

Charity Registration No. 292231

Company Registration No. 00405814 (England and Wales)

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	As at the date of this report the management board consists of the following Trustees :-	
	M Szablewski (Chair)*	
	K J Reitmeier (Deputy Chair)*	(Appointed 30 January 2022)
	A M Mankowska (Secretary General)*	
	S Berkiet (Treasurer General)*	
	F Peplinski (Chief Scout)*	
	D Figiel (Chief Guide)*	
	T Ciecierska (Head of Senior Scouting)*	
	J Moszumanski (representative of the Scouting Auxiliary)	
	Rev. K Tyliszczak (Chief Chaplain)	(Appointed 30 January 2022)
	C Dutkowski (Regional Deputy Chair)*	(Appointed 30 January 2022)
	A J Janczuk (Regional Deputy Chair)*	(Appointed 30 January 2022)
	K Kawka (Regional Deputy Chair)*	(Appointed 30 January 2022)
	S Reitmeier (Regional Deputy Chair)*	(Appointed 30 January 2022)
	A B Szwagrzak (Regional Deputy Chair)*	(Appointed 30 January 2022)
	A J Wojno (Regional Deputy Chair)*	(Appointed 30 January 2022)
	F Aghamalian-Konieczna (Regional Deputy Chair)	(Appointed 30 January 2022)
	A Mahut (Board Member)*	(Resigned 30 January 2022, Appointed 18 July 2022)
	R J Rospedziowski (Board Member)*	
	J Kaczorowska (Board Member)*	(Appointed 30 January 2022)
	M Nalewajko (Board Member)*	(Resigned 9 August 2021, Appointed 30 January 2022, Resigned 17 May 2022)
	H Sandig (Board Member)*	(Appointed 30 January 2022)
	B Pawlikowski (Board Member)*	(Appointed 30 January 2022)
	T Szadkowska-Lakomy (Board Member)*	(Appointed 30 January 2022)
	A Macheta*	(Resigned 30 January 2022)
	Rev. K Gawron	(Resigned 9 August 2021)
	* also directors for the purposes of company law	
Secretary	A M Mankowska	
Charity number	292231	
Company number	00405814	
Principal and registered office	23-31 Beavor Lane London W6 9AR	
Auditor	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS	

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers	Lloyds Bank plc Street Branch PO Box 1000 BX1 1LT
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POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

CONTENTS

	Page
Trustees report	1 - 5
Statement of Trustees responsibilities	6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11 - 12
Statement of cash flows	13
Notes to the financial statements	14 - 23

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, certain of whom are also directors for the purposes of company law present their report and accounts for the year ended 31 December 2021.

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

Objectives and activities

The policies adopted in furtherance of the charitable company objectives are to promote the physical, mental and spiritual development of Polish youth outside of Poland by Scouting and Guiding methods in accordance with the principles and traditions of the Scout and Guide movement.

Polish Scouting Association (International) Limited is divided into regional units which the company oversees, coordinating overall policy and methodology. Training, support and continuous professional development of scout and guide instructors around the world is a key role for the charitable company.

The charitable company has the following cost centres:

- Governing Council and Management Board
- International Scout Headquarters
- International Guide Headquarters
- International Senior Scouting Headquarters

Public benefit

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

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

The social restrictions and lockdowns imposed as a result of the Covid-19 pandemic continued to dictate how the company's activities were organised during most of 2021. Management Board meetings remain online, although more frequently they have a hybrid format, with small groups of trustees gathering in one location – usually at the PSA International headquarters in London.

a. Governance Matters

At the Association's General Meeting held in March 2021, the new General Regulations were approved. Following this meeting the Regulations Committee coordinated the implementation of the new Regulations and undertook a review of other supplementary regulations, for which updates were required. These included:

- new procedures for approval of PSA International members;
- updates to the Terms of Reference for the World Advisory Council and the procedures and guidance for General Meetings;
- new regulations for the Scouting Auxiliary organisation;
- updates to the Articles of Association, to bring them in line with the Companies Act (2006); amend the objects to cover members in all the Association's territories (not just UK); extend the Board to include Regional PSA Chairs as Vice Chairs and add two board member positions.

The aforementioned documents were scrutinised by Trustees and reviewed by the World Advisory Council at its meeting in December 2021. The documents were approved at the General Meeting held in January 2022.

After the March 2021 General Meeting, the Chair invited the PSA Regional Chairs to attend Board meetings to facilitate their transition to becoming full Board Members. Two trustees resigned in August 2021: Rev. K.Gawron and M.Nalewajko.

The planned triennial General Meeting was held online in January 2022. A physical meeting was not possible, as Covid-related travel restrictions were still in place. The meeting approved the updated regulations as discussed earlier and elected a new Management Board, World Advisory Council, Audit Committee and Disciplinary Committee. The new Management Board was elected according to the new criteria outlined above. M. Nalewajko, who was re-elected as a Trustee at the General Meeting in January 2022, resigned in May. With authority to replace any vacancies, the Board elected A.Mahut as a Trustee in July 2022.

b. Beavor House

The 2nd phase of the renovation and repair of the Beavor House headquarters took place between February and June 2021. This phase involved the refurbishment of the offices of the Scout and Guide HQ and the Archives room and was partly funded by a grant obtained from the Polish Foreign Ministry's programme called 'Cooperation with Poles Abroad 2020 – Real Estates'. A delegation from the Ministry visited the UK in September 2021 to view the Beavor House premises and gave positive feedback highlighting the project management as an example of good governance.

The 15-year lease signed with TIS-London Ltd in March 2015 was by agreed licence, assigned to The Moat School Ltd (same educational group ownership) and a 6-month deposit guarantee was returned to TIS with Moat replacing the guarantee with a six-month advance payment. In August 2021 The Moat School signed a 12-month Licence Agreement allowing the school to use parts of the PSA (International) premises during specified days/hours. Following a successful trial period, the Licence Agreement was renewed in September 2022 for a further year.

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

c. Other highlights of the Board's activities include:

- The Association's portal was updated and released under a new domain name: www.zhp.org.
- Trustees approved the decision to hold the Association's 10th International Jamboree in the USA in 2023, although the event has since been postponed to 2024 for logistical and organizational reasons.
- A statement of support for Polish Scouts and Guides involved in the conflict in Ukraine was published in February 2022.
- An agreement of cooperation with Związek Harcerstwa Rzeczypospolitej (ZHR) in Poland was signed to support their humanitarian activities helping Ukrainian refugees arriving in Poland as a result of the Russian invasion of Ukraine. Many units are organising or participating in fundraising activities.
- The Board has approved a programme of collaboration with the Caritas Super Omnia Est foundation, which is organising a series of events in Poland and around the world to commemorate the 20th anniversary of the nomination of Blessed Fr. Stefan Wincenty Frelichowski as the Patron of Polish Scouting. A delegation of representatives from Argentina, Canada, Ireland, the UK and the USA took part in an event in Vilnius in May 2022 and a weekend event was held in the UK in September 2022.
- The Archives Committee has resumed the process of digitising the archive documents.
- A Fire Protection Policy for Beavor House was approved by the Board in May 2021 and a new training programme for Beavor House keyholders was introduced in the summer of 2021.

The Chief Scout and Chief Guide together with their respective executive councils continued to support the scouting activities in all regions. Both councils produced badge programmes adapted to pandemic conditions and shared examples of best practice amongst the regions. There was a gradual transition from online to face-to-face activities during the reporting period, with an almost full and normal programme of events resuming from September 2021.

The Senior Scouts Executive Council completed the review of its internal regulations and updated its website.

Financial review

During the year income exceeded expenditure by £150,356 (2020 - £286,648). This surplus was taken to the fund balance brought forward giving a total fund balance at 31 December 2021 of £2,914,587.

Of the total reserves, £2,403,986 (2020 - £2,400,126) is in connection with the tangible fixed assets and investment property held by the charity, these funds could only be realised upon a sale of the same which leaves free reserves of £510,601 (2020 - £364,105) for use in the general activities of the charity.

It is the policy of the charitable company to maintain free reserves in unrestricted funds which have not been designated for a specific use at a level equivalent to three years expenditure. The directors consider that reserves at this level will ensure that, in the event of a significant drop in income, they will be able to continue the charitable company's current activities whilst resolving any issues arising from such a decline. It will also permit the charitable company to carry out maintenance work and improvements on its freehold property as required due to age. An excess of this level of reserves has been maintained throughout the year.

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

In 2019 the Company signed a Co-operation Agreement with Związek Harcerstwa Rzeczypospolitej, acting as agent for the National Freedom Foundation, a Polish Government Agency. Under this agreement, the Company received financial support under two categories:

- (a) leader training and programme execution
- (b) infrastructural expenditure to run the activities across the entire Association.

The restricted funds granted amounted to £55,677 (2020 - £122,216) and formal reconciliation of expenditure was verified by the Agent in accordance with the Co-operation Agreement.

Risk management

There were no reportable incidents in 2021 nor have there been any up to the report date.

In 2022 the Company appointed a Risk Manager to review risk management processes in all areas of the Company and to create a formal Risk Register.

Future plans

The Association's three organisations are adapting their plans to the post Covid environment, with rapid transition to more normal operations, in all countries.

In addition to developing new countries of operation, the Association is planning:

- Development of a risk register,
- Implementation of phase 3 of Beavor House renovation – window replacement and repairs to the western and southern elevations of the building,
- Further events with Caritas Super Omnia Est including an event in Argentina in 2022 and planned events in Germany and Poland in 2023 culminating in a Tall Ship training event, coinciding with the World Youth Day in Lisbon,
- Active participation of the Archive-History Committee in the edition of a "historical atlas of Polish Scouting",
- A worldwide, combined Polish scout and guide, senior instructor course to be held in the USA in 2023,
- The 10th worldwide Polish Scouting Jamboree in 2024 – in the USA

Structure, governance and management

The charitable company is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 8 March 1946 and as amended by special resolutions dated 9 May 1985, 6 February 2004, 17 November 2012 and 29 August 2013. The charitable company registered with the Charity Commission on 9 August 1985.

The legal and administrative page gives details of the charity's principal officers and advisors.

The directors for the purpose of company law, who served during the year are as indicated on the legal and administrative information page.

None of the Trustees has any beneficial interest in the Company. All of the Trustees are members of the company and as all members, guarantee to contribute £1 in the event of a winding up.

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

The charitable company is managed by the Management Board who are elected at an Annual General Meeting and whose tenure lasts 3 years. The last elections took place on 28 January 2022 and elected 22 members with one position left vacant.:

The President
Deputy President
6 Regional Deputy Presidents
Chief Scout
Chief Guide
Head of Senior Scouting
Representative for the Scouting Auxiliary
Hon. Secretary
Hon. Treasurer
Chief Chaplain
6 members

The Management Board is the executive body running the day to day activities of the charitable company.

Investment policy

The trustees have considered the most appropriate policy for investing funds and have found that a combination of interest bearing bank accounts and rental income from part of the property meets their requirement to generate both income and capital growth.

Related parties

Formally none. Polish Scouting Association (UK Region) Ltd operates as a stand-alone charitable company but is a member of the Association represented by Polish Scouting Association (International) Limited. Similarly Polish Scouting Organization – ZHP Inc. in the United States and similar “not for profit organisations in Australia, Austria, Canada, France and Ireland are members of the Association.

Auditor

In accordance with the company's articles, a resolution proposing that Kendall Wadley LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Management Board and Trustees

Ms A M Mankowska
(Company Secretary, Trustee)
Dated: 26 September 2022

M Szablewski
(Chairman, Trustee)
Dated: 26 September 2022

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees who are also the directors of Polish Scouting Association (International) Limited for the purpose of company law, are responsible for preparing the Trustees Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

Opinion

We have audited the financial statements of Polish Scouting Association (International) Limited (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

- an understanding of the risk assessment process (including the assessment of the risk of fraud) adopted by the Board is obtained and their attitude to risk ascertained
- an assessment of the susceptibility to material mis-statement of the financial statements as a result of management over-ride or fraud is made
- it is ensured that the engagement team have, collectively, the appropriate competence, capabilities and skills to be involved in the assignment, are fully briefed and understand the risks specific to the charity

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

Audit responses to risks identified

The information obtained through the assessment to risk procedures is reviewed and the following work undertaken:

- processes to test the outcomes of our assessment include, a review of Board minutes, analytical review, the relevance and accuracy of significant accounting estimates, substantive testing of significant transactions, work to identify unusual or unexpected accounting entries including the testing of journal entries, information disclosed in the financial statements is traced to supporting documentation. In all instances it is acknowledged that material mis-statements that arise from fraud may involve deliberate concealment or collusion and are, therefore, by their very nature harder to detect than those arising from error.

- an understanding of the legal and regulatory framework as applicable to the charity is obtained together with knowledge of the procedures put in place by the charity in order to comply with the same

It should be noted that Auditing standards limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sarah Morley ACA (Senior Statutory Auditor)
For and on behalf of Kendall Wadley LLP

26 September 2022

Chartered Accountants
Statutory Auditor

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Kendall Wadley LLP is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations	3	-	145,479	145,479	6,036	217,308	223,344
Charitable activities	4	32,930	-	32,930	39,610	-	39,610
Investments	5	193,725	-	193,725	158,808	-	158,808
Total income		<u>226,655</u>	<u>145,479</u>	<u>372,134</u>	<u>204,454</u>	<u>217,308</u>	<u>421,762</u>
Expenditure on:							
Raising funds	6	<u>949</u>	<u>-</u>	<u>949</u>	<u>845</u>	<u>-</u>	<u>845</u>
Charitable activities	7	<u>93,465</u>	<u>127,364</u>	<u>220,829</u>	<u>48,842</u>	<u>85,427</u>	<u>134,269</u>
Total expenditure		<u>94,414</u>	<u>127,364</u>	<u>221,778</u>	<u>49,687</u>	<u>85,427</u>	<u>135,114</u>
Net income for the year/ Net movement in funds		132,241	18,115	150,356	154,767	131,881	286,648
Fund balances at 1 January 2021		<u>2,632,350</u>	<u>131,881</u>	<u>2,764,231</u>	<u>2,477,583</u>	<u>-</u>	<u>2,477,583</u>
Fund balances at 31 December 2021		<u><u>2,764,591</u></u>	<u><u>149,996</u></u>	<u><u>2,914,587</u></u>	<u><u>2,632,350</u></u>	<u><u>131,881</u></u>	<u><u>2,764,231</u></u>

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

All income and expenditure derive from continuing activities.

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

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13	853,986		850,126	
Investment properties	14	1,550,000		1,550,000	
		<u>2,403,986</u>		<u>2,400,126</u>	
Current assets					
Debtors	15	118,208		131,283	
Cash at bank and in hand		480,577		374,359	
		<u>598,785</u>		<u>505,642</u>	
Creditors: amounts falling due within one year	16	(3,613)		(141,537)	
Net current assets		<u>595,172</u>		<u>364,105</u>	
Total assets less current liabilities		<u>2,999,158</u>		<u>2,764,231</u>	
Creditors: amounts falling due after more than one year	17	(84,571)		-	
Net assets		<u><u>2,914,587</u></u>		<u><u>2,764,231</u></u>	
Income funds					
Restricted funds	19	149,996		131,881	
Unrestricted funds		2,764,591		2,632,350	
		<u><u>2,914,587</u></u>		<u><u>2,764,231</u></u>	

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 26 September 2022



Ms A M Mankowska
(Company Secretary, Trustee)



Mr M Szablewski
(Chairman, Trustee)

Company Registration No. 00405814

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(59,291)		16,942
Investing activities					
Purchase of tangible fixed assets		(28,216)		(534,260)	
Interest and rental income received		193,725		158,808	
Net cash generated from/(used in) investing activities			165,509		(375,452)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			106,218		(358,510)
Cash and cash equivalents at beginning of year			374,359		732,869
Cash and cash equivalents at end of year			480,577		374,359

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Polish Scouting Association (International) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 23-31 Beavor Lane, London, W6 9AR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

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

1.4 Incoming resources

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

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

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

1.5 Resources expended

Expenditure is accounted for on an accruals basis. Liabilities are acknowledged when a legal or constructive obligation exists at the balance sheet date as a result of a past event.

Governance costs are wholly attributable to the charitable activities of the entity.

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

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

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

Land and buildings	over 50 years
Fixtures, fittings & equipment	15% on net book value

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

1.7 Investment properties

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

1.8 Impairment of fixed assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease).

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.10 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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

Derecognition of financial liabilities

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

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Critical accounting estimates and judgements

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

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

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations

	Restricted funds	Unrestricted funds	Restricted funds	Total
	2021 £	2020 £	2020 £	2020 £
Grants received	145,479	6,036	217,308	223,344

4 Charitable activities

	Charitable income - unrestricted funds 2021 £	Charitable income - unrestricted funds 2020 £
Subscriptions	23,310	33,382
Other income	9,620	6,228
	32,930	39,610

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Rental income	193,687	158,587
Interest receivable	38	221
	193,725	158,808

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Raising funds

	2021	2020
	£	£
Other costs		
Costs of incidental goods sold	949	845
	<u>949</u>	<u>845</u>

7 Charitable activities

	Furtherance of scouting 2021 £	Furtherance of scouting 2020 £
Depreciation and impairment	24,356	13,288
Rates	8,265	8,215
Insurance	3,515	3,213
Light and heat	3,557	1,828
Property repairs and maintenance	122,710	31,401
Books and publications	6,766	11,671
Telephone, website and communications	13,698	10,169
Travel	3,919	2,184
Services and administration	4,493	3,106
Conference costs and sundry expenses	9,570	35,260
	<u>200,849</u>	<u>120,335</u>
Grant funding of activities (see note 8)	8,413	1,924
Share of governance costs (see note 9)	11,567	12,010
	<u>220,829</u>	<u>134,269</u>
Analysis by fund		
Unrestricted funds	93,465	48,842
Restricted funds	127,364	85,427
	<u>220,829</u>	<u>134,269</u>

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

8 Grants payable

	Furtherance of scouting 2021 £	Furtherance of scouting 2020 £
Grants to Polish communities:		
Other	8,413	1,924

Of the amount shown above £8,413 (2020 - £1,477) is in connection with restricted fund activities.

9 Support costs

	Support costs £	Governance costs £	2021 £	2020 £
Audit fees	-	3,120	3,120	3,120
Legal and professional	-	8,447	8,447	8,890
	-	11,567	11,567	12,010
Analysed between				
Charitable activities	-	11,567	11,567	12,010

Governance costs includes payments to the auditors of £3,120 (2020- £3,120) for audit fees.

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year. Re-imbursed expenses incurred in the course of the conduct of charitable activities of £4,762 were paid to 6 directors (2020: £2,908 6 trustees and 6 directors).

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

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

12 Taxation

As a result of the charitable status of the charitable company no taxation liability arises.

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

13 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 January 2021	993,535	62,266	1,055,801
Additions	14,135	14,081	28,216
At 31 December 2021	1,007,670	76,347	1,084,017
Depreciation and impairment			
At 1 January 2021	164,866	40,809	205,675
Depreciation charged in the year	20,186	4,170	24,356
At 31 December 2021	185,052	44,979	230,031
Carrying amount			
At 31 December 2021	822,618	31,368	853,986
At 31 December 2020	828,669	21,457	850,126

14 Investment property

	2021 £
Fair value	
At 1 January 2021 and 31 December 2021	1,550,000

Investment property comprises that portion of the freehold land and buildings held by the charity used for rental purposes. The fair value of the investment property has been arrived at by applying the average commercial property rental yield percentage as reported in annual reviews produced by the Property Industry Alliance. Significant movements in that percentage are accounted for through investment gains and losses.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2021 £	2020 £
Cost	547,399	547,399
Accumulated depreciation	272,267	261,319
Carrying amount	275,132	286,080

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Debtors

	2021 £	2020 £
Other debtors	114,172	126,025
Prepayments and accrued income	4,036	5,258
	<u>118,208</u>	<u>131,283</u>

In accordance with the provisions of the SORP and FRS 102, rental income is accounted for evenly over the life of the lease. In rent free periods this gives rise to a notional debtor which is released to the Statement of Financial Activities over time. Other debtors of £112,400 relate to this process, of this amount £98,776 (2020 - £112,400) will be released in more than one year.

16 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Deferred income	18	-	48,721
Other creditors		-	84,591
Accruals and deferred income		3,613	8,225
		<u>3,613</u>	<u>141,537</u>

17 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other creditors	84,571	-
	<u>84,571</u>	<u>-</u>

18 Deferred income

	2021 £	2020 £
Other deferred income	-	48,721
	<u>-</u>	<u>48,721</u>

Deferred income relates to rent and subscriptions received in advance of the due date, all is released in the subsequent accounting period.

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£
Zwiazek Harcerstwa Rzeczypospolitej (ZHR)	122,216	(85,427)	36,789	55,677	(37,432)	55,034
Project MSZ - Beavor Lane building	95,092	-	95,092	83,617	(85,519)	93,190
Aid Project in Argentina	-	-	-	6,185	(4,413)	1,772
	<u>217,308</u>	<u>(85,427)</u>	<u>131,881</u>	<u>145,479</u>	<u>(127,364)</u>	<u>149,996</u>

ZHR - Monies were received from the above, as agent, to assist with the cost of implementing the activities of the Polish Scouting Association based in London (Polish Scouting Association (International) Limited) under the project "Development of ZHR 2018-19" supported by the ROHIS program of the National Institute of Freedom.

Project MSZ - funds received to assist in the repair (2020 - refurbishment) of the headquarters building.

The balances on the above funds are represented by expenditure on the development of the headquarters building and will be eroded over time by depreciation.

Aid Project in Argentina - a programme of financial assistance to the poorest Polish families.

20 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:						
Tangible assets	703,990	149,996	853,986	718,245	131,881	850,126
Investment properties	1,550,000	-	1,550,000	1,550,000	-	1,550,000
Current assets/(liabilities)	595,172	-	595,172	364,105	-	364,105
Long term liabilities	(84,571)	-	(84,571)	-	-	-
	<u>2,764,591</u>	<u>149,996</u>	<u>2,914,587</u>	<u>2,632,350</u>	<u>131,881</u>	<u>2,764,231</u>

POLISH SCOUTING ASSOCIATION (INTERNATIONAL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

21 Operating lease commitments

Lessor

At the reporting end date the charitable company had contracted with tenants for the following minimum lease payments:

	2021 £	2020 £
Within one year	151,795	113,846
Between two and five years	607,180	607,180
In over five years	645,129	796,924
	<u>1,404,104</u>	<u>1,517,950</u>

22 Related party transactions

During the year the charitable company entered into transactions with related parties, these were under the normal course of conduct of charitable activities.

23 Cash generated from operations

	2021 £	2020 £
Surplus for the year	150,356	286,648
Adjustments for:		
Investment income recognised in statement of financial activities	(193,725)	(158,808)
Depreciation and impairment of tangible fixed assets	24,356	13,288
Movements in working capital:		
Decrease/(increase) in debtors	13,075	(54,487)
(Decrease) in creditors	(4,632)	(71,819)
(Decrease)/increase in deferred income	(48,721)	2,120
Cash (absorbed by)/generated from operations	<u>(59,291)</u>	<u>16,942</u>

24 Analysis of changes in net funds

The charitable company had no debt during the year.