

THE DE BRZIE LANCKORONSKI FOUNDATION

2022

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED ON 31ST DECEMBER 2022

Charity No: 0266428

McCORMACK & ASSOCIATES

REGISTERED AUDITORS

CHARTERED CERTIFIED ACCOUNTANTS

LONDON N14 6JS

THE DE BRZIE LANCKORONSKI FOUNDATION

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THE DE BRZEZIE LANCKORONSKI FOUNDATION

LEGAL AND ADMINISTRATIVE

TRUSTEES:

P. Chłapowski (Chairperson)
Miss C Raczynska
Ms J Soszko
Dr W Mier Jedrzejowicz
Dr. J. Kamieniecki

TRUST DEED:

Dated 24th September 1973

REG. CHARITY NO:

266428

ADDRESS:

Highmead
10 Roxborough Park
Harrow
Middlesex HA1 3BE

BANKERS:

Barclays Bank Plc
114 Gloucester Road
London SW7 4SE

SOLICITORS:

Messrs Farrer & Co.
66 Lincoln's Inn Fields
London WC2A 3LH

INVESTMENT MANAGERS:

Investec Wealth and Investment Ltd
30 Gresham Street
London EC2V 7QN

AUDITORS:

McCormack & Associates
Registered Auditors
Chartered Certified Accountants
311 Chase Road
Southgate
London N14 6JS

THE DE BRZIE LANCKORONSKI FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2022

The Trustees present their report along with the financial statements of the charity for the year ended 31st December 2022. The financial statements have been prepared in accordance with the accounting policies set out on page 12 and comply with the charity's trust deed and applicable law.

Trustees

The Trustees named on page 3 have served during the year. Appointment of trustees is governed by the Trust Deed of the charity. The Board of Trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

The Board of Trustees is responsible for the management of the Charity. The board meets twice a year.

Investment powers

The Trust Deed authorises the Trustees to make and hold investments using the general funds of the Charity. The overall objectives are to create sufficient income and capital growth to enable the Charity to carry out its purposes consistently year by year with due and proper consideration for future needs and the maintenance of and if possible, enhancement of the real value of the endowment. The Board approved the Foundation's investment policy and communicated this to the Investment Managers, Investec Wealth and Investment Limited.

Constitution, objects and policies

The purposes for which the Charity was established are to provide for exclusively charitable objects as set-out within the Trust Deed. These include:

1. Assistance to Poles, to people of Polish origin and to Polish institutions especially in the fields of education and culture;
2. The provision of grants to Polish academics undertaking further education abroad;
3. Assistance to organisations which in general promote awareness of Poland's history and in particular its contribution in the Second World War.

Development, activities and achievements

As every year the foundation awarded 34 bursaries to scholars (selected by PAU) (Polish Academy of Arts and Sciences) from universities, institutes and museums in Poland to enable them to conduct research in the UK, in the various fields of history, art history, literary and religious studies and philosophy.

However due to the effect of COVID-19 in previous years, numbers of scholars coming to the UK in 2022 included also scholars from the lists of 2021 and 2022 Scholars. It appears that not all the scholars who came to the UK contacted the trustees for the reimbursement of expenses. So it is not clear for us whether all bursaries allocated for years 2020-2022 have been used and we have asked PAU for the report.

PAU has selected only 8 scholars for bursaries for 2023.

THE DE BRZEZIE LANCKORONSKI FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31st DECEMBER 2022 (Contd.)

Development, activities and achievements (Contd.)

The second tranche of the allocated funds for 2021 and both tranches of funds for 2022 were transferred to PAU.

There was a payment made, for 2500 PLN (Polish Zloty), to Ms Kania from PAU to cover the costs of administering the bursaries in 2022.

The Foundation has funded four causes in 2022:

- Grant of £1,500 to PUNO (the Polish University abroad) towards the costs of the publication of materials ("Zeszyty naukowe") and album from the conference on the poet Cyprian Norwid.
- Grant of £1,000 to Joseph Butler to cover costs of his research on Polish emigration in the UK.
- Grant of £2,000 to PUNO to contribute to the costs of teaching Polish to Ukrainians.
- Grant of £1,700 to PUNO to support April 2022 conference dedicated to the memory of the late president Ryszard Kaczorowski.

A regular annual review meeting with Investec was held in February 2022 attended by trustees Piotr Chlapowski and Jan Kamieniecki.

Considering that there were sufficient funds on the foundation bank account and also reduced outflows due to Covid, and therefore no need for income, it was decided in March 2022 to continue to instruct Investec to reinvest dividends for a further year as they had done over the previous 12 months.

The value of our investments stood at £2,845,768 as reported by Investec on 31 December 2022.

Two formal meeting of the trustees were held in 2022.

Financial review

The Income of the Foundation was £56,879 (2021 : £54,849). Total expenditure was £79,883 (2021: £78,990). Direct charitable expenditure was 66% of total expenditure (2021: 65%). The net deficit for the year was £23,004 (2021: deficit £24,141). The net losses arising on Stock Exchange investments were £511,765 (2021 Profit: £310,216) of which £78,884 were realised losses and £432,881 were unrealised losses. There was an overall deficit of £534,769 for the year (2021: surplus £286,075).

Risk management

The Trustees are well aware of the risks the Charity faces in current Stock Market conditions and believe that their prudent investment policy combined with judicious control of all types of expenditure provides essential safeguards. They maintain close contacts with the Investment Manager whose task is to manage the Foundation's assets in such a way that its objectives and investment targets are consistently met.

Reserves policy

The Trustees' policy is to ensure that direct charitable expenditure over the medium term is kept at a level which allows the Charity to cover all its costs from the total income and maintain the trust capital.

THE DE BRZESIE LANCKORONSKI FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31st DECEMBER 2022 (Contd.)

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

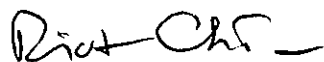
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed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

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

Auditors

McCormack & Associates were re-appointed as the Charity's auditors during the year and have expressed their willingness to continue in that capacity.

This report was approved by the trustees on 30th March 2023 and signed on their behalf.



(P. Chlapowski – Chairperson)

THE DE BRZIE LANCKORONSKI FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE DE BRZIE LANCKORONSKI FOUNDATION

Opinion

We have audited the financial statements of The De Brzezie Lanckoronski Foundation for the year ended 31st December 2022 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. 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 31st December 2022 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.

Conclusion relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 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.

THE DE BRZEZIE LANCKORONSKI FOUNDATION

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF

THE DE BRZEZIE LANCKORONSKI FOUNDATION (Contd.)

Other information

The other information comprises the information included in the annual report including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 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

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

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

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; 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 statements set out on page 5 the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal controls as the trustees determine are 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.

THE DE BRZEZIE LANCKORONSKI FOUNDATION

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF

THE DE BRZEZIE LANCKORONSKI FOUNDATION (Contd.)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Charities Act 2011, s.144 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 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.

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 the Charities Act 2011. Our audit work has been undertaken so that we might state to the 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

H.H. SHAH
STATUTORY AUDITOR
For and on behalf of
McCORMACK & ASSOCIATES
REGISTERED AUDITORS
CHARTERED CERTIFIED ACCOUNTANTS
311 CHASE ROAD
SOUTHGATE
LONDON N14 6JS

30th March 2023

Mr. H.H. Shah is eligible to act as an auditor in terms of the Companies Act 2006, S.1212

THE DE BRZIE LANCKORONSKI FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2022

		<u>Unrestricted Funds</u>	
	<u>NOTES</u>	<u>2022</u>	<u>2021</u>
Income			
Dividend and interest income		56,414	54,849
Interest	2	465	-
-			
		<hr/>	<hr/>
Total Income		56,879	54,849
		<hr/>	<hr/>
Expenditure			
Direct charitable expenditure	3	53,000	50,988
Management and administration	4	26,883	28,002
		<hr/>	<hr/>
Total expenditure		79,883	78,990
		<hr/>	<hr/>
Net income/ (expenditure)			
before investment asset disposals		(23,004)	(24,141)
Profits/ (Losses) arising on			
Stock Exchange investments:			
Realised Profits/ (Losses)	(78,884)	11,282	
Unrealised Profits/ (Losses)	(432,881)	298,934	
		<hr/>	<hr/>
		(511,765)	310,216
		<hr/>	<hr/>
Net movement in funds for the year		(534,769)	286,075
		<hr/>	<hr/>
Total funds brought forward		3,462,866	3,176,791
		<hr/>	<hr/>
<u>Total funds carried forward</u>		<u>2,928,097</u>	<u>3,462,866</u>
		=====	=====

The statement of financial activities includes all gains and losses in the year. All income and expenditure expended derive from continuing activities.


THE DE BRZIE LANCORONSKI FOUNDATION

BALANCE SHEET

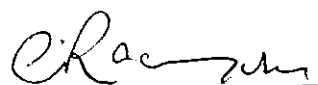
AS AT 31ST DECEMBER 2022

	<u>Notes</u>	<u>2022</u>	<u>2021</u>
<u>INVESTMENTS</u>	5	2,845,768	3,327,788
<u>CURRENT ASSETS</u>			
Debtors	6	-	-
Cash at bank and in hand	7	94,712	168,329
		<u>94,712</u>	<u>168,329</u>
<u>CREDITORS</u> : Amounts falling due within one year	8	<u>12,383</u>	<u>33,251</u>
<u>NET CURRENT ASSETS</u>		<u>82,329</u>	<u>135,078</u>
<u>TOTAL NET ASSETS</u>		<u>2,928,097</u> =====	<u>3,462,866</u> =====
<u>TOTAL FUNDS</u>		<u>2,928,097</u> =====	<u>3,462,866</u> =====


Approved by the Trustees and signed on 30th March 2023.

 (TRUSTEE)
(P. CHLAPOWSKI)

 (TRUSTEE)
(DR. J. KAMIENIECKI)

 (TRUSTEE)
(MISS C RACZYNSKA)

 (TRUSTEE)
(DR.W. MIER JĘDRZEJOWICZ)

 (TRUSTEE)
(MS J SOSZKO)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

(a) Basis of Preparation

The financial statements have been prepared in accordance with 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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

(b) Going concern

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. With respect to the next reporting period 2023, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

(c) Income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Investment income is included when received.

(d) Expenditure

Expenditure is accounted for on an accruals basis.

Expenditure on management and administration of the charity includes all expenditure not directly related to the charitable activity. This includes the cost of audit fees.

(e) Realised 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 sale proceeds and 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 market value at the year end and their carrying value. Realised and unrealised gains and losses are separated in the Statement of Financial Activities.

2.	<u>Interest Received</u>	<u>2022</u>	<u>2021</u>
	Same was received gross in respect of short-term deposits with:		
	Stockbrokers	465	-
	Barclays Bank Plc	-	-
		<hr/>	<hr/>
		-	-
		=====	=====
3.	<u>Direct Charitable expenditure</u>	<u>2022</u>	<u>2021</u>
	Grants	41,600	44,200
	Scholar's expenses	5,200	1,400
	Donations	6,200	5,388
		<hr/>	<hr/>
		53,000	50,988
		=====	=====
4.	<u>Management and administration expenses</u>	<u>2022</u>	<u>2021</u>
	Audit fee	6,000	5,640
	Investment Portfolio Management Fees	20,341	21,309
	PAU administration charges	470	947
	Bank and other charges	72	106
		<hr/>	<hr/>
		26,883	28,002
		=====	=====

The investment manager, Investec Wealth and Investment Ltd., is remunerated based on a percentage of the portfolio value. No commissions were charged on transactions.

5.	<u>Investments held on 31st December 2022</u>		
		Mid Market Price on <u>31.12.22</u>	Mid market Price on <u>31.12.21</u>
	<u>Investments</u>		
	Fixed interest stocks	509,503	390,603
	Equities & Alternative assets	1,926,462	2,503,931
	Property Fund	145,552	161,294
	Alternative assets – Infrastructure & other Funds	264,251	271,960
		<hr/>	<hr/>
		2,845,768	3,327,788
		=====	=====

Investments summary

	<u>2022</u>	<u>2021</u>
Investments at market value on 1st January 2022	3,327,788	3,020,041
Acquisitions at cost	998,546	808,691
Sale proceeds from disposals	(968,801)	(811,160)
Profits/ (Losses) in the year:		
Realised Profits/ (Losses) (78,884)	11,282	
Unrealised Profits/ (losses) (432,881)	298,934	
	<u>(511,765)</u>	<u>310,216</u>
<u>INVESTMENTS AT MARKET VALUE ON 31ST DECEMBER 2022</u>	<u>2,845,768</u> =====	<u>3,327,788</u> =====

6.	<u>Debtors</u>	<u>2022</u>	<u>2021</u>
	Prepayments	- =====	- =====

7.	<u>Cash at bank</u>	<u>2022</u>	<u>2021</u>
	Cash at bank	11,842	91,862
	Cash on deposit with Stockbrokers	82,870	76,467
		<u>94,712</u> =====	<u>168,329</u> =====

8.	<u>Creditors and accrued charges</u>	<u>2022</u>	<u>2021</u>
	Grants payable	-	22,100
	Investment Portfolio Management Fees	5,080	5,511
	Audit and accountancy	6,000	5,640
	Other charges	1,303	-
		<u>12,383</u> =====	<u>33,251</u> =====

9.	<u>Trust Capital Account</u>	<u>2022</u>	<u>2021</u>
	At beginning of the year	3,462,866	3,176,791
	Net movement in funds for the year:		
	Realised profits/(losses) (101,888)		(12,859)
	Unrealised profits/(losses) (432,881)		298,934
		<u>(534,769)</u>	<u>286,.075</u>
	At end of the year	<u>2,928,097</u> =====	<u>3,462,866</u> =====
10.	<u>Contingent liabilities</u>	<u>NONE</u> =====	<u>NONE</u> =====
11.	<u>Financial commitments</u>	<u>NONE</u> =====	<u>NONE</u> =====

THE DE BRZEZIE LANCKORONSKI FOUNDATION

THREE YEAR SUMMARY OF THE STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED ON 31ST DECEMBER 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Incoming Resources	56,879	54,849	71,798
Total expenditure	(79,883)	(78,990)	(74,658)
Net income/ (expenditure)	(23,004)	(24,141)	(2,860)
Profits/ (Losses) arising on Stock Exchange investments:			
Realised profits/ (losses)	(78,884)	11,282	(165,918)
Unrealised profits/ (losses)	(432,881)	298,934	177,133
	(511,765)	310,216	11,215
Net movement In funds	(534,769)	286,075	8,355
=====			
<u>Net Funds Employed</u>			
Investments	2,845,768	3,327,788	3,020,041
Current Assets	94,712	168,329	189,435
Current liabilities	(12,383)	(33,251)	(32,685)
Net Assets	2,928,097	3,462,866	3,176,791
=====			
<u>Capital</u>			
Total funds brought forward	3,462,866	3,176,791	3,168,436
Net movement on funds	(534,769)	286,075	8,355
Trust Capital Account	2,928,097	3,462,866	3,176,791