
THE POLONSKY FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

THE POLONSKY FOUNDATION

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THE POLONSKY FOUNDATION

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

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

THE POLONSKY FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

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.

THE POLONSKY FOUNDATION

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

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.

THE POLONSKY FOUNDATION

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

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.

THE POLONSKY FOUNDATION

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

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

THE POLONSKY FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POLONSKY FOUNDATION

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.

THE POLONSKY FOUNDATION

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

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.

THE POLONSKY FOUNDATION

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

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. 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.

THE POLONSKY FOUNDATION

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

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.

THE POLONSKY FOUNDATION

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

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

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.

THE POLONSKY FOUNDATION

**BALANCE SHEET
AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
Fixed assets			
Investments	11	15,576,077	14,250,738
Current assets			
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)
		<u>565,502</u>	<u>381,385</u>
Net current assets			
		<u>16,141,579</u>	<u>14,632,123</u>
Total net assets		<u><u>16,141,579</u></u>	<u><u>14,632,123</u></u>
Charity funds			
Unrestricted funds	14	16,141,579	14,632,123
Total funds		<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.

THE POLONSKY FOUNDATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

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

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

THE POLONSKY FOUNDATION

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

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.

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

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.

THE POLONSKY FOUNDATION

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

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	-

THE POLONSKY FOUNDATION

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

5. Investment income

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

THE POLONSKY FOUNDATION

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

6. Analysis of grants

	Grants to Institutions 2023 £	Total funds 2023 £
Grants to institutions	352,296	352,296
	Grants to Institutions 2022 £	Total funds 2022 £
Grants to institutions	415,365	415,365

THE POLONSKY FOUNDATION

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

6. Analysis of grants (continued)

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

	2023 £	2022 £
Name of institution		
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
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THE POLONSKY FOUNDATION

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

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

THE POLONSKY FOUNDATION

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

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>

THE POLONSKY FOUNDATION

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

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 £
Valuation			
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 £
Due within one year		
Other debtors	<u>153,859</u>	<u>153,859</u>

THE POLONSKY FOUNDATION

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

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
	<u>15,188</u>	<u>5,445</u>

14. Statement of funds

Statement of funds - current year

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

Statement of funds - prior year

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

THE POLONSKY FOUNDATION

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

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)
Adjustments for:		
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)
Net cash used in operating activities	(426,532)	(488,838)

16. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank	426,831	232,971
Total cash and cash equivalents	426,831	232,971

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
	232,971	193,860	426,831

THE POLONSKY FOUNDATION

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

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.