scandia-Hus Ltd. Mole Valley District Council are providing a grant of £720,000 and the sale of self-build plots will raise approximately £1,000,000. Part of this expenditure is already anticipated in the Housing Fund.

17. Charity structure

As noted in the Report of the Trustee on 7th February 2019 the trustees passed resolutions to amend the Scheme dated 26th January 2001 to enable a corporate trustee to be appointed; to acquire additional land and to develop it or dispose of it; to manage additional land including the letting of rental properties and the collection of maintenance charges; and to change the name of the charity.

18. Deferred income

Mole valley District council approved a grant of £720,000 for the development of Poland Meadows, the grant is performance related to the completion of 12 units. £360,000 of income has been advanced and treated as deferred income .

19. Government grants

Without the Mole Valley District Council Grant of £720,000, for the development of Poland Meadows, the charity would have been unable to start the development.

20. Post Balance Sheet Event

The trust is currently finalising arrangements for a £500,000 loan facility, repayable over 20 years in connection with the Poland Meadows development. This loan has been sanctioned subject to certain provisions being satisfied which the charity expects to do before the funds are required.