

Charity Registration No. 277603

Company Registration No. 00477371 (England and Wales)

POLISH CULTURAL FOUNDATION LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

POLISH CULTURAL FOUNDATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs B Korzeniowska Mrs B M Weimann Mrs M Kruczkowska-Young Dr J Tarczynski Mrs A Podhorodecka Mr S Kasprzyk Mrs M Bialic
Secretary	Mr W Mier-Jedrzejewicz
Charity number	277603
Company number	00477371
Registered office	238-246 King Street Hammersmith London W6 0RF
Independent examiner	Darren Harding ACA FCCA DChA Richard Place Dobson Services Limited 1-7 Station Road Crawley West Sussex RH10 1HT

POLISH CULTURAL FOUNDATION LIMITED

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POLISH CULTURAL FOUNDATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

Objectives and aims

The charitable company's objects are to advance and propagate culture, education and learning among persons of Polish decent residing permanently or temporarily in the United Kingdom of Great Britain and Northern Ireland.

Significant activities

The charitable company's principal activity is the publishing of the Polish Weekly "Tydzień Polski" but it also promotes Polish culture by the organisation of specific events and the publishing of books and albums for the Polish community.

Public benefit

The charitable company's trustees have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing the charitable company's aims and objectives and in planning its future activities. In particular, they have considered how planned activities will contribute to the aims and objectives they have set.

Grant making

The charitable company made grants to PDP during the year to enable PDP to publish the "Polish Weekly".

Achievements and performance

Charitable activities

During the year the charitable company continued its support of the publication of the 'Polish Weekly' – in very difficult circumstances, due to Covid restrictions - by subsidising, The Polish Daily (Publishers) Limited ("PDP") and did all it could to achieve its objectives by actively seeking outside financial contributions.

Financial review

Financial position

The charitable company's total income for the year was £130,964 (2019: £90,108). After deducting expenditure of £113,023 (2019: £73,476), a net surplus of £17,941 (2019: £16,632) arose for the year. At 31 December 2020 the charitable company had total funds of £83,202 (2019: £65,262), of which £69,233 is unrestricted and £13,968 is restricted.

Reserves policy

It is the policy of the charitable company to maintain funds to provide the necessary support to PDP to continue publishing the 'Polish Weekly' newspaper. In order to achieve this the charity is actively seeking financial support from outside sources.

Future plans

The charitable company's future plans for 2021 include an autumn, patriotic concert and the launching of the PDP Portal. This will involve the transfer of hard copy to an electronic version. The portal will cover a huge range of topics vital to the functioning of the Polish community in the UK and will provide access to archive material.

Structure, governance and management

Governing document

The charitable company is governed by its Memorandum and Articles of Association dated 18 January 1950 (as amended by special resolution on 6 October 2016).

POLISH CULTURAL FOUNDATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J Sikora-Sikorski

(Resigned 3 March 2020)

Mrs B Korzeniowska

Mrs B M Weimann

Mrs M Kruczkowska-Young

Dr J Tarczynski

Mrs A Podhorodecka

Mr S Kasprzyk

Mrs M Bialic

Recruitment and appointment of new trustees

The trustees are appointed by the council of Management who meet regularly to discuss the performance of the group. This took place online in 2020 due to Covid.

Organisational structure

The charitable company is a registered charitable company limited by guarantee with one subsidiary undertaking, PDP. The charitable company's registered charity number is 277603 and its registered company number is 00477371.

Internal controls and mitigation of major risks

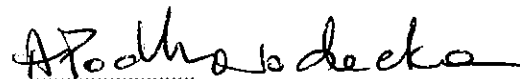
The trustees are responsible for the management of risks faced by the charitable company and they continue to review the charitable company's risk management processes and systems on an ongoing basis. Policies have been put in place to mitigate any risks identified and have been formally noted by the trustees.

Trustees have given consideration to the charities SORP ('Statement of Recommended Practice') Committee's advice in its publication 'Implications of COVID-19 Control Measures and Charity Financial Reporting' and to the risk arising as a result of the coronavirus pandemic. The charitable company is actively monitoring and managing the situation as it develops. We have adapted our operations and consider that the charitable company has adequate reserves and committed future grants from supportive and solvent funders.

Events since the year end

Information relating to the events since the year end is given in the notes to the financial statements.

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



Mrs A Podhorodecka

Trustee

Dated:

22.09.2021

POLISH CULTURAL FOUNDATION LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF POLISH CULTURAL FOUNDATION LIMITED

I report to the trustees on my examination of the financial statements of Polish Cultural Foundation Limited (the charitable company) for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

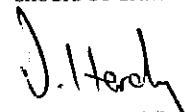
Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Darren Harding ACA FCCA DChA
Richard Place Dobson Services Limited
1-7 Station Road
Crawley
West Sussex
RH10 1HT

Dated: 28/09/21

POLISH CULTURAL FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
Income from:							
Donations and legacies	3	13,737	79,322	93,059	13,904	38,743	52,647
Charitable activities	4	27,799	-	27,799	26,264	-	26,264
Other trading activities	5	10,105	-	10,105	11,195	-	11,195
Investments	6	1	-	1	2	-	2
Total income		51,642	79,322	130,964	51,365	38,743	90,108
Expenditure on:							
Raising funds	7	3,224	-	3,224	3,838	-	3,838
Charitable activities	8	19,347	90,452	109,799	30,895	38,743	69,638
Total resources expended		22,571	90,452	113,023	34,733	38,743	73,476
Net incoming/(outgoing) resources before transfers		29,071	(11,130)	17,941	16,632	-	16,632
Gross transfers between funds		(24,208)	24,208	-	2,750	(2,750)	-
Net income for the year/ Net movement in funds		4,863	13,078	17,941	19,382	(2,750)	16,632
Fund balances at 1 January 2020		64,371	890	65,261	44,990	3,640	48,630
Fund balances at 31 December 2020		69,234	13,968	83,202	64,372	890	65,262

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 CULTURAL FOUNDATION LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Goodwill	12		1		1
Tangible assets	13		15,040		13,593
Current assets					
Debtors	14	9,569		9,300	
Cash at bank and in hand		73,587		43,144	
		83,156		52,444	
Creditors: amounts falling due within one year	15	(14,995)		(776)	
Net current assets			68,161		51,668
Total assets less current liabilities			83,202		65,262
Income funds					
Restricted funds	16		13,968		890
Unrestricted funds			69,234		64,372
			83,202		65,262

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 2020.

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 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 21.09.2021

.....
A Podhorodecka

Mrs A Podhorodecka

Trustee

Company Registration No. 00477371

POLISH CULTURAL FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Polish Cultural Foundation Limited is a charitable 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 charitable company's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. 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 charitable company 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.

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

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

Within this income recognition framework voluntary income, including donations and legacies, are recognised when the charitable company is entitled to the income which, on occasion, may be prior to the receipt of the monies concerned.

1.5 Expenditure

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

Charitable activities relate to the costs of publishing books and newspapers and have been allocated directly to the functional headings as shown on the SOFA.

POLISH CULTURAL FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

The main activity of the charitable company is to publish books and newspapers so all costs related to this are classed as direct charitable costs and all other costs are allocated as support costs.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill shall be considered to have a finite useful life, and shall be amortised on a systematic basis over its life.

1.7 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:

Office equipment	20% on cost
Portal	33% on 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 net income/(expenditure) for the year.

Investments in subsidiary undertakings are stated at cost, less provision for any impairment in value.

1.8 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.

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Basic financial liabilities

Creditors are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 Preparation of consolidated financial statements

The financial statements contain information about Polish Cultural Foundation Limited as an individual charity and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399 (2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

POLISH CULTURAL FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Donations and gifts	11,237	79,322	90,559	13,904	38,743	52,647
Legacies receivable	2,500	-	2,500	-	-	-
	<u>13,737</u>	<u>79,322</u>	<u>93,059</u>	<u>13,904</u>	<u>38,743</u>	<u>52,647</u>

4 Charitable activities

	Book and newspaper publishing 2020 £	Book and newspaper publishing 2019 £
Book and newspaper publishing	<u>27,799</u>	<u>26,264</u>

5 Other trading activities

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Sponsorships and social lotteries	<u>10,105</u>	<u>11,195</u>

POLISH CULTURAL FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	1	2

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Membership schemes and social lotteries	3,224	3,838
	<u>3,224</u>	<u>3,838</u>

8 Charitable activities

	Book and newspaper publishing 2020	Book and newspaper publishing 2019
	£	£
Book and newspaper publishing costs	55,606	23,662
Grants to subsidiary undertaking to publish newspaper	51,000	41,417
	<u>106,606</u>	<u>65,079</u>
Share of support costs (see note 9)	2,430	3,796
Share of governance costs (see note 9)	763	763
	<u>109,799</u>	<u>69,638</u>
Analysis by fund		
Unrestricted funds	19,347	30,895
Restricted funds	90,452	38,743
	<u>109,799</u>	<u>69,638</u>

POLISH CULTURAL FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Bank charges	17	-	17	68	-	68
Repairs and renewals	-	-	-	586	-	586
Rates, rent & service charge	1,903	-	1,903	2,142	-	2,142
Insurance	38	-	38	41	-	41
Light and heat	15	-	15	90	-	90
Postage and stationary	-	-	-	376	-	376
Sundries	261	-	261	393	-	393
Subscriptions	-	-	-	85	-	85
Depreciation	196	-	196	15	-	15
Independent Examiner fees	-	750	750	-	750	750
Legal fees	-	13	13	-	13	13
	<u>2,430</u>	<u>763</u>	<u>3,193</u>	<u>3,796</u>	<u>763</u>	<u>4,559</u>
Analysed between						
Charitable activities	<u>2,430</u>	<u>763</u>	<u>3,193</u>	<u>3,796</u>	<u>763</u>	<u>4,559</u>

Governance costs includes payments to the independent examiners of £750 (2019- £750) for the independent examination.

10 Trustees

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

11 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Total	<u>-</u>	<u>-</u>

POLISH CULTURAL FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2020 and 31 December 2020	1
Amortisation and impairment	
At 1 January 2020 and 31 December 2020	-
Carrying amount	
At 31 December 2020	1
At 31 December 2019	1

13 Tangible fixed assets

	Office equipment £	Portal £	Total £
Cost			
At 1 January 2020	458	13,150	13,608
Additions	1,043	600	1,643
At 31 December 2020	1,501	13,750	15,251
Depreciation and impairment			
At 1 January 2020	15	-	15
Depreciation charged in the year	196	-	196
At 31 December 2020	211	-	211
Carrying amount			
At 31 December 2020	1,290	13,750	15,040
At 31 December 2019	443	13,150	13,593

14 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	9,239	9,300
Prepayments and accrued income	330	-
	9,569	9,300

POLISH CULTURAL FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	14,995	776

16 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:

	Balance at 1 January 2020 £	Movement in funds			Balance at 31 December 2020 £
		Incoming resources £	Resources expended £	Transfers £	
Publication fund	-	26,432	(51,000)	24,568	-
Calendar fund	-	9,595	(9,835)	240	-
Portal fund	890	-	-	(600)	290
T. Zielinski fund	-	43,295	(29,617)	-	13,678
	890	79,322	(90,452)	24,208	13,968

	Balance at 1 January 2019 £	Movement in funds			Balance at 31 December 2019 £
		Incoming resources £	Resources expended £	Transfers £	
Publication fund	-	31,043	(31,043)	-	-
Calendar fund	-	7,700	(7,700)	-	-
Portal fund	3,640	-	-	(2,750)	890
T. Zielinski fund	-	-	-	-	-
	3,640	38,743	(38,743)	(2,750)	890

Publication fund - This fund represents donations received from organisations and individuals which are to be used in order to help the publication of the newspapers

Calendar fund - This fund represents donations received to support the printing of the calendar.

Portal fund - This represents funds received in order for the charity to create a new website. This project has been funded by the Polish Community funds of the Ministry of Foreign Affairs of the Republic of Poland, the Polonia Foundation Trust (PAFT) and Wspolnota Polska. The transfer out of the fund represents the work on the website that has been capitalised in the financial statements.

T. Zielinski fund - This fund represents donations received from organisations and individuals to be used towards the cost of dismantling, moving, storing and installing Tadeusz Zielinski's artwork from the Camberwell Green Magistrates Court and displaying it at the Polish Centre (POSK) in Hammersmith.

POLISH CULTURAL FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Fund balances at 31 December 2020 are represented by:						
Intangible fixed assets	1	-	1	1	-	1
Tangible assets	15,040	-	15,040	13,593	-	13,593
Current assets/(liabilities)	52,859	15,302	68,161	50,778	890	51,668
	<u>67,900</u>	<u>15,302</u>	<u>83,202</u>	<u>64,372</u>	<u>890</u>	<u>65,262</u>

18 Related party transactions

During the year, the charitable company paid grants to the subsidiary undertaking of £51,000 (2019: £41,417). There were no donations received during the year from the Holy Family of Nazareth Education trust (2019: £1,000), of which Aleksandra Podhorodecka is a trustee.