

# THE POLONSKY FOUNDATION

England & Wales · Charity number 291143

## Details

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**Status** Registered

**Legal form** Trust

**Registered** 1985-04-03

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** 8 Park Crescent  
London  
W1B 1PG

**Phone** 02074361997

## Activities

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**Objects:** FOR SUCH CHARITABLE PURPOSES IN THE UNITED KINGDOM OR OUTSIDE THE UNITED KINGDOM AS THE TRUSTEES SHALL IN THEIR ABSOLUTE DISCRETION FROM TIME TO TIME THINK FIT.

**Activities:** The primary objectives of the Foundation are: to promote access to and dissemination of cultural heritage through support of major cultural and educational institutions; to support education and research in the humanities and social sciences; and to support excellence and innovation in the arts.

## Classification

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- **How:** Makes Grants To Organisations
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Other Charities Or Voluntary Bodies

## Geography

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- France
- Germany
- Israel
- Italy
- United States
- Throughout England And Wales

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£380,373	£1,300,830	-	-
2024-03-31	£393,812	£1,529,305	-	-
2023-03-31	£395,891	£441,016	-	-
2022-03-31	£424,699	£493,148	-	-
2021-03-31	£399,844	£2,149,850	-	-

## Trustees

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Name	Role	Appointed
Dr GEORGETTE FRANCES BENNETT		
HANNAH BEATRICE MARIA POLONSKY WHITNEY		2016-12-07
JOSHUA-MARC TANENBAUM		2018-02-22
Marc Andre Lorin Polonsky		2012-05-24

**THE POLONSKY FOUNDATION**

England & Wales - Charity number 291143

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# Accounts

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**THE POLONSKY FOUNDATION**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

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THE POLONSKY FOUNDATION

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THE POLONSKY FOUNDATION

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2025

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**Trustees** Dr Leonard S Polonsky CBE (deceased 14 March 2025)  
Dr Georgette Bennett  
Marc A L Polonsky  
Hannah Polonsky Whitney  
Joshua-Marc Tanenbaum

**Charity registered number** 291143

**Principal office** 8 Park Crescent  
London  
W1B 1PG

**Independent auditors** Nyman Libson Paul LLP  
Chartered Accountants  
Statutory Auditors  
124 Finchley Road  
London  
NW3 5JS

**Bankers** Lloyds Bank Plc  
39 Threadneedle Street  
London  
EC2R 8AU

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

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The Trustees present their annual report together with the audited financial statements of charity for 1 April 2024 to 31 March 2025. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **Objectives and activities**

##### **a. Policies and objectives**

The primary objectives of the Foundation are: to promote access to and dissemination of cultural heritage through support of major cultural, research and educational institutions; to support education and research in the humanities and social sciences; and to support innovation and excellence in the arts.

The main objectives for the year were to continue to support the above primary objectives for the public benefit. To achieve these objectives, charitable grants were made to relevant institutions as detailed in note 5 to the financial statements.

The Trustees confirm that they referred to the Charity Commission's general guidance on public benefit by reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

##### **b. Grant-making policies**

Grants are made where in the opinion of the Trustees they further the objectives of the charity. Grant and payment requests are reviewed regularly by the trustees at board meetings and paid when approved, providing payment criteria are met. Grants paid during the year have been detailed in note 5.

##### **c. Volunteers**

The management of the charity is the responsibility of the Trustees who are not remunerated.

#### **Achievements and performance**

##### **a. Review of activities**

Charitable grants made in the year ended 31 March 2025 to further the Foundation's objectives totalled £1,224,496 (2024: £1,453,529).

The charity may fulfil its grant commitments through a combination of available investment income and capital drawdown from its investments.

##### **b. Fundraising regulation**

Due to the nature of its operations, the charity does not have fundraising activities and does not outsource fundraising to any entity or individual. Thus, the Trustees can confirm that the charity adhered to all fundraising regulation and law.

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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#### Achievements and performance (continued)

##### c. Investment policy and performance

The investment powers of the Trustees are governed by the Declaration of Trust, which permits the charity's funds to be invested in a wide range of securities and assets. The Trustees' investment policy is to retain the Foundation's principal equity holdings for income and potential growth, while drawing down its capital when appropriate to meet grant commitments. Income from investments in the year ended 31 March 2025 amounted to £380,373 as compared with £393,812 in the prior year. Net gains on investments were £500,282 (2024: £1,330,593). The Trustees considered the performance of the investments in the year to be satisfactory and will continue a consistent investment policy for the foreseeable future.

#### Financial review

##### a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. They have considered the current economic and political climate, and factors which might cause a major economic downturn, particularly in respect of investment valuations. However, due to the nature of the charity's activities, whereby grant commitments can be met through a combination of available investment income and capital drawdown, the Trustees consider that the going concern status will not be affected. Further details regarding the adoption of the going concern basis can be found in the accounting policies note 2.2 to the financial statements.

##### b. Reserves policy

The charity's free reserves are represented by substantial investment holdings which form the charity's main source of income. Essentially, all reserves are free reserves with the Trustees' reserves and funding policy is to ensure that funds are maintained at a level which provides the required income in order to fund future grants. As the Foundation's grant commitments can be met through a combination of available investment income and capital drawdown from its investments, reserves may fall year on year notwithstanding any movements in investment values.

At the Statement of financial position date £15,928,686 (2024: £16,323,673) was held in reserves, with £15,435,148 held in investments.

##### c. Asset cover for funds

The Trustees are of the opinion that as at the reporting date the assets of the charity are sufficient to meet its obligations.

#### Structure, governance and management

##### a. Constitution

The Polonsky Foundation is a registered charity, number 291143, and is constituted under a Trust deed dated 6 February 1985.

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THE POLONSKY FOUNDATION

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TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2025

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**Structure, governance and management (continued)**

**b. Methods of appointment or election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

**c. Organisational structure and decision-making policies**

The Trustees are actively responsible for the overall management and control of the charity.

**d. Policies adopted for the induction and training of Trustees**

New Trustees are inducted and trained by existing trustees. This includes briefings in relation to the charity's objectives and grant making policies.

**e. Related party relationships**

The charity has no related or connected charities.

**f. Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

**Plans for future periods**

The Trustees have considered current economic and political conditions and the potentially adverse effect these might have on the value of the Foundation's investments. As this may not be an auspicious time to draw down the capital from its investments, the Foundation may limit new grant-making for the coming financial year. However, this will not impact the Foundation's current grant commitments, which will continue to be met in full.

**Auditors**

The auditors, Nyman Libson Paul LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on  
12 June 2025 and signed on their behalf by:

**Marc A L Polonsky**  
Managing Trustee



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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION

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#### Opinion

We have audited the financial statements of The Polonsky Foundation (the 'charity') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 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 where the Charities (Accounts and Reports) Regulations 2008 requires 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 and returns; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION (CONTINUED)

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#### **Auditors' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### **Use of our report**

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

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THE POLONSKY FOUNDATION

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION  
(CONTINUED)

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*Nyman Libson Paul LLP*

**Nyman Libson Paul LLP**

Chartered Accountants

Statutory Auditors

124 Finchley Road

London

NW3 5JS

Date: 24 November 2025

Nyman Libson Paul LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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**THE POLONSKY FOUNDATION**

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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2025**

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	Note	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
<b>Income from:</b>				
Investments	4	380,373	380,373	393,812
<b>Total income</b>		380,373	380,373	393,812
<b>Expenditure on:</b>				
Charitable activities		1,300,830	1,300,830	1,529,305
<b>Total expenditure</b>		1,300,830	1,300,830	1,529,305
Net gains on investments		500,282	500,282	1,330,593
<b>Net income/(expenditure)</b>		(420,175)	(420,175)	195,100
<b>Other recognised gains/(losses):</b>				
Other gains/(losses)		25,188	25,188	(13,006)
<b>Net movement in funds</b>		(394,987)	(394,987)	182,094
<b>Reconciliation of funds:</b>				
Total funds brought forward		16,323,673	16,323,673	16,141,579
Net movement in funds		(394,987)	(394,987)	182,094
<b>Total funds carried forward</b>		15,928,686	15,928,686	16,323,673

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 12 to 22 form part of these financial statements.

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THE POLONSKY FOUNDATION

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STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2025

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	Note	2025 £	2024 £
<b>Fixed assets</b>			
Investments	9	15,435,148	15,968,913
<b>Current assets</b>			
Debtors	10	153,859	153,859
Cash at bank and in hand		356,212	216,337
		<u>510,071</u>	<u>370,196</u>
Creditors: amounts falling due within one year	11	(16,533)	(15,436)
<b>Net current assets</b>		<u>493,538</u>	<u>354,760</u>
<b>Total net assets</b>		<u><u>15,928,686</u></u>	<u><u>16,323,673</u></u>
<b>Charity funds</b>			
Unrestricted funds	12	15,928,686	16,323,673
<b>Total funds</b>		<u><u>15,928,686</u></u>	<u><u>16,323,673</u></u>

The financial statements were approved and authorised for issue by the Trustees on  
12 June 2025 and signed on their behalf by:

**Marc A L Polonsky**  
Managing Trustee



The notes on pages 12 to 22 form part of these financial statements.

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THE POLONSKY FOUNDATION

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2025

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	2025 £	2024 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(1,299,733)	(1,529,057)
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	380,373	393,812
Proceeds from sale of investments	1,059,235	924,751
	<hr/>	<hr/>
<b>Net cash provided by investing activities</b>	1,439,608	1,318,563
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>	139,875	(210,494)
Cash and cash equivalents at the beginning of the year	216,337	426,831
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	356,212	216,337
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The notes on pages 12 to 22 form part of these financial statements

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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#### 1. General information

The Polonsky Foundation is a charity registered with the Charity Commission in England & Wales. Its principal address is 8 Park Crescent, London, W1B 1PG.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Polonsky Foundation 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.

##### 2.2 Going concern

At the reporting date the charity held £356,212 in cash and had net current assets of £493,538 together with investments valued at over £15 million. There are no restrictions in place on the charity's assets. Grants approved in principal for paying in the next three years total around £1.5 million. In order to meet these commitments the charity would need to divest some of its investment portfolio, in line with its long term plans. Accordingly, the trustees consider it appropriate to continue to adopt the going concern basis in preparing its financial statements.

##### 2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

##### 2.4 Income

Income is comprised of interest and dividends receivable from investments, and other income. All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

##### 2.5 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.

All expenditure is accounted for on the accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. When costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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#### 2. Accounting policies (continued)

##### 2.5 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

##### 2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the reporting date, using readily available market information and reporting information from private investment managers. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

##### 2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

##### 2.10 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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#### 2. Accounting policies (continued)

##### 2.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

##### 2.12 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

#### 3. Critical accounting estimates and areas of judgment

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the report date and the amounts reported for revenues and expenses during the year. However, the nature of the estimation means that actual outcomes could differ from those estimations.

Critical accounting estimates and assumptions:

##### Fixed asset investments

Investments are carried at fair value with changes in fair value being recognised in the Statement of Financial Activities. Fair values of listed investments are based on the market price at the reporting date. Fair values of unlisted investments are based on valuations provided by independent investment managers based on their knowledge and expertise and may refer to market prices for similar investments where there is no active market for the investment held by the charity. The trustees are satisfied with the assumptions made by and the fair values assigned by the investment managers.

#### 4. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Dividends received	380,373	380,373	393,812

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025

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5. Analysis of grants

	Grants to Institutions 2025 £	Total funds 2025 £
Grants to institutions	<u>1,224,496</u>	<u>1,224,496</u>
	Grants to Institutions 2024 £	Total funds 2024 £
Grants to institutions	<u>1,453,529</u>	<u>1,453,529</u>

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

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**5. Analysis of grants (continued)**

The charity has made the following material grants to institutions during the year:

	2025 £	2024 £
<b>Name of institution</b>		
Van Leer Jerusalem Institute	684,933	438,281
The Hebrew University of Jerusalem	132,137	153,859
Theatre for a New Audience	47,398	-
New York Shakespeare Festival	38,495	-
United Jewish Israel Appeal	32,500	-
Friends of Bezalel Academy of Arts	32,230	234,664
The University of Haifa UK	31,599	118,348
Bard College Berlin	24,981	25,906
The Center for Jewish History	20,100	-
The Royal National Theatre	20,000	25,000
Cambridge University Library	20,000	-
The WNET Group	19,637	-
Metropolitan Museum of Art, New York	19,301	-
Open Book Publishers	16,000	-
New Fund for Cinema and Television (NFCT)	15,437	19,710
The Foundation For Jewish Heritage	15,000	20,000
Aspen Music Festival and School	-	67,985
America-Israel Cultural Foundation	4,029	40,415
Bibliothèque National de France	-	39,137
Victoria and Albert Museum	-	35,000
	1,173,777	1,218,305
Other grants to institutions	50,719	235,224
	1,224,496	1,453,529

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025

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6. Analysis of expenditure by activities

	Grant funding of activities 2025 £	Support costs 2025 £	Total funds 2025 £
Charitable activities	1,224,496	76,334	1,300,830

	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £
Charitable activities	1,453,529	75,776	1,529,305

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

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**6. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Charitable activities 2025 £	Total funds 2025 £	Total funds 2024 £
Staff salaries and pension costs	46,163	46,163	46,963
Auditors' remuneration	6,300	6,300	6,000
Accountancy fees	10,400	10,400	8,380
Bank charges	2,064	2,064	2,031
Secretarial fees	5,538	5,538	6,419
General office expenses	2,153	2,153	1,868
Consultancy fees	1,819	1,819	1,728
Travel expenses	-	-	782
Computer costs	1,897	1,897	1,605
	<u>76,334</u>	<u>76,334</u>	<u>75,776</u>

**7. Staff costs**

	2025 £	2024 £
Wages and salaries	45,000	45,800
Contribution to defined contribution pension schemes	1,163	1,163
	<u>46,163</u>	<u>46,963</u>

The average number of persons employed by the charity during the year was as follows:

	2025 No.	2024 No.
Administrative staff	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management are the trustees, who received no remuneration or other short term benefits during the year.

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025

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8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefit (2025-NIL).

During the year ended 31 March 2025, £1,736 of expenses were reimbursed to one Trustee (2024: £1,690).

9. Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or valuation</b>			
At 1 April 2024	3,963,997	12,004,916	15,968,913
Disposals	-	(1,034,047)	(1,034,047)
Revaluations	211,556	288,726	500,282
At 31 March 2025	<u>4,175,553</u>	<u>11,259,595</u>	<u>15,435,148</u>

Fixed asset investments are a basic financial instrument recorded at fair value through income and expenditure. The charity holds investments for the purpose of generating income and gains to fund future grant commitments.

10. Debtors

	2025 £	2024 £
<b>Due within one year</b>		
Other debtors	<u>153,859</u>	<u>153,859</u>

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

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**11. Creditors: Amounts falling due within one year**

	2025 £	2024 £
Other taxation and social security	758	812
Other creditors	395	744
Accruals and deferred income	15,380	13,880
	16,533	15,436

**12. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2025 £
<b>Unrestricted funds</b>					
General Funds - all funds	16,323,673	380,373	(1,300,830)	525,470	15,928,686
	16,323,673	380,373	(1,300,830)	525,470	15,928,686

**Statement of funds - prior year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>					
General Funds - all funds	16,141,579	393,812	(1,529,305)	1,317,587	16,323,673
	16,141,579	393,812	(1,529,305)	1,317,587	16,323,673

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

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**13. Reconciliation of net movement in funds to net cash flow from operating activities**

	2025 £	2024 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(420,175)	195,100
<b>Adjustments for:</b>		
Losses/(gains) on investments	(500,282)	(1,330,593)
Dividends, interests and rents from investments	(380,373)	(393,812)
Increase in creditors	1,097	248
<b>Net cash used in operating activities</b>	<b>(1,299,733)</b>	<b>(1,529,057)</b>

**14. Analysis of cash and cash equivalents**

	2025 £	2024 £
Cash at bank	356,212	216,337
<b>Total cash and cash equivalents</b>	<b>356,212</b>	<b>216,337</b>

**15. Analysis of changes in net debt**

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	216,337	140,802	357,139
	<u>216,337</u>	<u>140,802</u>	<u>357,139</u>

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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#### 16. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £1,163 (2024: £1,163). Contributions totalling £226 (2024: £226) were payable to the fund at the reporting date and are included in creditors.

#### 17. Other financial commitments

The charity has committed, but not provided for, the following multi-year grants:

Payable in less than 12 months: £743,009 (2024: £1,128,870)

Payable in 12-24 months: £107,947 (2024: £407,574)

Payable in 24-60 months: £16,740 (2024: £Nil)

These grants have not been provided for, as there is no legal guarantee payment will be made.

#### 18. Related party transactions

During the year, the charity paid out grants totalling £684,933 (2024: £438,281) to Van Leer Jerusalem Institute (an Israeli non-profit institution), which Marc Polonsky also acts for on the Board of Governors.

During the year, the charity paid out grants totalling £20,100 (2024: £Nil) to The Center for Jewish History, a charity of which Marc Polonsky also acts for on the Board of Directors.

During the year, the charity paid out grants totalling £4,029 (2024: £40,415) to America-Israel Cultural Foundation, a charity of which Joshua-Marc Tanenbaum is President & Interim Chairman.

During the year ending 31 March 2024, the charity paid out grants totalling £33,800 to Pushkin House Trust, a charity of which Marc Polonsky was a Trustee (and Chair) until 10 March 2024.

The Foundation has a beneficial interest in 8,547,708 shares in the share capital of Hansard Global plc, or 6.2%, on which it received investment income of £380,373 (2024: £380,373). The trustees and their family members have a significant influence on Hansard Global plc through a combined controlling shareholding.

**THE POLONSKY FOUNDATION**

England & Wales - Charity number 291143

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# Accounts

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**THE POLONSKY FOUNDATION**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2024**

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THE POLONSKY FOUNDATION

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THE POLONSKY FOUNDATION

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2024

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**Trustees** Dr Leonard S Polonsky CBE  
Dr Georgette Bennett  
Marc A L Polonsky  
Hannah Polonsky Whitney  
Joshua-Marc Tanenbaum

**Charity registered number** 291143

**Principal office** 8 Park Crescent  
London  
W1B 1PG

**Independent auditors** Nyman Libson Paul LLP  
Chartered Accountants  
Statutory Auditors  
124 Finchley Road  
London  
NW3 5JS

**Bankers** Lloyds Bank Plc  
39 Threadneedle Street  
London  
EC2R 8AU

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

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The Trustees present their annual report together with the audited financial statements of charity for 1 April 2023 to 31 March 2024. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **Objectives and activities**

##### **a. Policies and objectives**

The primary objectives of the Foundation are: to promote access to and dissemination of cultural heritage through support of major cultural, research and educational institutions; to support education and research in the humanities and social sciences; and to support innovation and excellence in the arts.

The main objectives for the year were to continue to support the above developments and programs for the public benefit. To achieve these objectives, charitable grants were made to relevant institutions as detailed in note 6 to the financial statements.

The Trustees confirm that they referred to the guidance in the Charity Commission's general guidance on public benefit by reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

##### **b. Grant-making policies**

Grants are made where in the opinion of the Trustees they best further the objectives of the charity. Grant and payment requests are reviewed regularly by the trustees at board meetings and paid when approved, providing payment criteria are met. Grants paid during the year have been detailed in note 6.

##### **c. Volunteers**

The management of the charity is the responsibility of the Trustees who are not remunerated.

#### **Achievements and performance**

##### **a. Review of activities**

Charitable grants made in the year ended 31 March 2024 to further the Foundation's objectives totalled £1,453,529 following grants made of £352,296 during the previous year.

To achieve its stated objectives, the charity may fulfil its grant commitments through a combination of available investment income and capital drawdown from its investments.

As the economic and political conditions in the year were considered by the Trustees to be inauspicious for drawing down capital from its investments, the Foundation reduced new grant-making in the year.

##### **b. Fundraising regulation**

Due to the nature of its operations, the charity does not have fundraising activities and does not outsource fundraising to any entity or individual. Thus, the Trustees can confirm that the charity adhered to all fundraising regulation and law.

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Achievements and performance (continued)

##### c. Investment policy and performance

The investment powers of the Trustees are governed by the Declaration of Trust, which permits the charity's funds to be invested in a wide range of securities and assets. The Trustees' investment policy is to retain the Foundation's principal equity holdings for income and potential growth.

Income from investments in the year ended 31 March 2024 amounted to £393,812 as compared with £395,135 in the prior year. Net gains on investments were £1,330,593 (2023: 1,550,596). The Trustees considered the performance of the investments in the year to be satisfactory and will continue a consistent investment policy for the foreseeable future.

#### Financial review

##### a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. They have considered the current economic and political climate, and factors which might cause a major economic downturn, particularly in respect of investment valuations. However, due to the nature of the charity's activities, whereby grant commitments can be met through a combination of available investment income and capital drawdown, the Trustees consider that the going concern status will not be affected. Further details regarding the adoption of the going concern basis can be found in the accounting policies note 2.2 to the financial statements.

##### b. Reserves policy

The charity's free reserves are represented by substantial investment holdings which form the charity's main source of income. Essentially, all reserves are free reserves with the Trustees' reserves and funding policy is to ensure that funds are maintained at a level which provides the required income in order to fund future grants. As the Foundation's grant commitments can be met through a combination of available investment income and capital drawdown from its investments, reserves may fall year on year notwithstanding any movements in investment values.

At the Statement of financial position date £16,323,673 (2023: £16,141,579) was held in reserves, with £15,968,913 held in investments.

##### c. Asset cover for funds

The Trustees are of the opinion that as at the reporting date, the assets of the charity are sufficient to meet its obligations.

#### Structure, governance and management

##### a. Constitution

The Polonsky Foundation is a registered charity, number 291143, and is constituted under a Trust deed dated 6 February 1985.

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### **Structure, governance and management (continued)**

##### **b. Methods of appointment or election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

##### **c. Organisational structure and decision-making policies**

The Trustees are actively responsible for the overall management and control of the charity.

##### **d. Policies adopted for the induction and training of Trustees**

New Trustees are inducted and trained by existing trustees. This includes briefings in relation to the charity's objectives and grant making policies.

##### **e. Related party relationships**

The charity has no related or connected charities.

##### **f. Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

##### **Plans for future periods**

The trustees have considered current economic and political conditions and the potentially adverse effect these might have on the value of the Foundation's investments. As this may not be an auspicious time to draw down the capital from its investments, the Foundation may limit new grant-making for the coming financial year. However, this will not impact on the Foundation's current grant commitments, which will continue to be met in full.

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 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

The auditors, Nyman Libson Paul LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 6 June 2024 and signed on their behalf by:

**Marc A L Polonsky**  
Managing Trustee

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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION

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#### Opinion

We have audited the financial statements of The Polonsky Foundation (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 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 where the Charities (Accounts and Reports) Regulations 2008 requires 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 and returns; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION (CONTINUED)

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#### **Auditors' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### **Use of our report**

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

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THE POLONSKY FOUNDATION

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION  
(CONTINUED)

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**Nyman Libson Paul LLP**

Chartered Accountants

Statutory Auditors

124 Finchley Road

London

NW3 5JS

4 October 2024

Nyman Libson Paul LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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**THE POLONSKY FOUNDATION**

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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2024**

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	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>				
Donations and legacies	4	-	-	756
Investments	5	393,812	393,812	395,135
<b>Total income</b>		393,812	393,812	395,891
<b>Expenditure on:</b>				
Charitable activities		1,529,305	1,529,305	441,016
<b>Total expenditure</b>		1,529,305	1,529,305	441,016
Net gains on investments		1,330,593	1,330,593	1,550,596
<b>Net income/(expenditure)</b>		195,100	195,100	1,505,471
<b>Other recognised gains/(losses):</b>				
Other (losses)/gains		(13,006)	(13,006)	3,985
<b>Net movement in funds</b>		182,094	182,094	1,509,456
<b>Reconciliation of funds:</b>				
Total funds brought forward		16,141,579	16,141,579	14,632,123
Net movement in funds		182,094	182,094	1,509,456
<b>Total funds carried forward</b>		16,323,673	16,323,673	16,141,579

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 24 form part of these financial statements.

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**THE POLONSKY FOUNDATION**

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**BALANCE SHEET  
AS AT 31 MARCH 2024**

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	Note	2024 £	2023 £
<b>Fixed assets</b>			
Investments	11	15,968,913	15,576,077
<b>Current assets</b>			
Debtors	12	153,859	153,859
Cash at bank and in hand		216,337	426,831
		<u>370,196</u>	<u>580,690</u>
Creditors: amounts falling due within one year	13	(15,436)	(15,188)
<b>Net current assets</b>		<u>354,760</u>	<u>565,502</u>
<b>Total net assets</b>		<u><u>16,323,673</u></u>	<u><u>16,141,579</u></u>
<b>Charity funds</b>			
Unrestricted funds	14	16,323,673	16,141,579
<b>Total funds</b>		<u><u>16,323,673</u></u>	<u><u>16,141,579</u></u>

The financial statements were approved and authorised for issue by the Trustees on 06 June 2024 and signed on their behalf by:

**Marc A L Polonsky**  
Managing Trustee

The notes on pages 13 to 24 form part of these financial statements.

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THE POLONSKY FOUNDATION

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2024

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	2024 £	2023 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(1,542,063)	(426,532)
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	393,812	395,135
Proceeds from sale of investments	937,757	225,257
<b>Net cash provided by investing activities</b>	1,331,569	620,392
<b>Change in cash and cash equivalents in the year</b>	(210,494)	193,860
Cash and cash equivalents at the beginning of the year	426,831	232,971
<b>Cash and cash equivalents at the end of the year</b>	216,337	426,831

The notes on pages 13 to 24 form part of these financial statements

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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#### 1. General information

The Polonsky Foundation is a charity registered with the Charity Commission in England & Wales. Its principal address is 8 Park Crescent, London, W1B 1PG.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Polonsky Foundation 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.

##### 2.2 Going concern

At the reporting date the charity held £216,337 in cash and had net current assets of £354,760 together with investments valued at over £15 million. There are no restrictions in place on the charity's assets. Grants approved in principal for paying in the next three years total around £1.5 million. In order to meet these commitments the charity would need to divest some of its investment portfolio, in line with its long term plans. Accordingly, the trustees consider it appropriate to continue to adopt the going concern basis in preparing its financial statements.

##### 2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

##### 2.4 Income

Income is comprised of interest and dividends receivable from investments, and other income. All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

##### 2.5 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.

All expenditure is accounted for on the accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. When costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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#### 2. Accounting policies (continued)

##### 2.5 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

##### 2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the reporting date, using readily available market information and reporting information from private investment managers. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

##### 2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

##### 2.10 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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#### 2. Accounting policies (continued)

##### 2.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

##### 2.12 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

#### 3. Critical accounting estimates and areas of judgment

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the report date and the amounts reported for revenues and expenses during the year. However, the nature of the estimation means that actual outcomes could differ from those estimations.

Critical accounting estimates and assumptions:

##### Fixed asset investments

Investments are carried at fair value with changes in fair value being recognised in the Statement of Financial Activities. Fair values of listed investments are based on the market price at the reporting date. Fair values of unlisted investments are based on valuations provided by independent investment managers based on their knowledge and expertise and may refer to market prices for similar investments where there is no active market for the investment held by the charity. The trustees are satisfied with the assumptions made by and the fair values assigned by the investment managers.

#### 4. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	-	-	756

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

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5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Dividends received	393,812	393,812	395,135

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

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6. Analysis of grants

	Grants to Institutions 2024 £	Total funds 2024 £
Grants to institutions	1,453,529	1,453,529
	<u>1,453,529</u>	<u>1,453,529</u>
	Grants to Institutions 2023 £	Total funds 2023 £
Grants to institutions	352,296	352,296
	<u>352,296</u>	<u>352,296</u>

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**6. Analysis of grants (continued)**

The charity has made the following material grants to institutions during the year:

	2024 £	2023 £
<b>Name of institution</b>		
Van Leer Jerusalem Institute	438,281	23,649
Friends of Bezalel Academy of Arts	234,664	-
The Hebrew University of Jerusalem	153,859	-
The University of Haifa UK	118,348	-
Aspen Music Festival and School	67,985	-
America-Israel Cultural Foundation	40,415	-
Bibliotheque National de France	39,137	-
Victoria and Albert Museum	35,000	35,000
Israel Philharmonic Orchestra	34,925	-
Pushkin House Trust	33,800	40,000
Bard College Berlin	25,906	30,810
The Royal National Theatre	25,000	30,000
Merton College, Oxford	20,000	-
Old Vic Trust	20,000	20,000
Jewish Literary Foundation	20,000	-
Foundation For Jewish Heritage	20,000	-
American Trust for the British Library	19,799	-
New Fund for Cinema and Television (NFCT)	19,710	-
American Friends of Covent Garden	15,302	-
Society for the Promotion of Roman Studies	15,000	20,000
	1,397,131	199,459
Other grants to institutions	56,398	152,837
	1,453,529	352,296

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

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7. Analysis of expenditure by activities

	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £
Charitable activities	1,453,529	75,776	1,529,305

	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	352,296	88,720	441,016

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Charitable activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff salaries and pension costs	46,963	46,963	48,322
Auditors' remuneration	6,000	6,000	5,000
Accountancy fees	8,380	8,380	16,974
Bank charges	2,031	2,031	1,218
Secretarial fees	6,419	6,419	10,585
General office expenses	1,868	1,868	2,156
Consultancy fees	1,728	1,728	1,819
Travel expenses	782	782	-
Computer costs	1,605	1,605	2,646
	<u>75,776</u>	<u>75,776</u>	<u>88,720</u>

**8. Auditors' remuneration**

The auditors' remuneration amounts to an auditor fee of £5,000 (2023 - £4,500), and other accounting services of £6,980 (2023 - £8,880).

**9. Staff costs**

	2024 £	2023 £
Wages and salaries	45,800	46,943
Social security costs	-	216
Contribution to defined contribution pension schemes	1,163	1,163
	<u>46,963</u>	<u>48,322</u>

The average number of persons employed by the charity during the year was as follows:

	2024 No.	2023 No.
Administrative staff	<u>1</u>	<u>1</u>

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

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**9. Staff costs (continued)**

No employee received remuneration amounting to more than £60,000 in either year.

Key management are the trustees, who received no remuneration or other short term benefits during the year.

**10. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, £1,690 of expenses were reimbursed to one Trustee (2023: £756).

**11. Fixed asset investments**

	Listed investments £	Unlisted investments £	Total £
<b>Valuation</b>			
At 1 April 2023	3,970,408	11,605,669	15,576,077
Disposals	-	(937,793)	(937,793)
Revaluations	(6,411)	1,337,040	1,330,629
At 31 March 2024	<u>3,963,997</u>	<u>12,004,916</u>	<u>15,968,913</u>

Fixed asset investments are a basic financial instrument recorded at fair value through income and expenditure. The charity holds investments for the purpose of generating income and gains to fund future grant commitments.

**12. Debtors**

	2024 £	2023 £
<b>Due within one year</b>		
Other debtors	<u>153,859</u>	<u>153,859</u>

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**13. Creditors: Amounts falling due within one year**

	2024 £	2023 £
Other taxation and social security	812	1,082
Other creditors	744	226
Accruals and deferred income	13,880	13,880
	15,436	15,188

**14. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>					
General Funds - all funds	16,141,579	393,812	(1,529,305)	1,317,587	16,323,673
	16,141,579	393,812	(1,529,305)	1,317,587	16,323,673

**Statement of funds - prior year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
General Funds - all funds	14,632,123	395,891	(441,016)	1,554,581	16,141,579
	14,632,123	395,891	(441,016)	1,554,581	16,141,579

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**15. Reconciliation of net movement in funds to net cash flow from operating activities**

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	195,100	1,505,471
<b>Adjustments for:</b>		
Gains on foreign exchange	(13,006)	3,985
Losses/(gains) on investments	(1,330,593)	(1,550,596)
Dividends, interests and rents from investments	(393,812)	(395,135)
Increase in creditors	248	9,743
<b>Net cash used in operating activities</b>	<u>(1,542,063)</u>	<u>(426,532)</u>

**16. Analysis of cash and cash equivalents**

	2024 £	2023 £
Cash at bank	216,337	426,831
<b>Total cash and cash equivalents</b>	<u>216,337</u>	<u>426,831</u>

**17. Analysis of changes in net debt**

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	426,831	(210,494)	216,337
	<u>426,831</u>	<u>(210,494)</u>	<u>216,337</u>

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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#### 18. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £1,163 (2023: £1,163). Contributions totalling £226 (2023: £226) were payable to the fund at the reporting date and are included in creditors.

#### 19. Other financial commitments

The charity has committed, but not provided for, the following multi-year grants:

Payable in less than 12 months: £1,128,870 (2023: £1,958,019)

Payable in 12-24 months: £407,574 (2023: £852,188)

Payable in 24-60 months: £Nil (2023: £236,374)

These grants have not been provided for, as there is no legal guarantee payment will be made.

#### 20. Related party transactions

During the year, the charity paid out grants totalling £33,800 (2023: £40,000) to Pushkin House Trust, a charity of which Marc Polonsky was a Trustee (and Chair) until 11 March 2024.

During the year, the charity paid out grants totalling £438,281 (2023: £23,649) to Van Leer Jerusalem Institute (an Israeli non-profit institution), which Marc Polonsky also acts for on the Board of Governors.

America-Israel Cultural Foundation During the year, the charity paid out grants totalling £40,415 (2023: £nil) to America-Israel Cultural Foundation, a charity of which Joshua-Marc Tanenbaum is President & Interim Chairman.

The Foundation has a beneficial interest in 8,547,708 shares in the share capital of Hansard Global plc, or 6.2%, on which it received investment income of £380,373 (2023: £380,373). The trustees and their family members have a significant influence on Hansard Global plc through a combined controlling shareholding.

**THE POLONSKY FOUNDATION**

England & Wales - Charity number 291143

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# Accounts

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**THE POLONSKY FOUNDATION**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

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THE POLONSKY FOUNDATION

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THE POLONSKY FOUNDATION

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2023

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**Trustees** Dr Leonard S Polonsky CBE  
Dr Georgette Bennett  
Marc A L Polonsky  
Hannah Polonsky Whitney  
Joshua-Marc Tanenbaum

**Charity registered  
number** 291143

**Principal office** 8 Park Crescent  
London  
W1B 1PG

**Independent auditors** Nyman Libson Paul LLP  
Chartered Accountants  
Statutory Auditors  
124 Finchley Road  
London  
NW3 5JS

**Bankers** Lloyds Bank Plc  
39 Threadneedle Street  
London  
EC2R 8AU

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

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The Trustees present their annual report together with the audited financial statements of charity for 1 April 2022 to 31 March 2023. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **Objectives and activities**

##### **a. Policies and objectives**

The primary objectives of the Foundation are: to promote access to and dissemination of cultural heritage through support of major cultural, research and educational institutions; to support education and research in the humanities and social sciences; and to support innovation and excellence in the arts.

The main objectives for the year were to continue to support the above developments and programs for the public benefit. To achieve these objectives, charitable grants were made to relevant institutions as detailed in note 6 to the financial statements.

The Trustees confirm that they referred to the guidance in the Charity Commission's general guidance on public benefit by reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

##### **b. Grant-making policies**

Grants are made where in the opinion of the Trustees they best further the objectives of the charity. Grant and payment requests are reviewed regularly by the trustees at board meetings and paid when approved, providing payment criteria are met. Grants paid during the year have been detailed in note 6.

##### **c. Volunteers**

The management of the charity is the responsibility of the Trustees who are not remunerated.

#### **Achievements and performance**

##### **a. Review of activities**

Charitable grants made in the year to further the Foundation's objectives totaled £352,296 following grants made of £415,365 during the year ended 31 March 2022.

To achieve its stated objectives, the charity may fulfil its grant commitments through a combination of available investment income and capital drawdown from its investments.

As the economic and political conditions in the year were considered by the Trustees to be inauspicious for drawing down capital from its investments, the Foundation reduced new grant-making in the year.

##### **b. Fundraising regulation**

Due to the nature of its operations, the charity does not have fundraising activities and does not outsource fundraising to any entity or individual. Thus, the Trustees can confirm that the charity adhered to all fundraising regulation and law.

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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#### Achievements and performance (continued)

##### c. Investment policy and performance

The investment powers of the Trustees are governed by the Declaration of Trust, which permits the charity's funds to be invested in a wide range of securities and assets. The Trustees' investment policy is to retain the Foundation's principal equity holdings for income and potential growth.

Income from investments in the year amounted to £395,135 as compared with £420,276 in the year ended 31 March 2022. Net gains on investments were £1,550,596 (2022: loss of £1,298,287). The Trustees considered the performance of the investments in the year to be satisfactory and will continue a consistent investment policy for the foreseeable future.

#### Financial review

##### a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. They have considered the current economic and political climate, and factors which might cause a major economic downturn, particularly in respect of investment valuations. However, due to the nature of the charity's activities, whereby grant commitments can be met through a combination of available investment income and capital drawdown, the Trustees consider that the going concern status will not be affected. Further details regarding the adoption of the going concern basis can be found in the accounting policies note 2.2 to the financial statements.

##### b. Reserves policy

The charity's free reserves are represented by substantial investment holdings which form the charity's main source of income. Essentially, all reserves are free reserves with the Trustees' reserves and funding policy is to ensure that funds are maintained at a level which provides the required income in order to fund future grants. As the Foundation's grant commitments can be met through a combination of available investment income and capital drawdown from its investments, reserves may fall year on year notwithstanding any movements in investment values.

At the Statement of financial position date £16,141,579 (2022: £14,632,123) was held in reserves, with £15,576,077 held in investments.

##### c. Asset cover for funds

The Trustees are of the opinion that as at the reporting date, the assets of the charity are sufficient to meet its obligations.

#### Structure, governance and management

##### a. Constitution

The Polonsky Foundation is a registered charity, number 291143, and is constituted under a Trust deed dated 6 February 1985.

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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#### **Structure, governance and management (continued)**

##### **b. Methods of appointment or election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

##### **c. Organisational structure and decision-making policies**

The Trustees are actively responsible for the overall management and control of the charity.

##### **d. Policies adopted for the induction and training of Trustees**

New Trustees are inducted and trained by existing trustees. This includes briefings in relation to the charity's objectives and grant making policies.

##### **e. Related party relationships**

The charity has no related or connected charities.

##### **f. Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

##### **Plans for future periods**

The trustees have considered current economic and political conditions and the potentially adverse effect these might have on the value of the Foundation's investments. As this may not be an auspicious time to draw down the capital from its investments, the Foundation may limit new grant-making for the coming financial year. However, this will not impact on the Foundation's current grant commitments, which will continue to be met in full.

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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#### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 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

The auditors, Nyman Libson Paul LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 28 September 2023 and signed on their behalf by:

**Marc A L Polonsky**  
Managing Trustee

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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION

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#### Opinion

We have audited the financial statements of The Polonsky Foundation (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 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 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION (CONTINUED)

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#### **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 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 where the Charities (Accounts and Reports) Regulations 2008 requires 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 and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION (CONTINUED)

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#### **Auditors' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### **Use of our report**

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

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THE POLONSKY FOUNDATION

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION  
(CONTINUED)

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**Nyman Libson Paul LLP**

Chartered Accountants

Statutory Auditors

124 Finchley Road

London

NW3 5JS

11 December 2023

Nyman Libson Paul LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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**THE POLONSKY FOUNDATION**

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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2023**

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	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>				
Donations and legacies	4	756	756	-
Investments	5	395,135	395,135	420,276
<b>Total income</b>		395,891	395,891	420,276
<b>Expenditure on:</b>				
Charitable activities	7	441,016	441,016	493,148
<b>Total expenditure</b>		441,016	441,016	493,148
Net gains/(losses) on investments		1,550,596	1,550,596	(1,298,287)
<b>Net income/(expenditure)</b>		1,505,471	1,505,471	(1,371,159)
<b>Other recognised gains:</b>				
Other gains		3,985	3,985	4,423
<b>Net movement in funds</b>		1,509,456	1,509,456	(1,366,736)
<b>Reconciliation of funds:</b>				
Total funds brought forward		14,632,123	14,632,123	15,998,859
Net movement in funds		1,509,456	1,509,456	(1,366,736)
<b>Total funds carried forward</b>		16,141,579	16,141,579	14,632,123

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 24 form part of these financial statements.

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**THE POLONSKY FOUNDATION**

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**BALANCE SHEET  
AS AT 31 MARCH 2023**

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	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	11	15,576,077	14,250,738
<b>Current assets</b>			
Debtors	12	153,859	153,859
Cash at bank and in hand		426,831	232,971
		<u>580,690</u>	<u>386,830</u>
Creditors: amounts falling due within one year	13	(15,188)	(5,445)
<b>Net current assets</b>		<u>565,502</u>	<u>381,385</u>
<b>Total net assets</b>		<u><u>16,141,579</u></u>	<u><u>14,632,123</u></u>
<b>Charity funds</b>			
Unrestricted funds	14	16,141,579	14,632,123
<b>Total funds</b>		<u><u>16,141,579</u></u>	<u><u>14,632,123</u></u>

The financial statements were approved and authorised for issue by the Trustees on 28 September 2023 and signed on their behalf by:

**Marc A L Polonsky**  
Managing Trustee

The notes on pages 13 to 24 form part of these financial statements.

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THE POLONSKY FOUNDATION

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2023

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	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(426,532)	(488,838)
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	395,135	420,276
Proceeds from sale of investments	225,257	-
<b>Net cash provided by investing activities</b>	620,392	420,276
<b>Change in cash and cash equivalents in the year</b>	193,860	(68,562)
Cash and cash equivalents at the beginning of the year	232,971	301,533
<b>Cash and cash equivalents at the end of the year</b>	426,831	232,971

The notes on pages 13 to 24 form part of these financial statements

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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#### 1. General information

The Polonsky Foundation is a charity registered with the Charity Commission in England & Wales. Its principal address is 8 Park Crescent, London, W1B 1PG.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Polonsky Foundation 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.

##### 2.2 Going concern

At the reporting date the charity held £426,831 in cash and had net current assets of £565,502 together with investments valued at over £15 million. There are no restrictions in place on the charity's assets. The charity has reduced its grant commitments in recent years and for the last two years has had total expenditure of less than £500,000. Grants approved in principal for paying in the next three years total around £3.3 million. In order to meet these commitments the charity would need to divest some of its investment portfolio, in line with its long term plans. Accordingly, the trustees consider it appropriate to continue to adopt the going concern basis in preparing its financial statements.

##### 2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

##### 2.4 Income

Income is comprised of interest and dividends receivable from investments, and other income. All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

##### 2.5 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.

All expenditure is accounted for on the accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. When costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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#### 2. Accounting policies (continued)

##### 2.5 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

##### 2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the reporting date, using readily available market information and reporting information from private investment managers. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

##### 2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

##### 2.10 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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#### 2. Accounting policies (continued)

##### 2.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

##### 2.12 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

#### 3. Critical accounting estimates and areas of judgment

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the report date and the amounts reported for revenues and expenses during the year. However, the nature of the estimation means that actual outcomes could differ from those estimations.

Critical accounting estimates and assumptions:

##### Fixed asset investments

Investments are carried at fair value with changes in fair value being recognised in the Statement of Financial Activities. Fair values of listed investments are based on the market price at the reporting date. Fair values of unlisted investments are based on valuations provided by independent investment managers based on their knowledge and expertise and may refer to market prices for similar investments where there is no active market for the investment held by the charity. The trustees are satisfied with the assumptions made by and the fair values assigned by the investment managers.

#### 4. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	756	756	-

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Dividends received	395,135	395,135	420,276

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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6. Analysis of grants

	Grants to Institutions 2023 £	Total funds 2023 £
Grants to institutions	352,296	352,296
	<u>352,296</u>	<u>352,296</u>
	Grants to Institutions 2022 £	Total funds 2022 £
Grants to institutions	415,365	415,365
	<u>415,365</u>	<u>415,365</u>

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**6. Analysis of grants (continued)**

The charity has made the following material grants to institutions during the year:

<b>Name of institution</b>	2023 £	2022 £
Pushkin House Trust	40,000	17,200
Victoria and Albert Museum	35,000	-
Bard College	30,810	8,458
Royal National Theatre	30,000	-
Van Leer Jerusalem Institute	23,649	2,183
British Film Institute	22,500	-
Society for the Promotion of Roman Studies	20,000	18,000
Old Vic Trust	20,000	5,000
Voltaire Foundation	18,460	18,000
Scrum Theatre	18,000	-
Classics for All	16,000	27,000
7th Regiment Armory Conservancy	15,453	-
Royal College of Music	15,000	-
Consortium of European Research Libraries	3,865	34,762
Bodleian Libraries	1,000	41,259
University of Cambridge	-	84,462
Aspen Music Festival and School	-	51,072
Herzog August Bibliothek	-	31,953
Foundation for Jewish Heritage	-	14,500
	<hr/>	<hr/>
	309,737	353,849
Other grants to institutions	42,559	61,516
	<hr/>	<hr/>
	352,296	415,365
	<hr/> <hr/>	<hr/> <hr/>

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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7. Analysis of expenditure by activities

	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	352,296	88,720	441,016

	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Charitable activities	415,365	77,783	493,148

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Charitable activities 2023 £	Total funds 2023 £	Total funds 2022 £
Staff salaries and pension costs	48,322	48,322	47,873
Auditors' remuneration	5,000	5,000	4,530
Accountancy fees	16,974	16,974	8,304
Bank charges	1,218	1,218	1,329
Secretarial fees	10,585	10,585	11,244
General office expenses	2,156	2,156	1,323
Consultancy fees	1,819	1,819	1,728
Computer costs	2,646	2,646	1,452
	<u>88,720</u>	<u>88,720</u>	<u>77,783</u>

**8. Auditors' remuneration**

The auditors' remuneration amounts to an auditor fee of £5,000 (2022 - £4,530), and other accounting services of £8,880 (2022 - £8,304).

**9. Staff costs**

	2023 £	2022 £
Wages and salaries	46,943	45,750
Social security costs	216	960
Contribution to defined contribution pension schemes	1,163	1,163
	<u>48,322</u>	<u>47,873</u>

The average number of persons employed by the charity during the year was as follows:

	2023 No.	2022 No.
Administrative staff	<u>1</u>	<u>1</u>

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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**9. Staff costs (continued)**

No employee received remuneration amounting to more than £60,000 in either year.

Key management are the trustees, who received no remuneration or other short term benefits during the year.

**10. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, £756 of expenses were reimbursed to one Trustee (2022: £nil).

**11. Fixed asset investments**

	Listed investments £	Unlisted investments £	Total £
<b>Valuation</b>			
At 1 April 2022	4,055,031	10,195,707	14,250,738
Disposals	-	(224,925)	(224,925)
Revaluations	(84,623)	1,634,887	1,550,264
At 31 March 2023	<u>3,970,408</u>	<u>11,605,669</u>	<u>15,576,077</u>

Fixed asset investments are a basic financial instrument recorded at fair value through income and expenditure. The charity holds investments for the purpose of generating income and gains to fund future grant commitments.

**12. Debtors**

	2023 £	2022 £
<b>Due within one year</b>		
Other debtors	<u>153,859</u>	<u>153,859</u>

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**13. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Other taxation and social security	1,082	119
Other creditors	226	226
Accruals and deferred income	13,880	5,100
	15,188	5,445

**14. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
General Funds - all funds	14,632,123	395,891	(441,016)	1,554,581	16,141,579
	14,632,123	395,891	(441,016)	1,554,581	16,141,579

**Statement of funds - prior year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
General Funds - all funds	15,998,859	424,699	(493,148)	(1,298,287)	14,632,123
	15,998,859	424,699	(493,148)	(1,298,287)	14,632,123

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**15. Reconciliation of net movement in funds to net cash flow from operating activities**

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	1,505,471	(1,371,159)
<b>Adjustments for:</b>		
Gains on foreign exchange	3,985	4,423
Losses/(gains) on investments	(1,550,596)	1,298,287
Dividends, interests and rents from investments	(395,135)	(420,276)
Increase/(decrease) in creditors	9,743	(113)
<b>Net cash used in operating activities</b>	<b>(426,532)</b>	<b>(488,838)</b>

**16. Analysis of cash and cash equivalents**

	2023 £	2022 £
Cash at bank	426,831	232,971
<b>Total cash and cash equivalents</b>	<b>426,831</b>	<b>232,971</b>

**17. Analysis of changes in net debt**

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	232,971	193,860	426,831
	<u>232,971</u>	<u>193,860</u>	<u>426,831</u>

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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#### 18. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £1,163 (2022: £1,163). Contributions totalling £226 (2022: £226) were payable to the fund at the reporting date and are included in creditors.

#### 19. Other financial commitments

The charity has committed, but not provided for, the following multi-year grants:

Payable in less than 12 months: £1,958,019

Payable in 12-24 months: £852,188

Payable in 24-60 months: £236,374

These grants have not been provided for, as there is no legal guarantee payment will be made.

#### 20. Related party transactions

During the year, the charity paid out grants totalling £40,000 (2022: £17,200) to Pushkin House Trust, a charity of which Marc Polonsky also acts for as Chair.

During the year, the charity paid out grants totalling £23,649 (2022: £2,183) to Van Leer Jerusalem Institute (an Israeli non-profit institution), which Marc Polonsky also acts for on the Board of Governors.

The Foundation has a beneficial interest in 8,547,708 shares in the share capital of Hansard Global plc, or 6.2%, on which it received investment income of £380,373 (2022: £380,373). The trustees and their family members have a significant influence on Hansard Global plc through a combined controlling shareholding.

**THE POLONSKY FOUNDATION**

England & Wales - Charity number 291143

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# Accounts

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**THE POLONSKY FOUNDATION**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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THE POLONSKY FOUNDATION

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THE POLONSKY FOUNDATION

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2022

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<b>Trustees</b>	Dr Leonard S Polonsky CBE Dr Georgette Bennett Marc A L Polonsky Hannah Polonsky Whitney Joshua-Marc Tanenbaum
<b>Charity registered number</b>	291143
<b>Principal office</b>	8 Park Crescent London W1B 1PG
<b>Independent auditors</b>	Nyman Libson Paul LLP Chartered Accountants Statutory Auditors 124 Finchley Road London NW3 5JS
<b>Bankers</b>	Lloyds Bank Plc 39 Threadneedle Street London EC2R 8AU

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

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The Trustees present their annual report together with the audited financial statements of The Polonsky Foundation for 1 April 2021 to 31 March 2022. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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 2015). The charity has applied all amendments to FRS 102, as set out in the Financial Reporting Council's triennial review published in December 2017, and included in Update Bulletin 2 to the Charities SORP (FRS 102), effective for accounting periods beginning on or after 1 January 2019.

#### **Objectives and activities**

##### **a. Policies and objectives**

The primary objectives of the Foundation are: to promote access to and dissemination of cultural heritage through support of major cultural, research and educational institutions; to support education and research in the humanities and social sciences; and to support innovation and excellence in the arts.

The main objectives for the year were to continue to support the above developments and programs. To achieve these objectives, charitable grants were made to relevant institutions as detailed in note 6 to the financial statements.

The Trustees confirm that they referred to the guidance in the Charity Commission's general guidance on public benefit by reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

##### **b. Grant-making policies**

Grants are made where in the opinion of the Trustees they best further the objectives of the charity.

#### **Achievements and performance**

##### **a. Review of activities**

Charitable grants made in the year to further the Foundation's objectives totaled £415,365 following grants made of £2,028,430 during the year ended 31 March 2021.

To achieve its stated objectives, the charity may fulfil its grant commitments through a combination of available investment income and capital drawdown from its investments as detailed in note 4.

As the economic and political conditions in the year were considered by the Trustees to be inauspicious for drawing down capital from its investments, the Foundation reduced new grant-making in the year.

##### **b. Fundraising regulation**

Due to the nature of its operations, the charity does not have fundraising activities and does not outsource fundraising to any entity or individual. Thus, the Trustees can confirm that the charity adhered to all fundraising regulation and law.

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### Achievements and performance (continued)

##### c. Investment policy and performance

The investment powers of the Trustees are governed by the Declaration of Trust, which permits the charity's funds to be invested in a wide range of securities and assets. The Trustees' investment policy is to retain the Foundation's principal equity holdings for income and potential growth.

Income from investments in the year amounted to £420,276 as compared with £380,373 in the year ended 31 March 2021. The Trustees considered the performance of the investments in the year to be satisfactory and will continue a consistent investment policy for the foreseeable future.

#### Financial review

##### a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. They have considered the current economic and political climate, and factors which might cause a major economic downturn, particularly in respect of investment valuations. However, due to the nature of the charity's activities, whereby grant commitments can be met through a combination of available investment income and capital drawdown, the Trustees consider that the going concern status will not be affected. Further details regarding the adoption of the going concern basis can be found in the accounting policies note 2.2 to the financial statements.

##### b. Reserves policy

The charity's free reserves are represented by substantial investment holdings which form the charity's main source of income. Accordingly, the Trustees' reserves and funding policy is to ensure that funds are maintained at a level which provides the required income. As the Foundation's grant commitments can be met through a combination of available investment income and capital drawdown from its investments, reserves may fall year on year notwithstanding any movements in investment values.

At the Statement of financial position date £14,632,123 (2021: £15,998,859) was held in reserves..

##### c. Asset cover for funds

The Trustees are of the opinion that as at the reporting date, the assets of the charity are sufficient to meet its obligations.

#### Structure, governance and management

##### a. Constitution

The Polonsky Foundation is a registered charity, number 291143, and is constituted under a Trust deed dated 6 February 1985.

##### b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

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**THE POLONSKY FOUNDATION**

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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Structure, governance and management (continued)**

**c. Organisational structure and decision-making policies**

The Trustees are actively responsible for the overall management and control of the charity.

**d. Policies adopted for the induction and training of Trustees**

New Trustees are inducted and trained by existing trustees. This includes briefings in relation to the charity's objectives and grant making policies.

**e. Related party relationships**

The charity has no related or connected charities.

**f. Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

**Plans for future periods**

The trustees have considered current economic and political conditions and the potentially adverse effect these might have on the value of the Foundation's investments. As this may not be an auspicious time to draw down the capital from its investments, the Foundation may limit new grant-making for the coming financial year. However, this will not impact on the Foundation's current grant commitments, which will continue to be met in full.

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THE POLONSKY FOUNDATION

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TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022

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**Statement of Trustees' responsibilities**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 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.

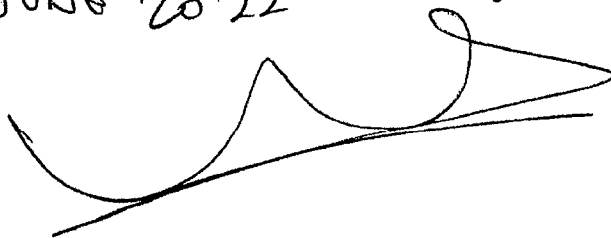
**Auditors**

The auditors, Nyman Libson Paul LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on  
and signed on their behalf by:

16 JUNE 2022

Marc A L Polonsky  
Managing Trustee



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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION

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#### Opinion

We have audited the financial statements of The Polonsky Foundation (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure 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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and in other respects 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 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.

#### Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In the light of our 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 Companies Act 2006 requires us to report to you if, in our opinion:

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

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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION (CONTINUED)

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#### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditors' responsibilities for the audit of the financial statements**

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

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

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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THE POLONSKY FOUNDATION

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION  
(CONTINUED)

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**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

*Nyman Libson Paul LLP*

**Nyman Libson Paul LLP**  
Chartered Accountants  
Statutory Auditors  
124 Finchley Road  
London  
NW3 5JS

Date: *5 August 2022*

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**THE POLONSKY FOUNDATION**

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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2022**

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	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>				
Investments	4	420,276	420,276	399,844
Other income	5	4,423	4,423	-
		<hr/>	<hr/>	<hr/>
<b>Total income</b>		424,699	424,699	399,844
<b>Expenditure on:</b>				
Charitable activities		493,148	493,148	2,103,941
Other expenditure	7	-	-	45,909
		<hr/>	<hr/>	<hr/>
<b>Total expenditure</b>		493,148	493,148	2,149,850
<b>Net expenditure before net (losses)/gains on investments</b>				
		(68,449)	(68,449)	(1,750,006)
Net (losses)/gains on investments		(1,298,287)	(1,298,287)	2,548,198
		<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		(1,366,736)	(1,366,736)	798,192
<b>Reconciliation of funds:</b>				
Total funds brought forward		15,998,859	15,998,859	15,200,667
Net movement in funds		(1,366,736)	(1,366,736)	798,192
		<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		14,632,123	14,632,123	15,998,859

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 24 form part of these financial statements.

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THE POLONSKY FOUNDATION

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BALANCE SHEET  
AS AT 31 MARCH 2022

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	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	12	14,250,738	15,549,025
<b>Current assets</b>			
Debtors	13	153,859	153,859
Cash at bank and in hand		232,971	301,533
		<u>386,830</u>	<u>455,392</u>
Creditors: amounts falling due within one year	14	(5,445)	(5,558)
<b>Net current assets</b>		381,385	449,834
<b>Total net assets</b>		<u>14,632,123</u>	<u>15,998,859</u>
<b>Charity funds</b>			
Unrestricted funds	15	14,632,123	15,998,859
<b>Total funds</b>		<u>14,632,123</u>	<u>15,998,859</u>

The financial statements were approved and authorised for issue by the Trustees on 16 June 2022 and signed on their behalf by:

Marc A L Polonsky  
Managing Trustee



The notes on pages 13 to 24 form part of these financial statements.

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THE POLONSKY FOUNDATION

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2022

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	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(488,838)	(1,707,128)
<b>Cash flows from investing activities</b>		
Dividends and interest	420,276	399,844
Proceeds from sale of investments	-	1,340,583
<b>Net cash provided by investing activities</b>	<u>420,276</u>	<u>1,740,427</u>
<b>Change in cash and cash equivalents in the year</b>	(68,562)	33,299
Cash and cash equivalents at the beginning of the year	301,533	268,234
<b>Cash and cash equivalents at the end of the year</b>	<u><u>232,971</u></u>	<u><u>301,533</u></u>

The notes on pages 13 to 24 form part of these financial statements

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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#### 1. General information

The Polonsky Foundation is a charity registered with the Charity Commission in England & Wales. Its principal address is 8 Park Crescent, London, W1B 1PG.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity has applied all amendments to FRS 102, as set out in the Financial Reporting Council's triennial review published in December 2017, and included in Update Bulletin 2 to the Charities SORP (FRS 102), effective for accounting periods beginning on or after 1 January 2019.

The Polonsky Foundation 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.

##### 2.2 Going concern

At the reporting date the charity held £232,971 in cash and had net current assets of £381,385 together with investments valued at over £14 million. There are no restrictions in place on the charity's assets.

The Covid-19 pandemic has caused severe financial impact throughout the global economy, affecting investment markets significantly. Investment values have been volatile and the ongoing uncertainty indicates that further adverse fluctuations are likely. Following the recovery from the pandemic, the political situation regarding the war in Ukraine has also negatively affected investment values.

The Trustees' have therefore reviewed the charity's position carefully. To help mitigate any financial impact they have reviewed the charity's ongoing grant commitments and plan to limit any new commitments over the next financial year. They consider that the reserves held by way of investments, even allowing for further reductions in value, are adequate for the foreseeable future.

Accordingly, the trustees consider it appropriate to continue to adopt the going concern basis in preparing its financial statements.

##### 2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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#### 2. Accounting policies (continued)

##### 2.4 Income

Income is comprised of interest and dividends receivable from investments, and other income. All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Included in other income are shares transferred to the charity on liquidation of another trust. Shares received are initially recognised as income in the statement of financial activities, and investment additions in the statement of financial position, at their transaction value and subsequently measured at their fair value as at the reporting date, using readily available market information.

##### 2.5 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.

All expenditure is accounted for on the accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. When costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

##### 2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the reporting date, using readily available market information. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

##### 2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

##### 2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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#### 2. Accounting policies (continued)

##### 2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

##### 2.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### 2.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

##### 2.13 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

#### 3. Critical accounting estimates and areas of judgment

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the report date and the amounts reported for revenues and expenses during the year. However, the nature of the estimation means that actual outcomes could differ from those estimations.

Critical accounting estimates and assumptions:

##### Fixed asset investments

Investments are carried at fair value with changes in fair value being recognised in the Statement of Financial Activities. Fair values are based on valuations provided by independent investment managers which includes market prices and readily available market information for each investment which may refer to market prices for similar investments where there is no active market for the investment held by the charity.

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Dividends received	420,276	420,276

	Unrestricted funds 2021 £	Total funds 2021 £
Interest received	19,471	19,471
Dividends received	380,373	380,373
	<u>399,844</u>	<u>399,844</u>

5. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Foreign exchange gains	4,423	4,423	-

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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6. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £
Grants to institutions	<u>415,365</u>	<u>415,365</u>

	Grants to Institutions 2021 £	Total funds 2021 £
Grants to institutions	<u>2,028,430</u>	<u>2,028,430</u>

The charity has made the following material grants to institutions during the year:

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**6. Analysis of grants (continued)**

	2022	2021
	£	£
<b>Name of institution</b>		
University of Oxford	91,212	298,056
University of Cambridge	84,462	173,382
Aspen Music Festival and School	51,072	-
Consortium of European Research	34,762	7,593
Classics for All	27,000	33,000
SCTY	18,000	-
Pushkin House Trust	17,200	21,500
Foundation for Jewish Heritage	14,500	-
Old Vic Trust	5,000	45,000
UCL Development Fund	5,000	15,000
Stephen Spender	2,500	12,500
Van Leer Institute	2,183	550,486
Friends of Bezalel Academy of Arts	-	399,203
HUJI - The Hebrew University of Jerusalem	-	90,222
Royal College of Music	-	70,000
The Rhodes Trust	-	50,000
Am-Is Cultural Foundation	-	40,122
Theatre for a New Audience	-	36,654
Royal National Theatre	-	35,000
Oxford Centre for Jewish and Hebrew Studies	-	28,015
	352,891	1,905,733
Other grants to institutions	62,474	122,697
	415,365	2,028,430

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**7. Other expenditure**

		Total funds 2022 £
Foreign exchange losses		-
		<u>          </u>
	Unrestricted funds 2021 £	Total funds 2021 £
Foreign exchange losses	45,909	45,909
	<u>          </u>	<u>          </u>

**8. Analysis of expenditure by activities**

	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Charitable activities	415,365	77,783	493,148
	<u>          </u>	<u>          </u>	<u>          </u>
	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £
Charitable activities	2,028,430	75,511	2,103,941
	<u>          </u>	<u>          </u>	<u>          </u>

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Charitable activities 2022 £	Total funds 2022 £
Staff salaries and pension costs	47,873	47,873
Auditors' remuneration	4,530	4,530
Accountancy fees	9,756	9,756
Bank charges	1,329	1,329
Secretarial fees	11,244	11,244
General office expenses	1,323	1,323
Consultancy fees	1,728	1,728
	<hr/>	<hr/>
	77,783	77,783
	<hr/>	<hr/>

	Charitable Activities 2021 £	Total funds 2021 £
Staff salaries and pension costs	47,161	47,161
Auditors' remuneration	4,410	4,410
Accountancy fees	8,856	8,856
Bank charges	1,710	1,710
Secretarial fees	9,754	9,754
General office expenses	1,271	1,271
Consultancy fees	2,323	2,323
Travel expenses	26	26
	<hr/>	<hr/>
	75,511	75,511
	<hr/>	<hr/>

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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9. Auditors' remuneration

	2022 £	2021 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	4,530	4,410

10. Staff costs

	2022 £	2021 £
Wages and salaries	45,750	45,000
Social security costs	960	998
Contribution to defined contribution pension schemes	1,163	1,163
	<u>47,873</u>	<u>47,161</u>

The average number of persons employed by the charity during the year was as follows:

	2022 No.	2021 No.
Administrative staff	1	1

No employee received remuneration amounting to more than £60,000 in either year.

Key management are the trustees, who received no remuneration or other short term benefits during the year.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no expenses were reimbursed or paid directly to Trustees.

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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12. Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2021	15,549,025
Revaluations	(1,298,287)
At 31 March 2022	<u>14,250,738</u>
<b>Net book value</b>	
At 31 March 2022	<u>14,250,738</u>
At 31 March 2021	<u>15,549,025</u>

Fixed asset investments are held in the UK and the rest of the world. Investments have been included at market value by reference to readily available market prices or investment reports where public information is not available.

13. Debtors

	2022 £	2021 £
<b>Due within one year</b>		
Other debtors	<u>153,859</u>	<u>153,859</u>

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**14. Creditors: Amounts falling due within one year**

	2022 £	2021 £
Other taxation and social security	119	119
Other creditors	226	339
Accruals and deferred income	5,100	5,100
	5,445	5,558

**15. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
General Funds - all funds	15,998,859	424,699	(493,148)	(1,298,287)	14,632,123
	15,998,859	424,699	(493,148)	(1,298,287)	14,632,123

**Statement of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
General Funds - all funds	15,200,667	399,844	(2,149,850)	2,548,198	15,998,859
	15,200,667	399,844	(2,149,850)	2,548,198	15,998,859

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**16. Reconciliation of net movement in funds to net cash flow from operating activities**

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(1,366,736)	798,192
<b>Adjustments for:</b>		
Losses/(gains) on investments	1,298,287	(2,553,827)
Dividends and interest	(420,276)	(399,844)
Loss on the sale of fixed asset investments	-	(5,629)
Decrease in debtors	-	456,169
Decrease in creditors	(113)	(2,189)
<b>Net cash used in operating activities</b>	<b>(488,838)</b>	<b>(1,707,128)</b>

**17. Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash at bank	232,971	301,533
<b>Total cash and cash equivalents</b>	<b>232,971</b>	<b>301,533</b>

**18. Analysis of changes in net debt**

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	301,533	(68,562)	232,971

**19. Pension commitments**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £1,163 (2021: £1,163). Contributions totalling £226 (2021: £227) were payable to the fund at the reporting date and are included in creditors.

**THE POLONSKY FOUNDATION**

England & Wales - Charity number 291143

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# Accounts

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**THE POLONSKY FOUNDATION**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

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THE POLONSKY FOUNDATION

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THE POLONSKY FOUNDATION

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2021

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**Trustees** Dr Leonard S Polonsky CBE  
Dr Georgette Bennett  
Marc A L Polonsky  
Hannah Polonsky Whitney  
Joshua-Marc Tanenbaum

**Charity registered  
number** 291143

**Principal office** 8 Park Crescent  
London  
W1B 1PG

**Independent auditors** Nyman Libson Paul LLP  
Chartered Accountants  
Statutory Auditors  
124 Finchley Road  
London  
NW3 5JS

**Bankers** Lloyds Bank Plc  
39 Threadneedle Street  
London  
EC2R 8AU

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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The Trustees present their annual report together with the audited financial statements of the The Polonsky Foundation for the 1 April 2020 to 31 March 2021. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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 2015). The charity has applied all amendments to FRS 102, as set out in the Financial Reporting Council's triennial review published in December 2017, and included in Update Bulletin 2 to the Charities SORP (FRS 102), effective for accounting periods beginning on or after 1 January 2019.

#### **Objectives and activities**

##### **a. Policies and objectives**

The primary objectives of the Foundation are: to promote access to and dissemination of cultural heritage through support of major cultural and educational institutions; to support education and research in the humanities and social sciences; and to support innovation and excellence in the arts.

The main objectives for the year were to continue to support the above developments and programmes. To achieve these objectives, charitable grants were made to relevant institutions as detailed in note 6 to the financial statements.

The trustees confirm that they referred to the guidance in the Charity Commission's general guidance on public benefit by reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

##### **b. Grant-making policies**

Grants are made where in the opinion of the trustees they best further the objectives of the charity.

#### **Achievements and performance**

##### **a. Review of activities**

Charitable grants made in the year to further the charity's objectives totalled £2,028,430 following grants made of £3,422,669 during the year ended 31 March 2020.

To achieve its stated objectives, the charity is reliant on both income and capital drawdown from its investments as detailed in note 4.

Income from investments in the year amounted to £380,373 as compared with £406,915 in the year ended 31 March 2020.

The trustees considered the performance of the investments in the year to be satisfactory and will continue a consistent investment policy for the foreseeable future.

##### **b. Fundraising regulation**

Due to the nature of its operations, the charity does not have fundraising activities and does not outsource fundraising to any entity or individual. Thus, the trustees can confirm that the charity adhered to all fundraising regulation and law.

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## THE POLONSKY FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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#### Achievements and performance (continued)

##### c. Investment policy and performance

The investment powers of the Trustees are governed by the Declaration of Trust, which permits the charity's funds to be invested in a wide range of securities and assets. The trustees' investment policy is to retain the Foundation's principal equity holding for income and potential growth, and to select diversified investments and deposits to support revenue and liquidity.

#### Financial review

##### a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. They have considered the effects of the Covid 19 pandemic which has caused a major economic downturn, particularly in respect of investment valuations. However, due to the nature of the charity's activities, whereby grant commitments are met through a combination of available investment income and capital drawdown, the Trustees consider that the going concern status will not be affected. Further details regarding the adoption of the going concern basis can be found in the accounting policies note 2.2 to the financial statements.

##### b. Reserves policy

The charity's free reserves are represented by substantial investment holdings which form the charity's main source of income. Accordingly, the Trustees' reserves and funding policy is to ensure that funds are maintained at a level which provides the required income. The trustees have made the decision in the last couple of years to utilise capital as well as income to further its charitable objects and accordingly reserves will fall year on year notwithstanding any movements on investment values.

At the Statement of financial position date £15,998,859 (2020: £15,200,667) was held in reserves..

##### c. Asset cover for funds

The trustees are of the opinion that as at the reporting date, the assets of the charity are sufficient to meet its obligations.

#### Structure, governance and management

##### a. Constitution

The Polonsky Foundation is a registered charity, number 291143, and is constituted under a Trust deed dated 6 February 1985.

##### b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

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THE POLONSKY FOUNDATION

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TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

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**Structure, governance and management (continued)**

**c. Organisational structure and decision-making policies**

The trustees are actively responsible for the overall management and control of the charity.

**d. Policies adopted for the induction and training of Trustees**

New trustees are inducted and trained by existing trustees. This includes briefings in relation to the charity's objectives and grant making policies.

**e. Related party relationships**

The charity has no related or connected charities.

**f. Risk management**

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

**Plans for future periods**

Due to the economic consequences of the pandemic and the potentially adverse effect these might have on the value of the Charity's investments, the Charity is reviewing and limiting its new grant-making for the coming financial year. However, this will not impact on the current grant commitments, which will continue to be met in full.

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THE POLONSKY FOUNDATION

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TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

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**Statement of Trustees' responsibilities**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 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**

The auditors, Nyman Libson Paul LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on  
13 JULY 2021 and signed on their behalf by:

Marc A L Polonsky  
Managing Trustee



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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION

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#### Opinion

We have audited the financial statements of The Polonsky Foundation (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION (CONTINUED)

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#### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires 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 and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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## THE POLONSKY FOUNDATION

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION (CONTINUED)

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#### **Auditors' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### **Use of our report**

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

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THE POLONSKY FOUNDATION

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION  
(CONTINUED)

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*Nyman Libson Paul*

**Nyman Libson Paul LLP**

Chartered Accountants

Statutory Auditors

124 Finchley Road

London

NW3 5JS

Date: *13 July 2021*

Nyman Libson Paul LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE POLONSKY FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>				
Investments	4	399,844	399,844	424,100
Other income	5	-	-	17,870
		399,844	399,844	441,970
<b>Expenditure on:</b>				
Charitable activities	8	2,103,941	2,103,941	3,530,367
Other expenditure	7	45,909	45,909	-
		2,149,850	2,149,850	3,530,367
<b>Net expenditure before net gains/(losses) on investments</b>		(1,750,006)	(1,750,006)	(3,088,397)
Net gains/(losses) on investments		2,548,198	2,548,198	(806,833)
		798,192	798,192	(3,895,230)
<b>Net movement in funds</b>				
<b>Reconciliation of funds:</b>				
Total funds brought forward		15,200,667	15,200,667	19,095,897
Net movement in funds		798,192	798,192	(3,895,230)
		15,998,859	15,998,859	15,200,667
<b>Total funds carried forward</b>				

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 24 form part of these financial statements.

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THE POLONSKY FOUNDATION

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BALANCE SHEET  
AS AT 31 MARCH 2021

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	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	12	15,549,025	14,330,152
<b>Current assets</b>			
Debtors	13	153,859	610,028
Cash at bank and in hand		301,533	268,234
		<u>455,392</u>	<u>878,262</u>
Creditors: amounts falling due within one year	14	(5,558)	(7,747)
<b>Net current assets</b>		<u>449,834</u>	<u>870,515</u>
<b>Total net assets</b>		<u>15,998,859</u>	<u>15,200,667</u>
<b>Charity funds</b>			
Unrestricted funds	15	15,998,859	15,200,667
<b>Total funds</b>		<u>15,998,859</u>	<u>15,200,667</u>

The financial statements were approved and authorised for issue by the Trustees on  
and signed on their behalf by:

13 JULY 2021

Marc A L Polonsky  
Managing Trustee



The notes on pages 13 to 24 form part of these financial statements.

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THE POLONSKY FOUNDATION

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2021

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	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(1,707,128)	(3,967,140)
<b>Cash flows from investing activities</b>		
Dividends and interest	399,844	424,100
Proceeds from sale of investments	1,340,583	2,644,431
<b>Net cash provided by investing activities</b>	<u>1,740,427</u>	<u>3,068,531</u>
<b>Change in cash and cash equivalents in the year</b>	33,299	(898,609)
Cash and cash equivalents at the beginning of the year	268,234	1,166,843
<b>Cash and cash equivalents at the end of the year</b>	<u><u>301,533</u></u>	<u><u>268,234</u></u>

The notes on pages 13 to 24 form part of these financial statements

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. General information

The Polonsky Foundation is a charity registered with the Charity Commission in England & Wales. Its principal address is 8 Park Crescent, London, W1B 1PG.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity has applied all amendments to FRS 102, as set out in the Financial Reporting Council's triennial review published in December 2017, and included in Update Bulletin 2 to the Charities SORP (FRS 102), effective for accounting periods beginning on or after 1 January 2019.

The Polonsky Foundation 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.

##### 2.2 Going concern

At the reporting date the charity held £301,533 in cash and had net current assets of £449,834 together with investments valued at over £15,000,000. There are no restrictions in place on the charity's assets.

The Covid-19 pandemic has caused severe financial impact throughout the global economy, affecting investment markets significantly. Investment values have been volatile and the ongoing uncertainty indicates that further adverse fluctuations are likely.

The trustees' have therefore reviewed the charity's position carefully. To help mitigate any financial impact they have reviewed the charity's ongoing grant commitments and plan to limit any new commitments over the next financial year. They consider that the reserves held by way of investments, even allowing for further reductions in value, are adequate for the foreseeable future.

Accordingly, the trustees consider it appropriate to continue to adopt the going concern basis in preparing its financial statements.

##### 2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 2. Accounting policies (continued)

##### 2.4 Income

Income is comprised of interest and dividends receivable from investments, and other income. All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Included in other income are shares transferred to the charity on liquidation of another trust. Shares received are initially recognised as income in the statement of financial activities, and investment additions in the statement of financial position, at their transaction value and subsequently measured at their fair value as at the reporting date, using readily available market information.

##### 2.5 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.

All expenditure is accounted for on the accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. When costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

##### 2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the reporting date, using readily available market information. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

##### 2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

##### 2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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## THE POLONSKY FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 2. Accounting policies (continued)

##### 2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

##### 2.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### 2.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

##### 2.13 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

#### 3. Critical accounting estimates and areas of judgment

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the report date and the amounts reported for revenues and expenses during the year. However, the nature of the estimation means that actual outcomes could differ from those estimations.

Critical accounting estimates and assumptions:

##### Fixed asset investments

Investments are carried at fair value with changes in fair value being recognised in the Statement of Financial Activities. Fair values are based on valuations provided by independent investment managers which includes market prices and readily available market information for each investment which may refer to market prices for similar investments where there is no active market for the investment held by the charity.

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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4. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Interest received	19,471	19,471
Dividends received	380,373	380,373
	<u>399,844</u>	<u>399,844</u>

	Unrestricted funds 2020 £	Total funds 2020 £
Interest received	17,185	17,185
Dividends received	406,915	406,915
	<u>424,100</u>	<u>424,100</u>

5. Other incoming resources

	Total funds 2021 £
Foreign exchange gains	<u>-</u>

	Unrestricted funds 2020 £	Total funds 2020 £
Foreign exchange gains	<u>17,870</u>	<u>17,870</u>

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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6. Analysis of grants

	Grants to Institutions 2021 £	Total funds 2021 £
Grants to institutions	<u>2,028,430</u>	<u>2,028,430</u>
	Grants to Institutions 2020 £	Total funds 2020 £
Grants to institutions	<u>3,422,669</u>	<u>3,422,669</u>

The charity has made the following material grants to institutions during the year:

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**THE POLONSKY FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**6. Analysis of grants (continued)**

	2021 £	2020 £
<b>Name of institution</b>		
The Van Leer Jerusalem Institute	550,486	599,143
Friends of Bezalel Academy of Arts	399,202	784,128
University of Oxford	298,056	103,958
University of Cambridge	173,382	410,000
The Hebrew University of Jerusalem	90,222	176,044
Royal College of Music	70,000	108,883
The Rhodes Trust	50,000	-
The Old Vic Trust	45,000	25,000
Am-Is Cultural Foundation	40,122	40,391
Royal National Theatre	35,000	25,000
Classics for All	33,000	7,000
Oxford Centre of Hebrew and Jewish Studies	28,015	39,893
British Friends of Haifa University	19,527	73,905
Biblioteca Nazionale Centrale Rome	18,655	37,220
American Friends of Tel Aviv University	14,979	45,445
Heidelberg University	-	448,539
New York University	-	95,528
Herzog August Bibliothek	-	67,296
Aspen Music Festival and School	-	60,891
WNET (Simon Schama's 'Story of the Jews and the Fate of the World')	-	38,813
	<hr/>	<hr/>
	1,865,646	3,187,077
Other grants to institutions	162,784	235,592
	<hr/>	<hr/>
	<u>2,028,430</u>	<u>3,422,669</u>

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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7. Other expenditure

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Foreign exchange losses	45,909	45,909	-

8. Analysis of expenditure by activities

	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £
Charitable activities	2,028,430	75,511	2,103,941

	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Charitable activities	3,422,669	107,698	3,530,367

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Charitable activities 2021 £	Total funds 2021 £
Staff salaries and pension costs	47,161	47,161
Auditors' remuneration	4,410	4,410
Accountancy fees	8,856	8,856
Bank charges	1,710	1,710
Secretarial fees	9,754	9,754
General office expenses	1,271	1,271
Consultancy fees	2,323	2,323
Travel expenses	26	26
	<u>75,511</u>	<u>75,511</u>

	Charitable Activities 2020 £	Total funds 2020 £
Staff salaries and pension costs	48,185	48,185
Auditors' remuneration	4,500	4,500
Accountancy fees	9,180	9,180
Bank charges	2,329	2,329
Secretarial fees	12,083	12,083
General office expenses	14,575	14,575
Consultancy fees	16,095	16,095
Travel expenses	751	751
	<u>107,698</u>	<u>107,698</u>

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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**9. Auditors' remuneration**

	2021 £	2020 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	4,500	4,500

**10. Staff costs**

	2021 £	2020 £
Wages and salaries	45,000	45,000
Social security costs	998	2,019
Contribution to defined contribution pension schemes	1,163	1,166
	<u>47,161</u>	<u>48,185</u>

The average number of persons employed by the charity during the year was as follows:

	2021 No.	2020 No.
Administrative staff	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management are the trustees, who received no remuneration or other short term benefits during the year.

**11. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no expenses were reimbursed or paid directly to Trustees.

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THE POLONSKY FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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12. Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2020	14,330,152
Disposals	(1,334,954)
Revaluations	2,553,827
<b>At 31 March 2021</b>	<u>15,549,025</u>
<b>Net book value</b>	
<b>At 31 March 2021</b>	<u>15,549,025</u>
At 31 March 2020	<u>14,330,152</u>

Fixed asset investments are held in the UK and the rest of the world. Investments have been included at market value by reference to readily available market prices or investment reports where public information is not available.

**Net gains on investments**

Included in the statement of financial activities are net gains on investments for the year of £2,548,198, comprising £2,553,827 (2020: £805,696 revaluation losses) of revaluation gains on investments held at the year end and £5,629 (2020: £1,137) of losses on investments disposed of during the year.

13. Debtors

	2021 £	2020 £
<b>Due within one year</b>		
Other debtors	<u>153,859</u>	<u>610,028</u>

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**14. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Other taxation and social security	119	2,420
Other creditors	339	227
Accruals and deferred income	5,100	5,100
	5,558	7,747

**15. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
General Funds - all funds	15,200,667	399,844	(2,149,850)	2,548,198	15,998,859
	15,200,667	399,844	(2,149,850)	2,548,198	15,998,859

**Statement of funds - prior year**

	Balance at 1 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>					
General Funds - all funds	19,095,897	441,970	(3,530,367)	(806,833)	15,200,667
	19,095,897	441,970	(3,530,367)	(806,833)	15,200,667

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**16. Reconciliation of net movement in funds to net cash flow from operating activities**

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	798,192	(3,895,230)
<b>Adjustments for:</b>		
Losses on investments	(2,553,827)	805,696
Dividends and interest	(399,844)	(424,100)
Loss on the sale of fixed asset investments	(5,629)	1,137
Decrease/(increase) in debtors	456,169	(456,169)
Increase/(decrease) in creditors	(2,189)	1,526
<b>Net cash used in operating activities</b>	<b>(1,707,128)</b>	<b>(3,967,140)</b>

**17. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash at bank	301,533	268,234
<b>Total cash and cash equivalents</b>	<b>301,533</b>	<b>268,234</b>

**18. Analysis of changes in net debt**

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	268,234	33,299	301,533

**19. Pension commitments**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £1,163 (2020: £1,166). Contributions totalling £227 (2020: £227) were payable to the fund at the reporting date and are included in creditors.