

Charity registration number 236745

Company registration number 00816310 (England and Wales)

POLISH SOCIAL AND CULTURAL ASSOCIATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

POLISH SOCIAL AND CULTURAL ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	T Kliszewski	(Appointed 2 December 2023)
	M Wozniak	(Appointed 23 March 2024)
	J Wurszt	(Appointed 3 August 2024)
	Dr M Laskiewicz	
	S Kosiec	
	J Klys	
	D Barczyk	
	R Zoltaniecki	
Secretary	Jaroslav Klys	
Charity number	236745	
Company number	00816310	
Registered office	238-246 King Street Hammersmith London W6 0RF	
Auditor	Richard Place Dobson Services Limited 1-7 Station Road Crawley West Sussex RH10 1HT	
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE	

POLISH SOCIAL AND CULTURAL ASSOCIATION

CONTENTS

	Page
Trustees report	1 - 8
Statement of Trustees report responsibilities	9
Independent auditor's report	10 - 12
Statement of financial activities	13 - 14
Balance sheet	15 - 16
Statement of cash flows	17
Notes to the financial statements	18 - 31

POLISH SOCIAL AND CULTURAL ASSOCIATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees submit their report and the audited financial statements for the year ended 31 December 2023 for the Polish Social and Cultural Association ("POSK" or the "Charitable Company" or the "Charity") These financial statements are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Reference and administrative details

POSK is a company limited by guarantee (number 816310) and a registered charity (number 236745). It was incorporated on 19 August 1964 and is governed by its Memorandum and Articles as adopted at an Extraordinary General Meeting of Members on 18 May 2019. Each member has provided a guarantee up to a limit of £1 each.

None of the Trustees has any financial interest in the company. All of the Trustees are members of the company and guarantee £1 in the event of a winding up.

Objectives and activities

The overall objectives of POSK can be summarised as follows:

- to promote education and learning in the respective histories, arts, literatures, languages and cultures of Poland and of the UK
- to promote education, training and learning amongst Poles in the UK
- to provide assistance and facilities for recreation and leisure, in particular to persons in need by reason of youth, age, infirmity or disablement, poverty or social or economic circumstances

In pursuance of these aims, POSK has built and maintains a centre where it promotes and fulfills these aims, largely thanks to the generosity of its members both institutional and individual, but also by raising income from the hire of offices and venues on its premises at commercial rates as well as seeking grants.

The activities carried out on a regular basis are:

- The provision of appropriate space and resources to allow the Polish Library to flourish. The Polish Library collects, maintains and provides access to Polish books and other publications as well as extensive archives of materials relating to Polish life, history and culture. It runs a lending library and reading room as well as supplies the Central Circulating Library which provides books in Polish for local public libraries in Great Britain. It is recognised by both the UK and Poland (it is in MAB)
- The provision of appropriate spaces, such as the Theatre, Atrium, Gallery, Studio and Malinowa hall, and resources for the regular activities of cultural, educational and professional organisation within POSK, such as the POSK children's Theatre and POSK Opera, and those having their base here, such as the Tetry Polish Song and Dance Group, the Polish Stage Company in the UK, the Polish Children's Theatre Syrena, the Association of Polish Artists which organises classical music concerts.
- The provision of office space at significantly reduced rates to other Polish organisations and charities, such as the Polish Educational Society, Medical Aid for Poland, the Polish Weekly, the Polish University Abroad (University of the Third Age), and the Association of Polish Engineers in the UK as well as Anglo-Polish organisations such as the Joseph Conrad Society together with British ones such as Standing Together Against Domestic Violence, and also (again, at significantly reduced rates) the use of the Theatre and other venues for their social and cultural events as well as educational and academic events such as lectures and conferences.

POLISH SOCIAL AND CULTURAL ASSOCIATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2023*

- POSK also runs clubs, such as the Jazz Café, POSK Cinema and POSK Gallery for exhibitions of the visual arts. It organises productions of Polish cultural events open to both Polish and non-Polish audiences such as the annual Chopin Festival. It also has its own social media such as it owns Facebook and Youtube, both in English and Polish.

All these activities are carried out with the aim of acting as a focal point within the Polish community for promoting Polish culture and language both within it as well as to the wider community.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements and performance

Under its current Chairman and a reconstituted Board of Trustees, POSK started to implement his campaign program, presented in his earlier Inauguration Speech and his electoral program. So POSK continued to invite in the New Polish community, which arrived after the Fall of the Berlin Wall; this successfully brought in over 100 new members and culminated in a full AGM with over 500 voting, up from 300 in 2022, and again a full complement of 51 elected Council Members. Thus in 2023 POSK once more realised and expanded its social and cultural objectives. There were many events held throughout the POSK building, even on the same day or indeed simultaneously as POSK is a multi-venue centre.

POSK Theatre presented several successful productions, all aimed at a wide audience such as “Nie kochać w taką noc to grzech!”, including in particular young people of school age such as “Nowe Szaty Króla” and the new TPD’s “Księżniczka na ziarnku grochu!”. It also remains the venue for the POSK Members’ Christmas Dinner. There were concerts such as the Chopin Festival, plays such as “Tuwim Wspaniałe I Niepoprawny”, opera namely “Straszny Dwór”, children’s events such as “Wierszowisko”, conferences such as “The Second World War Through Anglo-Polish Eyes”, and celebrations such as “Święto Żołnierza”.

Jazz Café POSK once again proved to be a very popular venue for many fans of various forms of jazz, swing and blues from all over London and beyond, of all ages, backgrounds and cultures, who come to POSK to see a variety of high-class acts in a convivial atmosphere such as Mark Buckingham Big Band, Anita Łazińska Quartet, Svarc Hanley Longhawn, Janette Mason: Rewired and Hannah Horton as well as the Krzysztof Urbański Quartet and Elina Duni & Rob Luft in the London Jazz Festival.

The POSK Gallery put on several very interesting exhibitions during the year such as “Inspirations” by Paweł Jasiński and “Punks, Princes and Protests” by Fundacja Topolski Memoir. The exhibitions, as ever, brought to the Centre many artists and visitors of culturally diverse backgrounds, and the subjects varied.

POLISH SOCIAL AND CULTURAL ASSOCIATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2023*

POSKino presented films such as “Wyklęty” and “Piosenki o miłości”. The tickets were modestly priced and brought a new audience to POSK. POSK is committed to bringing the best Polish cinema to audiences here.

POSK Library remains a first-class humanist library and continues to add to its collection of 35,000 literary items. It also organises exhibitions such as and conferences such as “Gustaw Herling-Grudziński”.

The Atrium remains a much sought-after venue for classical music, poetry, presentations and meetings.

The POSK Virtual Museum which is the Anglo-Polish Cultural Exchange has increased its website. It held a conference about the underrepresentation of Polish culture in the UK, notably in its galleries and museums.

The Malinowa Hall, Eagle Hall and Sapphire Room provided a venue for many literary evenings including book launches by organisations such as the Polish Writers Abroad, and discussions and celebrations of anniversaries of historical events as well as other meetings and debates on a wide variety of subjects such as by the Independent Thinkers’ Circle. The new Families Department held monthly meetings here.

Many of POSK’s function rooms, halls and the theatre are hired out on a commercial basis by external organisations such as schools, choirs, drama, music and opera groups for rehearsals and performances, providing a benefit to the local and other communities including foreign such as Chinese opera as well as much needed revenue for POSK. They include The Arts Educational Schools, W11 Opera, Addison Singers, City Academy and others. POSK also works closely with the Polish Government, Embassy and Consulate as well as British cultural and political institutions – whilst vigilantly maintaining its independence.

The Trustees consider that the main measures of POSK’s success are a continuing vibrant and diverse program of events involving both the postwar émigrés and New Polish communities so creating a high utilisation of the POSK building in terms of the number of people visiting POSK and attending events as well as proposing new ones. It is currently planning to reach out to the British Poles, who were born in the UK.

The Welfare Society, now the Seniors Department, activity continued as before the pandemic. The new Families Department has successfully helped many younger Poles and now has 16 volunteers.

The residential property for rent belonging to POSK proved its worth in 2023, when it served as a reliable source of ongoing revenue from those office and apartment tenants who were able to keep up their rent and service charges payments as they fell due. In addition POSK Library received a substantial grant from the Polish Ministry of Culture and POSK itself applied successfully for a refurbishment grant from the Polish State. Moreover POSK now invested its funds from bequests providing more income until they are needed.

The Trustees would like to extend their most sincere thanks to all its staff, suppliers, volunteers, tenants and donors who all contributed towards its ability to remain solvent and continue its activities.

Volunteers

Volunteers are key to POSK’s success. Trustees and Council Members provide their professional expertise in a voluntary capacity, specifically in terms of day to day running of POSK as well as strategic planning.

Indeed POSK has numerous volunteers who kindly give up their time and provide their expertise and skills. Such volunteers assist in running POSK and putting on POSK events, POSK’s Gallery being run by them. It is hard to estimate the number of hours put in by volunteers; nonetheless the Trustees acknowledge that without this significant input POSK would find it difficult to carry out its activities, even to function at all

POLISH SOCIAL AND CULTURAL ASSOCIATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2023**

Financial review

POSK uses a Xero system. A part-time bookkeeper and external accountant are employed as well as a project and administrative volunteer to help the Treasurer.

Income generation

Total income for POSK in 2023 was £1,266,359 in comparison to 2022 – £1,287,131, 2021 – £1,106,026 and 2020 – £1,204,117. This was in line with the budget.

POSK's income is volatile and depends also upon grants, donations and bequests. In 2023 the Frascati bequest of £1,900,000 was invested and the Library continued to receive its annual grant of £200,000 in comparison to 2022 – £179,173 and 2021 – £77,228 from the Polish Ministry of Culture, so the total income from grants, donations and bequests was £200,000 in comparison to 2022 – £2,150,000, 2021 – £368,420, 2020 – £471,221 and 2019 – £179,939. POSK's other income has stabilised; moreover the level of bequests is likely to be low owing to membership demographic changes, so large bequests are unlikely hence treated as one-off revenues: consequently according to the new strategy previously presented by the Chairman, POSK will now be actively seeking grants and donations as opposed to treating these as one-offs.

During 2023 POSK received £60,000 from the POSK Foundation in comparison to 2022 – £60,000, 2020 – £110,000 and 2019 – £60,000; the Trustees thank the POSK Foundation for its continuing support. POSK also received £235,388 in investment income in comparison to 2022 – £219,453, 2021 – £304,957 and 2020 - £273,294; the relatively high level of investment income shows the positive effect of the Trustees' policy of finding new revenue streams which do not impact materially on POSK's charitable activities.

POSK gives heartfelt thanks to all its supporters for their continued hard work and to all its donors for their generosity in achieving these results.

Resources Expended

Resources expended on charitable activities and governance costs in 2023 were £1,922,293 in comparison with 2022 – £1,177,874, 2021 – £1,107,026 and 2020 – £1,204,117. The Trustees are pleased that steps taken to renegotiate contracts and curtail expenditure have resulted in controlling costs, which are in line with the budget.

POSK continues to be affected by a high fixed cost base and the Trustees intend to carry on in seeking methods that enable it to minimise this. Moreover POSK now increasing its activities and strengthening its marketing and advertising so as to attract more visitors and expand its membership.

Net Funds Movement

A deficit of £653,951 in 2023 in comparison with previous surpluses of 2022 – £424,486, 2021 – £1,083,747 and 2020 – £301,424 were recorded on the Statement of Financial Activities for the year 2023. The Trustees consider the results for the year to be reasonable as bequests are decreasing; they are hopeful that the continuing policy of keeping costs stable whilst expanding its activities, improving its marketing, increasing investment income and seeking grants and donations will ensure the long-term success of POSK.

Changes in fixed assets

The policy regarding movements in fixed assets during the year is as before but under review.

POLISH SOCIAL AND CULTURAL ASSOCIATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves Policy and Going Concern

The reserves held by POSK are detailed in Note 22 in the Statement of Financial Activities. The purpose of these reserves is to allow it to continue to maintain and develop its building, which is used for its activities.

POSK has a portfolio of investments that are used to generate income to fund its on-going charitable activities and to maintain its traditional large old building that requires constant expenditure. The Trustees are of the opinion that the net assets of POSK are wholly represented by such assets and that this policy will apply until such a time as it is cash-flow neutral and can support itself from on-going cash flows without recourse to one-off inflows from asset sales or bequests.

POSK's total reserves amount to £9,996,994 in comparison to 2022 – £10,650,945, 2021 – £10,226,459 and 2020 - £9,142,712 of which £2,316,434 is unrestricted in comparison to 2022 – £2,952,584, 2021 – £10,005,725 and 2020 – £8,985,188). Given the future cash flow projections of POSK and resources available to it, the Trustees consider the risk of its not being a going concern to be minimal.

Investments

POSK's investment policy is to invest in revenue generating assets in order to provide stable, foreseeable cash flows to fund its ongoing activities. The primary aim of this policy is to generate a return that is both a reasonable hedge against inflation and above the Bank of England base rate at the time the investment decision is made. Investment decisions are made by the Trustees and material investment decisions are ratified at Council Meetings.

During the year to 31 December 2023 POSK has continued to benefit from a high level of rental income and the occupancy of its UK investment property remains at almost 100%. POSK has no intention of selling any UK Investment Property and any revaluation movements will have no effect on future rental streams.

Risk management

The Trustees have introduced a formal risk management process to assess business and operational risks. As part of this process a system of internal controls was set up, which were designed to provide reasonable assurance against material misstatement, mismanagement or loss. These controls include:

- Annual operational [OpEx] and capital [CapEx] budgets approved by the Council;
 - Regular reviews of the financial results and variances from these budgets;
 - Delegation of authority and segregation of duties;
 - Identification and management of risks;
 - An internal audit review.
-
- a. Uncertainties over the receipt of donations and grants;
 - b. An increase in property related expenses, which cannot easily be recovered from tenants;
 - c. An increase in costs that are outside of POSK's control (such as Utilities costs, business rates, Workplace Pensions and the Working Wage;
 - d. The loss of commercial tenants as a result of post-pandemic working practices;
 - e. Difficulties in attracting and retaining suitable volunteers.

POLISH SOCIAL AND CULTURAL ASSOCIATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

POSK manages these risks by aiming to make a positive return on investment to help fund its activities and regularly reviewing its expenses to ascertain whether they can be decreased. It also attempts to seek new sources of grants and donations for its activities and both new commercial tenants and venue hirers as well as developing new functions such as the Museum and improving its marketing in order to increase and diversify its revenue streams so as to become self-sufficient. In particular POSK's residential property portfolio is providing reliable regular income to supplement POSK's current income streams as does its investment of its bequests. Therefore, POSK hopes that all income received will generate a surplus to allow it to further expand its social, educational and cultural activities.

Once there is a reduction of financial pressures, POSK would be able to concentrate more on social, educational and cultural activities; nonetheless it is already attempting to broaden the scope of these with those resources at hand. More theatrical productions as well as on a larger scale are a goal, so POSK hopes to be able to respond to audience demand in this sphere in the future. It will also be better able to support other groups and organisations with limited resources to stage events at POSK.

POSK will be looking at further increasing and improving its personnel, both voluntary and employed. POSK is a very complex organisation, hence relying solely on volunteers to perform key tasks is not viable.

Plans for future periods

The Trustees are continuing to implement strategies to put POSK on a sound financial footing so that future generations may benefit from its facilities. As POSK has been finally able to sell its Frascati property bequeathed to it in Warsaw, this along with grants will provide funds for investment in personnel, the fabric of the building, and its social and cultural activities.

The Chairman plans to make POSK into a first-class institution by: expanding the Museum physically so that it can hold important exhibitions of Polish culture as well as work with top-class Polish and British institutions; purchasing two grand pianos, one a Steinway B for the Atrium and another for the Theatre so the Malinowa Hall also has a grand piano (from the Theatre) for superb classical concerts; improving the appearance and functioning of the POSK building; attracting in Polish academic, cultural and business organisations; hybridising events which would increase audience outreach, especially important as POSK is a national community institution; and increasing the scope of POSK activities with more clubs and events such as gastronomic showcasing the Polish cuisine. With this strategy POSK will also find it easier to receive grants and donations.

POLISH SOCIAL AND CULTURAL ASSOCIATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management

The key executive functions of POSK are carried out by the Trustees. While a small number of staff manage the day-to-day affairs of POSK, all strategic decisions are taken by the Trustees, who are directly involved in its running and who are of course responsible for its governance and success.

POSK is governed by two main bodies: the Council of Management (Council) and the Executive Committee who constitute the Board of Trustees, also being the Board of Directors. The Council currently comprises 51 Members who are POSK members; they are elected at the POSK Annual General Meetings; in addition to these there are 7 Council Members appointed by member organisations. The Chair is elected at POSK's AGM. At the first Council Meeting after this, the Executive Committee is selected by the Chair from amongst elected Council Members and presented to the Council. In 2023 the AGM was held physically but also presented on Zoom; the voting was by those physically present including proxies.

The Executive Committee formulates strategy and policy but also performs key management roles and its members are therefore selected for their professional expertise and experience they can bring to the role as well as their interest and enthusiasm. Members of the Executive Committee who of course simultaneously acted as the Trustees and Directors of POSK in 2023, are listed above in this Report.

There are no formal policies and procedures for the training and induction of Trustees. Persons elected as Trustees are usually familiar with POSK and/or charitable organisations in general as they have to be Council Members, and are therefore considered as not needing general induction.

At each Annual General Meeting, under the Articles of Association, one third of the elected Members of the Council retire, though still remaining eligible, may offer themselves for re-election; there is also a Permanent Member for this first time. The Council meets quarterly, but the Executive Committee meets monthly to review and take decisions about POSK's activities, with since 2023 the help of consultants if needed.

POSK is closely affiliated with the POSK Foundation, a charity that is registered under charity no. 802083 and has broadly the same charitable objectives as POSK. One of the POSK Foundation's main charitable objects is to support the social, cultural and educational activities undertaken or recommended by POSK.

The Trustees, who are also Directors for the purpose of Company Law, and who served during the year 2023 and up to the date of signature of the financial statements were:

A Newsome	(Resigned 6 January 2023)
M Tkaczyk	(Resigned 23 June 2023)
Z Brudzinska	(Resigned 4 April 2024)
I Zaluska	(Appointed 2 December 2023 and resigned 4 April 2024)
B Bakst	(Resigned 7 April 2024)
M Jakubowski	(Resigned 1 May 2024)
J Wajda	(Resigned 1 May 2024)
E Olbrich	(Resigned 13 June 2024)
M Kalinowski	(Resigned 17 June 2024)
M Nyga	(Appointed 2 December 2023 and resigned 18 June 2024)
T Kliszewski	(Appointed 2 December 2023)
M Wozniak	(Appointed 23 March 2024)
J Wurszt	(Appointed 3 August 2024)
Dr M Laskiewicz	
S Kosiec	
J Klys	
D Barczyk	
R Zoltaniecki	

POLISH SOCIAL AND CULTURAL ASSOCIATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2023*

Charity's Public Benefit

The Trustees have paid due regard to the Charity Commission's guidance and ensured that all activities throughout the year have been in the interest of public benefit. This is evidenced by the continuing work undertaken to keep the building open to the general public and to ensure that it continues to provide educational, social and cultural events. It also contains and maintains donated Polish artifacts of historic significance for public access.

Trustees' Declaration

Each of the persons who are Members of the Executive Committee at the time when this report is approved has confirmed that:

- (a) So far as each Member is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- (b) each Member, in their capacity as a Trustee, has taken all the steps that they ought to have taken as a Trustee, including making appropriate enquiries of their fellow Trustees and of the charity's auditors for that purpose, in order to make them aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the charity's auditors are aware of that information.

Auditor

A resolution to re-appoint Richard Place Dobson as the Charity's auditor will be put to the forthcoming AGM.

The Trustees' Report was approved by the Board of Trustees on 10 June 2024.



Dr M Laskiewicz

Trustee

30 June 2024

POLISH SOCIAL AND CULTURAL ASSOCIATION

STATEMENT OF TRUSTEES REPORT RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also the directors of Polish Social and Cultural Association for the purpose of company law, are responsible for preparing the Trustees Report 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping 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.

POLISH SOCIAL AND CULTURAL ASSOCIATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF POLISH SOCIAL AND CULTURAL ASSOCIATION

Opinion

We have audited the financial statements of Polish Social and Cultural Association (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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, 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 charitable company'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 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees report 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 charity'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 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 we do not express any form of assurance conclusion thereon. 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.

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.

POLISH SOCIAL AND CULTURAL ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF POLISH SOCIAL AND CULTURAL ASSOCIATION

Responsibilities of trustees

As explained more fully in the statement of Trustees report responsibilities, the trustees, who are also the directors of the charity for the purpose of 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 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 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management, and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with;

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, General Data Protection Regulations, Charities Act 2011, Charities Statement of Recommended Practice and employment law and regulations. We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures and evaluating advice received from external advisors. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

1. Revenue recognition - this was tested substantively for rental and lease income, we performed proof in total testing over grant income
2. Management override of controls - we reviewed large journals to discover any evidence of management override

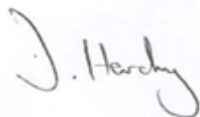
POLISH SOCIAL AND CULTURAL ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF POLISH SOCIAL AND CULTURAL ASSOCIATION

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.



Darren Harding (Senior Statutory Auditor)
Richard Place Dobson Services Limited

.....27/09/2024.....

Chartered Accountants
Statutory Auditor

Ground Floor
1 - 7 Station Road
Crawley
West Sussex
RH10 1HT

Richard Place Dobson is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

POLISH SOCIAL AND CULTURAL ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year

		Unrestricted funds general 2023	Unrestricted funds designated 2023	Restricted funds 2023	Total 2023	Total 2022
	Notes	£	£	£	£	£
<u>Income from:</u>						
Donations and legacies	3	111,026	-	200,109	311,135	391,238
Charitable activities	4	719,836	-	-	719,836	676,440
Investments	5	235,388	-	-	235,388	219,453
Total income		1,066,250	-	200,109	1,266,359	1,287,131
<u>Expenditure on:</u>						
Raising funds	6	-	-	-	-	18,128
Charitable activities	7	1,703,823	-	218,470	1,922,293	1,159,746
Total expenditure		1,703,823	-	218,470	1,922,293	1,177,874
Net gains/(losses) on investments	11	-	-	-	-	199,121
Net (outgoing)/incoming resources before transfers		(637,573)	-	(18,361)	(655,934)	308,378
Gross transfers between funds		(560)	560	-	-	-
Net (expenditure)/income for the year/ Net (outgoing)/incoming resources		(638,133)	560	(18,361)	(655,934)	308,378
<u>Other recognised gains and losses</u>						
Other gains or losses	13	1,983	-	-	1,983	116,108
Net movement in funds		(636,150)	560	(18,361)	(653,951)	424,486
Fund balances at 1 January 2023		2,952,584	7,680,000	18,361	10,650,945	10,226,459
Fund balances at 31 December 2023		2,316,434	7,680,560	-	9,996,994	10,650,945

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

All income and expenditure derive from continuing activities.

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

POLISH SOCIAL AND CULTURAL ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	168,094	-	223,144	391,238
Charitable activities	4	676,440	-	-	676,440
Investments	5	219,453	-	-	219,453
Total income		1,063,987	-	223,144	1,287,131
<u>Expenditure on:</u>					
Raising funds	6	18,128	-	-	18,128
Charitable activities	7	949,937	-	209,809	1,159,746
Total expenditure		968,065	-	209,809	1,177,874
Net gains/(losses) on investments	11	199,121	-	-	199,121
Net (outgoing)/incoming resources before transfers		295,043	-	13,335	308,378
Gross transfers between funds		(7,464,292)	7,680,000	(215,708)	-
Net (expenditure)/income for the year/ Net (outgoing)/incoming resources		(7,169,249)	7,680,000	(202,373)	308,378
<u>Other recognised gains and losses</u>					
Other gains or losses	13	116,108	-	-	116,108
Net movement in funds		(7,053,141)	7,680,000	(202,373)	424,486
Fund balances at 1 January 2022		10,005,725	-	220,734	10,226,459
Fund balances at 31 December 2022		2,952,584	7,680,000	18,361	10,650,945

POLISH SOCIAL AND CULTURAL ASSOCIATION

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14	2,369,965		2,386,272	
Investment property	16	5,550,000		5,550,000	
Investments	17	49,477		49,477	
		7,969,442		7,985,749	
Current assets					
Debtors	18	217,980		216,327	
Cash at bank and in hand		1,945,529		2,571,924	
		2,163,509		2,788,251	
Creditors: amounts falling due within one year	19	(135,957)		(123,055)	
Net current assets		2,027,552		2,665,196	
Total assets less current liabilities		9,996,994		10,650,945	
Income funds					
Restricted funds	20	-		18,361	
<u>Unrestricted funds</u>					
Designated funds	21	7,680,560		7,680,000	
General unrestricted funds		2,316,434		2,952,584	
		9,996,994		10,632,584	
		9,996,994		10,650,945	

POLISH SOCIAL AND CULTURAL ASSOCIATION

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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 26/09/2024



Dr M Laskiewicz

Trustee

Company registration number 00816310

POLISH SOCIAL AND CULTURAL ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	24		(850,746)		(21,481)
Investing activities					
Purchase of tangible fixed assets		(11,037)		(19,573)	
Proceeds from disposal of investment property		-		1,931,702	
Proceeds from disposal of other investments		-		(1)	
Investment income received		235,388		219,453	
Net cash generated from investing activities			224,351		2,131,581
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(626,395)		2,110,100
Cash and cash equivalents at beginning of year			2,571,924		461,824
Cash and cash equivalents at end of year			1,945,529		2,571,924

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Polish Social and Cultural Association is a private company limited by guarantee incorporated in England and Wales. The registered office is 238-246 King Street, Hammersmith, London, W6 0RF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives and which have not been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1% per annum on cost
Plant and equipment	10 - 25% reducing balance
Fixtures and fittings	10 - 25% reducing balance
	10% straight line for Improvements

Freehold land and buildings are not being depreciated as residual values are rising and exceed cost.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The valuation is tested for impairment by comparing to external valuator reports. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

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

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

POSK's UK Investment properties are valued by the Trustees, the basis of valuation is stated in Note 16 of the account.

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Donations and legacies

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	111,026	-	111,026	168,094	25,610	193,704
Legacies receivable	-	-	-	-	18,361	18,361
Grants receivable	-	200,109	200,109	-	179,173	179,173
	<u>111,026</u>	<u>200,109</u>	<u>311,135</u>	<u>168,094</u>	<u>223,144</u>	<u>391,238</u>
Grants receivable for core activities						
MKiDN library grant	-	200,109	200,109	-	179,173	179,173
	<u>-</u>	<u>200,109</u>	<u>200,109</u>	<u>-</u>	<u>179,173</u>	<u>179,173</u>

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Charitable activities

	Charitable rental income	Facilities, Arts Centre, Theatre and Jazz Café	Total 2023	Charitable rental income	Facilities, Arts Centre, Theatre and Jazz Café	Total 2022
	2023	2023		2022	2022	
	£	£	£	£	£	£
Sales within charitable activities	556,686	163,150	719,836	551,282	125,158	676,440
	<u>556,686</u>	<u>163,150</u>	<u>719,836</u>	<u>551,282</u>	<u>125,158</u>	<u>676,440</u>

5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Rental income	193,142	216,983
Income from shares and other investments	42,246	2,470
	<u>235,388</u>	<u>219,453</u>

6 Raising funds

	Total 2023 £	Unrestricted funds general 2022 £
<u>Investment management</u>	-	18,128
	<u>-</u>	<u>18,128</u>

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

7 Charitable activities

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Staff costs	453,749	406,322
Depreciation and impairment	27,343	70,705
Donation to POSK Foundation	500,000	-
Grants payable	24,168	7,744
Legal and professional	35,024	30,016
Printing, postage and stationary	18,608	9,153
Cost of Jazz Café events	36,865	14,184
Other expenses	162,707	97,974
Bad debts written off	-	(21,748)
Speakers and performers' fees and expenses	79,611	48,028
Repairs, renewals and property maintenance	59,706	80,334
Insurance	56,424	62,118
Advertising	68,333	61,831
Cleaning	88,910	72,279
Maintenance	96,042	36,507
Heat & Light	113,826	112,734
	<u>1,821,316</u>	<u>1,088,181</u>
Share of support costs (see note 8)	92,227	63,215
Share of governance costs (see note 8)	8,750	8,350
	<u>1,922,293</u>	<u>1,159,746</u>
Analysis by fund		
Unrestricted funds - general	1,703,823	949,937
Restricted funds	218,470	209,809
	<u>1,922,293</u>	<u>1,159,746</u>

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	74,328	-	74,328	57,191	-	57,191
Accountancy	17,899	-	17,899	6,024	-	6,024
Audit fees	-	8,750	8,750	-	8,350	8,350
	<u>92,227</u>	<u>8,750</u>	<u>100,977</u>	<u>63,215</u>	<u>8,350</u>	<u>71,565</u>
Analysed between						
Charitable activities	<u>92,227</u>	<u>8,750</u>	<u>100,977</u>	<u>63,215</u>	<u>8,350</u>	<u>71,565</u>

Governance costs includes payments to the auditors of £8,350 (2022- £7,850) for audit fees.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
House	10	10
Library	6	6
Part Time	5	6
Total	<u>21</u>	<u>22</u>

Employment costs

	2023 £	2022 £
Wages and salaries	479,221	419,950
Social security costs	39,485	34,147
Other pension costs	9,371	9,416
	<u>528,077</u>	<u>463,513</u>

POSK employs part time employees in various positions, most notably Front of House. Their hours are minimal and combined in total equivalent to under one full time annual employee. All other staff noted above are full time employees.

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

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Net gains/(losses) on investments

	Total 2023 £	Unrestricted funds general 2022 £
Revaluation of investment properties	-	(12,581)
Gain/(loss) on sale of investment properties	-	211,702
	-	199,121

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Other gains or losses

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Foreign exchange gains/(losses)	1,983	116,108

14 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
Cost				
At 1 January 2023	3,239,870	90,257	897,247	4,227,374
Additions	560	10,477	-	11,037
At 31 December 2023	3,240,430	100,734	897,247	4,238,411
Depreciation and impairment				
At 1 January 2023	1,109,870	83,986	647,247	1,841,103
Depreciation charged in the year	-	2,343	25,000	27,343
At 31 December 2023	1,109,870	86,329	672,247	1,868,446
Carrying amount				
At 31 December 2023	2,130,560	14,405	225,000	2,369,965
At 31 December 2022	2,130,000	6,272	250,000	2,386,272

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Heritage assets

The Charity has been bequeathed, over a number of years, artefacts of cultural and historical significance. These include furniture, paintings, books and sculptures. Due to the unique and specific nature of the artefacts and the context in which they were bequeathed there is no readily ascertainable market value and it has not been sought to attribute one within the financial statements. These assets are therefore included at £nil and it is not practical to provide a five-year summary for the reporting periods prior to 1 January 2023.

There were no sales or purchases of heritage assets during the year.

The ownership of the contents of the Central Circulating Library and Polish Library was vested in the Charity by the British Government with effect from 1 April 1967 and 1 August 1967 respectively. The value of these has not been ascertained and has not been brought into the accounts at 31 December 2023.

16 Investment property

2023

£

Fair value

At 1 January 2023 and 31 December 2023	5,550,000
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POSK's UK Investment properties are valued by the Trustees by comparing the rental yield obtained on these properties to local market yields on similar properties and extrapolating this yield to obtain an estimate of fair value. Furthermore this estimate of fair value is compared to information received from local estate agents in order to ensure that the fair value as calculated is reasonable and adjusting it if necessary.

The Charity's Investment Property investment portfolio is the key to its long-term financial viability. The Trustees have adopted a policy of investing the Charity's funds into investments that will create additional recurring annual income to support the activities of the Charity. Such investments consist of investment properties and UK equities.

17 Fixed asset investments

Listed
investments

£

Cost or valuation

At 1 January 2023 & 31 December 2023	49,477
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Carrying amount

At 31 December 2023	49,477
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At 31 December 2022

49,477

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	111,278	77,652
Other debtors	49,184	37,184
Prepayments and accrued income	57,518	101,491
	<u>217,980</u>	<u>216,327</u>

19 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	30,325	30,790
Trade creditors	31,114	34,920
Other creditors	33,972	44,018
Accruals and deferred income	40,546	13,327
	<u>135,957</u>	<u>123,055</u>

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 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				Movement in funds			
	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	Balance at 1 January 2023	Incoming resources	Resources expended	Balance at 31 December 2023
	£	£	£	£	£	£	£	£
Building Fund	170,473	-	-	(170,473)	-	-	-	-
Asset Purchase Fund	50,261	-	(5,026)	(45,235)	-	-	-	-
MKiDN Library Fund	-	179,173	(179,173)	-	-	-	-	-
Library Grants/donations	-	25,610	(25,610)	-	-	200,109	(200,109)	-
Restricted library legacy	-	18,361	-	-	18,361	-	(18,361)	-
	<u>220,734</u>	<u>223,144</u>	<u>(209,809)</u>	<u>(215,708)</u>	<u>18,361</u>	<u>200,109</u>	<u>(218,470)</u>	<u>-</u>

The Building Fund represents amounts received in respect of donations towards building works (Atrium). The movement on the fund in the year represents depreciation according to POSK's depreciation policy on these building works.

The Asset Purchase Fund represents amounts received in respect of donations towards replacement of fixed assets (Main Lifts). The movement on the fund in the year represents depreciation according to POSK's depreciation policy on these fixed assets.

The MKiDN Library Fund represents funding from the Polish Ministry of Culture (Ministerstwo Kultury i Dziedzictwa Narodowego)

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2022	Transfers	Balance at 1 January 2023	Transfers	Balance at 31 December 2023
	£	£	£	£	£
Land & Buildings Fund	-	2,130,000	2,130,000	560	2,130,560
Investment Property Fund	-	5,550,000	5,550,000	-	5,550,000
	<u>-</u>	<u>7,680,000</u>	<u>7,680,000</u>	<u>560</u>	<u>7,680,560</u>

The Land and Buildings Fund represent the funds tied up in freehold land and buildings.

The Investment Property Fund represents funds tied up in the charity's investment properties.

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2023 are represented by:								
Tangible assets	239,405	2,130,560	-	2,369,965	237,911	2,130,000	18,361	2,386,272
Investment properties	-	5,550,000	-	5,550,000	-	5,550,000	-	5,550,000
Investments	49,477	-	-	49,477	49,477	-	-	49,477
Current assets/(liabilities)	2,027,552	-	-	2,027,552	2,665,196	-	-	2,665,196
	<u>2,316,434</u>	<u>7,680,560</u>	<u>-</u>	<u>9,996,994</u>	<u>2,952,584</u>	<u>7,680,000</u>	<u>18,361</u>	<u>10,650,945</u>

POLISH SOCIAL AND CULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

23 Related party transactions

The POSK Foundation was formed in 1989 to support the charitable objectives of Polish Social and Cultural Association Limited ("POSK") and is a related party to the charity.

During the year, POSK donated £500,000 and received donations of £18,753 (2022: £70,365) from the POSK Foundation. Mr R W Tobiasiewicz, was a trustee of the POSK Foundation. The administrative costs of the POSK Foundation are borne by POSK.

In 2023 Mr M Jakubowski who was a trustee in the year, was also a trustee of The Polish Educational Society. During the year to December 2023 a total of £15,890 (2022: £11,425) was paid by The Polish Educational Society to POSK.

POSK also paid £2,118 (2022: £5,133) to Smartnet Solutions Limited, a company which trustee Mr D Kazimierz Barczyk was a director of.

Dr Marek Laskiewicz is the chair of POSK and is also a director of the Polish Trustee Association. POSK received payments totalling £40 from the association.

One of the trustees, Marcin Kalinowski, is also the director of T&M Plumbers Ltd, with whom POSK paid £1,020 for plumbing work in the year.

One time payment of £40 to POSK from ZJEDNOCZENIE POLSKIE W WIELKIEJ BRYTANII C.I.O. who Monika Tkaczyk is also a trustee for.

24 Cash generated from operations	2023 £	2022 £
(Deficit)/surplus for the year	(655,934)	308,378
Adjustments for:		
Investment income recognised in statement of financial activities	(235,388)	(219,453)
Foreign exchange differences	1,983	116,108
Gain on disposal of investment property	-	(211,702)
Fair value gains and losses on investment properties	-	12,581
Depreciation and impairment of tangible fixed assets	27,343	70,705
Movements in working capital:		
(Increase)/decrease in debtors	(1,653)	53,151
Increase/(decrease) in creditors	12,903	(151,249)
Cash absorbed by operations	(850,746)	(21,481)

25 Analysis of changes in net funds

The charity had no debt during the year.

26 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.