

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

England & Wales · Charity number 312168

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** 00401816

**Registered** 1965-08-20

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

## Contact

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**Address** Office  
20 Prince's Gate  
London  
SW7 1PT

**Phone** 02075899249

**Email** [info@pism.org.uk](mailto:info@pism.org.uk)

**Website** [www.pism.org.uk](http://www.pism.org.uk)

## Activities

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**Objects:** (1) TO SERVE AS A NATIONAL, INTELLECTUAL AND CULTURAL CENTRE OF THE POLISH COMMUNITY IN THE UNITED KINGDOM. (2) TO MAINTAIN INTELLECTUAL CO-OPERATION AND CULTURAL INTERCOURSE BETWEEN THE POLISH AND BRITISH. (3) TO COLLECT DOCUMENTATION PERTAINING TO THE PARTICIPATION OF POLAND IN THE SECOND WORLD WAR WITH PARTICULAR REFERENCE TO THE LEADERSHIP OF GENERAL SIKORSKI. (FOR FULL DETAILS, SEE MEMORANDUM AND ARTICLES OR ASSOCIATION.) 4) TO COLLECT THE COLOURS AND RELICS OF THE POLISH ARMED FORCES AND THE POLISH HOME ARMY AND PRESERVE ANY OTHER OBJECTS RELATING TO THE STRUGGLE OF THE POLISH NATION FOR INDEPENDENCE. 5) TO PURSUE AND ENCOURAGE HISTORICAL RESEARCH AND TO PUBLISH HISTORICAL REVIEWS AND DOCUMENTS CONNECTED WITH THAT STRUGGLE. 6) TO PROCURE FOR POLES FACILITIES TO ACQUIRE KNOWLEDGE OF GREAT BRITAIN AND THE BRITISH COMMONWEALTH. 7) TO PROVIDE AND MAINTAIN LIBRARIES ADAPTED TO THE ABOVE OBJECTS. 8) TO HELP POLES IN QUESTIONS OF BOTH SCHOOL AND UNIVERSITY EDUCATION.

**Activities:** To collect, preserve and interpret through the material evidence of Poland's past, especially that connected with the activities of the Polish Government-in-Exile and its Armed Forces 1939-45, for the public

benefit, education and enjoyment

## Classification

- **How:** Provides Buildings/facilities/open Space, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** The General Public/mankind

## Geography

- Scotland
- Throughout London

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£955,413	£769,601	£9,284,749	12
2023-12-31	£399,766	£665,318	£9,201,388	10
2022-12-31	£376,738	£467,305	-	-
2021-12-31	£513,930	£427,165	£9,744,382	10
2020-12-31	£359,716	£385,406	-	-

## Trustees

Name	Role	Appointed
Andrew Wojciech Nosalik		2019-04-30
Christopher Nowakowski		2019-04-30
Danuta Bildziuk		2023-10-23
John Korwin-Szymanowski		2022-02-10
LUDOMIR LASOCKI		2024-02-27
Michael Wojcik		2024-04-08

## Linked charities

- THE POLISH INSTITUTE AND SIKORSKI MUSEUM TRUST (312168-1)

**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

England & Wales - Charity number 312168

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# Accounts

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**REGISTERED COMPANY NUMBER: 00401816 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 312168**

**TRUSTEES' REPORT AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**FOR**  
**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**  
**(A COMPANY LIMITED BY GUARANTEE)**

MGR Weston Kay LLP  
Statutory Auditors  
55 Loudoun Road  
St John's Wood  
London  
NW8 0DL

**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

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FOR THE YEAR ENDED 31 DECEMBER 2024**

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**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**TRUSTEES**

M Wojcik (appointed 8.4.2024)  
L Lasocki  
D Bildziuk  
B Gabriel  
J Korwin-Szymanowski  
C Nowakowski  
A W Nosalik  
G A Gudiens (resigned 15.1.2025)  
T Kaczmarska (resigned 24.11.2024)

**REGISTERED OFFICE**

20 Princes Gate  
London  
SW7 1PT

**REGISTERED COMPANY NUMBER** 00401816 (England and Wales)

**REGISTERED CHARITY NUMBER** 312168

**INDEPENDENT AUDITORS**

MGR Weston Kay LLP  
Statutory Auditors  
55 Loudoun Road  
St John's Wood  
London  
NW8 0DL

**BANKERS**

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4QJ

Bank Santander  
Oddzial 64 w Warszawie  
UL. Ludwika Kondratowucza 35  
Poland  
03-285

**BANKERS**

Barclays Bank UK PLC  
1 Churchill Place  
London  
W14 5HP

## THE POLISH INSTITUTE AND SIKORSKI MUSEUM

### CHAIRMAN'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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In the planning of activities for the reporting year, the Board of Trustees considered the Charity Commission's general guidance on public benefit. The Trustees consider it to be in the public benefit to promote education and increase awareness of Polish history and culture in the UK and beyond.

In 2024 there were several anniversaries and commemorations, which are an excellent platform to increase awareness and educate through The Archives, The Museum and the Polish Underground Movement Study Trust. An exhibition to mark the 80th anniversaries of D Day, Monte Cassino, the Warsaw Uprising, Falaise and Arnhem was shown in the Institute.

In August, the Polish Underground Movement Study Trust organised an exhibition at Bush House, Strand, in partnership with the respected King's College, London, entitled 'Warsaw Calling' commemorating the 80th anniversary of the Warsaw Uprising. The exhibition was also held at the Polish Social and Cultural Association (POSK), Hammersmith.

It was agreed the exhibition should speak to a wide audience, reach out to the British public and be in a contemporary format. Rather than telling the story of the politico-military aspects of the battle and AK leadership, the exhibition would focus mainly on the experience of the civilian population. The voices of a variety of participants were to be heard. With current conflicts in Ukrainian and Middle Eastern conflicts, the battle of Warsaw should be present as an example of war, and impact to its population. We achieved our objective of presenting the Uprising from a diverse and civic standpoint, and plan future collaborations with our partner. We developed a new website, [www.warsaw1944.uk](http://www.warsaw1944.uk), which will be used to promote awareness of the uprising, and support future exhibitions

All the above departments continued to draw researchers, authors, film makers, journalists as well as general visitors. The topics investigated were many and varied generally in the political and military fields but as ever there was a strong interest in family research.

Contacts were maintained with other institutions of a similar profile both in the United Kingdom as well as abroad in most cases the institute was able to furnish requested information speedily and in some cases was able to loan appropriate materials and exhibits. The institute was visited by the conservationists from Polonika and the Museum of the Second World War from Gdansk with a view of working together. Our Keeper and Deputy of Archives have represented the Institute at several academic conferences in London and abroad, having been requested to present papers. The Film Archivist also gave lectures with film footage at several conferences.

No doubt one of the most important aspects of the institute's work is the preservation of its collections but archive and museum the everyday work of scanning and preservation of documents and photographs located in all departments continues both in-house and with a specialist firm. Work such as cataloguing and maintenance of other Museum exhibits in continuing.

The board continues to apply to the Polish Ministry of Culture for grant under the so-called WABIM project. In 2024 the funds were used for the development, safeguarding, digitization and popularizing the archival and museum holdings. Two books were published: Catalogue of Uniforms in the collections of PISM and General Wladyslaw Sikorski's visit to Mexico in 1942.

In April the Institute hosted a reception to commemorate the 80th anniversary of the Battle of Monte Cassino. Guests included our new Patron, The Earl of St. Andrews and HE Anna Maria Anders. The Polish Ambassador HE Prof. Piotr Wilczek, The Consul General, the Defence Attaches and staff from the Polish Embassy and Consulate have been frequent guests at the Institute. Visits were also made by the Lord Mayor of Westminster, The Mayor of Kensington and Chelsea and Chelsea Pensioners. In December a Christmas reception for members, staff and volunteers was held. The number of visits by Polish Schools have increased and the educational plan in partnership with the Polish Educational Society has been very successful and positive.

The institute's rental properties continue to bring in an income. The major item of building work in 2024 was the renovation of the rear balcony of 20 Princes Gate.

**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

**CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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As mentioned in previous years, a small core of salaried staff is employed by the Institute. There are also dedicated volunteers which bring with them a variety of skills. It is pleasing to note that the Institute appears to attract further volunteers during the year.

The appreciation of the Institute's work and of course it's staff and volunteers are reflected in the ongoing receipts of donations and legacies, as well as positive entries in the Institute's visitors' book.

I should like to convey the thanks of the Trustees to all the Institute's staff, especially the Archive staff and volunteers for their dedication, enthusiasm and hard work over the past year, across our two sites.

We also remember with sadness those members and volunteers who are no longer with us.



D. Bildziuk

For and on behalf of the Board

4 September 2025

## THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### OBJECTIVES AND ACTIVITIES

##### Objectives and aims

- To collect, preserve and interpret through the material evidence of Poland's past, especially that connected with the activities of the Polish Government-in-Exile and its Armed Forces 1939-45, for the public benefit, education and enjoyment.
- To care for the existing collections relating to Poland's history, principally the work of the Polish Government-in-Exile and its Armed forces 1939-45.
- To collect, preserve and interpret through the material evidence of Poland's past, especially that connected with the activities of the Polish Government-in-Exile and its Armed Forces 1939-45, for the public benefit, education and enjoyment.
- To care for the existing collections relating to Poland's history, principally the work of the Polish Government-in-Exile and its Armed forces 1939-45.
- To make provision for future collections which may be bequeathed by other institutions as well as by individual members of the public.
- Provide permanent and temporary exhibitions and events in a variety of disciplines for the information and education of visitors.
- To work with others to record, protect and enhance the achievements of the Polish Community in the United Kingdom.
- To provide a high-quality education resource.
- Making the Institute and its activities accessible to all sections of the community.
- Encourage a dedicated workforce who cares about Polish heritage in the United Kingdom and its British contacts.
- To increase, by various means, the number of visitors and researchers to the Institute.
- To expand resources available to the Institute, with specific reference to staff and financial resources.

The full objects appear in the Memorandum and Articles of Association.

The Members of Council have had regard to Charity Commission's general guidance on public benefit when reviewing the aims, objectives and activities of the Charity.

The Members of Council have paid due regard to guidance issued by the Charity Commission in deciding what activities the Institute should undertake.

#### STRATEGIC REPORT

##### Achievements and performance

Details of the achievements of the charity during the year are shown above in the Chairman's Report

## THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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

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#### STRATEGIC REPORT

##### Financial review

The charity's incoming resources from charitable activities increased by 11% and donations and legacies have increased by 344% in the year under review, due to a one-off donation.

The total resources expended have increased by 16%. This includes the costs of generating funds which have increased by 18% and the cost of charitable activities have increased by 15%.

There were net losses on investments of £102,451.

In the opinion of the Members of Council, the charity is in a strong position at the year end with unrestricted fund balance of £9,284,749.

It is the policy of the Institute that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Members of Council consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Institute's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees consider that, at the date of signing the report, the charity is a going concern, based on their review of existing funds and expected cash flow.

The Members of Council are aware of the charity's future financial needs and aim to secure the long term financial stability of the charity. They have a low to medium attitude to risk and have invested in income producing properties, a portfolio of FTSE 100 investments and retain liquid funds on deposit to ensure that they can meet the charity's short and medium term cash flow requirements. The charity has a normal level of exposure to price, liquidity and cash flow risk.

The Members of Council has assessed the major risks to which the Institute is exposed, and are satisfied that systems are in place to mitigate exposure to these.

There are no significant future changes planned and the Trustees look forward to a similar level of activity in the next financial year.

## THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Polish Institute and Sikorski Museum was established by a Trust Deed and is a company limited by guarantee with no shares. The Institute is governed by a Council consisting of a maximum of 24 Full Members. Each year one fifth of the longest serving Council members retire but being eligible, offer themselves for re-election at the Annual General Meeting. The charity is managed day-to-day by the Chairman, the Treasurer, the Vice Chairman and the rest of the Board who meet on average every six weeks.

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

M Wojcik (appointed 8 April 2024)  
L Lasocki  
D Bildziuk  
B Gabriel  
J T Korwin Szymanowski  
K Nowakowski  
A W Nosalik  
G A Gudiens (resigned 15 January 2025)  
T Kaczmarska (resigned 24 November 2024)

The Trustees can appoint full members in accordance with the Articles of Association. New Trustees are proposed from the full members based on their experience and the skills they can contribute to the charity. The existing Trustees will review these candidates' names and CV's. If successful, the candidates will be proposed for appointment at a Trustees meeting and subsequently confirmed at the AGM.

New Trustees follow an induction process. The charity's key management personnel (the Trustees) do not receive remuneration or other benefits for their work with the charity.

The charities key management personnel do not receive remuneration or other benefit from their work with the charity.

#### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 4 September 2025 and signed on the board's behalf by:



D Bildziuk - Trustee

## **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2024**

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The Members of Council, who are also the directors of The Polish Institute and Sikorski Museum for the purpose of company law, are responsible for preparing the Chairman's And Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Members of Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Institute and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Members of Council 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 financial statements on the going concern basis unless it is inappropriate to presume that the Institute will continue in operation.

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

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

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### **Opinion**

We have audited the financial statements of The Polish Institute And Sikorski Museum (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (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 2024 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 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 Auditors' 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 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 Report of the Independent Auditors thereon.

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.

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 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.

### **Opinions 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; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

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

In the light of the knowledge and understanding of the charitable company 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 where the 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.

**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 purposes 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.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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### **Our 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 a Report of the Independent Auditors 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**

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.

As part of our planning of the audit work required we obtained an understanding of the legal and regulatory frameworks that are applicable to the entity via enquiries of the company's management, carried out analytical procedures, held discussions amongst the engagement team and using knowledge of the sector determined that the most significant laws and regulation are those that relate to:

- Health and safety regulations.
- Employment law including right-to-work in the UK.
- Charities Act.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charities SORP, FRS102 and the Companies Act 2006.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with the laws and regulations and the fraud risks identified. This included enquiries with management to understand their policies and procedures for compliance with those regulations and we completed the following tests:

- Obtained an understanding of relevant controls.
- Reviewed the company's risk assessments, procedures and systems.
- Checked samples of documentation.
- Checked samples of documentation including minutes of the meetings of the trustees and service agreements with regulatory advisors.

We also assessed the risks of material misstatement in respect of fraud as follows:

- Revenue fraud.
- Unauthorised expenditure and/or payments.
- Management override of controls.
- Manipulation of accounting estimates.
- Related party fraud.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. This included the risk of management bias relating to judgements and assumptions used in the valuing the investment properties.

No significant issues were identified during our testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non – detection of irregularities, as these could involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

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**Use of our report**

This report is made solely to the charitable company's members, 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 charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nigel Walfisz FCA (Senior Statutory Auditor)  
for and on behalf of MGR Weston Kay LLP  
Statutory Auditors  
55 Loudoun Road  
St John's Wood  
London  
NW8 0DL

Date: 18 September 2025

THE POLISH INSTITUTE AND SIKORSKI MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds £	Restricted fund £	31.12.24 Total funds £	31.12.23 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	241,566	-	241,566	54,412
<b>Charitable activities</b>	5				
Charitable activities		74,689	188,468	263,157	236,317
Investment income	4	450,690	-	450,690	291,995
<b>Total</b>		<u>766,945</u>	<u>188,468</u>	<u>955,413</u>	<u>582,724</u>
<b>EXPENDITURE ON</b>					
Raising funds	6	55,246	-	55,246	46,781
<b>Charitable activities</b>	7				
Charitable activities		479,296	188,468	667,764	585,422
Support Costs		24,406	-	24,406	15,033
Governance Costs		22,185	-	22,185	18,082
<b>Total</b>		<u>581,133</u>	<u>188,468</u>	<u>769,601</u>	<u>665,318</u>
Net gains/(losses) on investments		(102,451)	-	(102,451)	337,958
<b>NET INCOME</b>		83,361	-	83,361	255,364
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		9,201,388	-	9,201,388	8,946,024
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>9,284,749</u></u>	<u><u>-</u></u>	<u><u>9,284,749</u></u>	<u><u>9,201,388</u></u>

The notes form part of these financial statements

THE POLISH INSTITUTE AND SIKORSKI MUSEUM

**BALANCE SHEET**  
**31 DECEMBER 2024**

	Notes	Unrestricted funds £	Restricted fund £	31.12.24 Total funds £	31.12.23 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	14	107,493	-	107,493	108,553
<b>Investments</b>					
Investments	15	5,138,254	-	5,138,254	4,977,542
Investment property	16	3,730,000	-	3,730,000	3,730,000
		<u>8,975,747</u>	<u>-</u>	<u>8,975,747</u>	<u>8,816,095</u>
<b>CURRENT ASSETS</b>					
Debtors	17	40,245	-	40,245	49,853
Investments	18	186,444	-	186,444	196,444
Cash at bank		137,149	-	137,149	166,427
		<u>363,838</u>	<u>-</u>	<u>363,838</u>	<u>412,724</u>
<b>CREDITORS</b>					
Amounts falling due within one year	19	(54,836)	-	(54,836)	(27,431)
		<u>309,002</u>	<u>-</u>	<u>309,002</u>	<u>385,293</u>
<b>NET CURRENT ASSETS</b>					
		<u>9,284,749</u>	<u>-</u>	<u>9,284,749</u>	<u>9,201,388</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>9,284,749</u>	<u>-</u>	<u>9,284,749</u>	<u>9,201,388</u>
<b>NET ASSETS</b>					
		<u>9,284,749</u>	<u>-</u>	<u>9,284,749</u>	<u>9,201,388</u>
<b>FUNDS</b>					
	20				
Unrestricted funds:					
General unrestricted funds				7,670,572	7,587,211
Revaluation reserve				1,614,177	1,614,177
				<u>9,284,749</u>	<u>9,201,388</u>
<b>TOTAL FUNDS</b>					
				<u>9,284,749</u>	<u>9,201,388</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 4 September 2025 and were signed on its behalf by:



Trustee

The notes form part of these financial statements

THE POLISH INSTITUTE AND SIKORSKI MUSEUM

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	31.12.24 £	31.12.23 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	227,090	(85,363)
Net cash provided by/(used in) operating activities		<u>227,090</u>	<u>(85,363)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(6,495)	(1,136)
Purchase of fixed asset investments		(2,674,604)	(195,037)
Sale of fixed asset investments		2,411,441	171,303
Proceeds from current asset investments		10,000	44
Interest received		3,290	2,470
Net cash used in investing activities		<u>(256,368)</u>	<u>(22,356)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		(29,278)	(107,719)
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>166,427</u>	<u>274,146</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u><u>137,149</u></u>	<u><u>166,427</u></u>

The notes form part of these financial statements

THE POLISH INSTITUTE AND SIKORSKI MUSEUM

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	31.12.24	31.12.23	
	£	£	
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	83,361	255,364	
<b>Adjustments for:</b>			
Depreciation charges	7,555	7,673	
Losses/(gain) on investments	102,451	(337,958)	
Interest received	(3,290)	(2,470)	
Decrease/(increase) in debtors	9,608	(5,283)	
Increase/(decrease) in creditors	27,405	(2,689)	
<b>Net cash provided by/(used in) operations</b>	<u>227,090</u>	<u>(85,363)</u>	
<b>2. ANALYSIS OF CHANGES IN NET FUNDS</b>			
	<b>At 1.1.24</b>	<b>Cash flow</b>	<b>At 31.12.24</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net cash</b>			
Cash at bank	<u>166,427</u>	<u>(29,278)</u>	<u>137,149</u>
	<u>166,427</u>	<u>(29,278)</u>	<u>137,149</u>
<b>Liquid resources</b>			
Deposits included in cash	-	-	-
Current asset investments	<u>196,444</u>	<u>(10,000)</u>	<u>186,444</u>
	<u>196,444</u>	<u>(10,000)</u>	<u>186,444</u>
<b>Total</b>	<u>362,871</u>	<u>(39,278)</u>	<u>323,593</u>

The notes form part of these financial statements

## 1. ACCOUNTING POLICIES

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

### **Going Concern**

The Trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern and have prepared these financial statements on this basis. This is supported by a large range of assets held by the Charity.

### **Incoming resources**

Income is accounted for on a receivable basis. The charity is not VAT registered.

Income from donations is recognised when receivable where possible, and when the charity's entitlement to receipt becomes unconditional.

Income from legacies is recognised when there has been grant of probate, there are sufficient assets in the estate and evidence of entitlement has been received.

Investment income comprises rent receivable on investment properties, income from listed investments and interest on cash at bank and short term deposits. Rent receivable is accrued on a day to day basis, interest on deposits is accounted for on an accruals basis and other investment income is credited as declared.

Grant income is recognised when there is evidence of entitlement to the grant, receipt is probable and it can be measured reliably.

Income is allocated to restricted income when it is given by the donor or grant maker for specific purposes.

### **Resources expended**

All resources expended are accounted for on an accruals basis.

Costs of generating funds are those associated with rental and investment income.

Charitable activities include costs of services and support costs and depreciation on related assets.

Governance costs are those associated with constitutional and statutory requirements.

### **Property, plant and equipment**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings                      - 10% on reducing balance

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

**1. ACCOUNTING POLICIES - continued**

**Property, plant and equipment**

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 .

Freehold properties are stated at cost. They have not been depreciated because in the opinion of the Trustees, their current value is significantly in excess of the value at which they are included in the Balance Sheet.

**Investment properties**

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are measured using the fair value model and stated at their estimated fair values as the reporting end date as determined by the Trustees. There is no depreciation charged on investment properties. The surplus or deficit on revaluation is recognised in the statement of financial activities

**Fixed and current asset investments**

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investments have been classified as current if the funds are available on demand or at notice.

**Impairment of non-current assets**

At each reporting end date, the Institute reviews the carrying amounts of its tangible 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).

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities

**Financial instruments**

The Institute 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 Institute's balance sheet when the Institute 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

**Creditors**

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

**Taxation**

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

**Charitable funds**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

**1. ACCOUNTING POLICIES - continued**

**Charitable funds**

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Institute is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**Heritage assets - archives, libraries and museum collections**

The Museum has not capitalised heritage assets. This is because a comprehensive valuation would not provide a meaningful figure for users of the financial statements and the cost of doing so is not commensurate with benefits to the users of the financial statements.

Historic cost - while it may be possible to assign a cost to items purchased within a financial year, historic costs quickly becomes obsolete and meaningless, not only because of general price movements where markets for similar items do exist, but also because of changing opinions about attribution and authenticity, subsequent research into objects that reveals new value, the emergence of new information about the provenance of an item or changes in taste.

Valuation - attempting to value heritage assets acquired historically raises a number of further conceptual concerns. Valuation of heritage assets is complicated by the nature of many such assets. They are rarely sold and often have a value enhanced above the intrinsic through their association with a person, event or collection; there are a very limited number of buyers; no homogeneous population of assets on the market; and imperfect information about the items for sale. In contrast with many commercial assets, therefore, there is seldom an active market to provide indicative values of similar objects. This makes materially accurate valuations impossible to achieve for many heritage assets.

**2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Institute's accounting policies, the Members of Council 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.

**Valuation of investment properties**

As described in note 16 to the financial statements, investment properties are stated at fair value. The trustees used observable market prices.

**3. DONATIONS AND LEGACIES**

	Unrestricted funds £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total funds £
Donations	61,621	-	61,621	24,153
Legacies	179,945	-	179,945	30,259
	<u>241,566</u>	<u>-</u>	<u>241,566</u>	<u>54,412</u>

**4. INVESTMENT INCOME**

	Unrestricted funds £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total funds £
Rental income	144,093	-	144,093	132,613
Income from listed investments	303,307	-	303,307	156,912
Interest receivable	3,290	-	3,290	2,470
	<u>450,690</u>	<u>-</u>	<u>450,690</u>	<u>291,995</u>

THE POLISH INSTITUTE AND SIKORSKI MUSEUM

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.12.24 £	31.12.23 £
Income from charitable activities	Charitable activities	74,689	53,359
Non - performance related grants	Charitable activities	188,468	182,958
		<u>263,157</u>	<u>236,317</u>

6. RAISING FUNDS

Investment management costs

	Unrestricted funds £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total funds £
Investment management costs	32,238	-	32,238	24,990
Costs of generating rental income	23,008	-	23,008	21,791
	<u>55,246</u>	<u>-</u>	<u>55,246</u>	<u>46,781</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Charitable activities	667,764	-	667,764
Support Costs	-	24,406	24,406
Governance Costs	-	22,185	22,185
	<u>667,764</u>	<u>46,591</u>	<u>714,355</u>

THE POLISH INSTITUTE AND SIKORSKI MUSEUM

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.12.24	31.12.23
	£	£
Staff costs	272,944	221,952
Rates	31,661	28,423
Insurance	43,479	39,817
Light and heat	19,833	20,789
Postage and stationery	5,155	5,515
Advertising	28,612	6,018
Repairs and maintenance	45,221	32,071
Archive library costs	23,582	43,708
Foreign exchange gain or loss	1,254	(3,502)
Digitisation and publishing	188,468	182,958
Depreciation	7,555	7,673
	<u>667,764</u>	<u>585,422</u>

9. SUPPORT COSTS

	Finance	Other	Governance costs	Totals
	£	£	£	£
Support Costs	892	23,514	-	24,406
Governance Costs	-	-	22,185	22,185
	<u>892</u>	<u>23,514</u>	<u>22,185</u>	<u>46,591</u>

Support costs, included in the above, are as follows:

	Support Costs	Governance Costs	31.12.24 Total activities	31.12.23 Total activities
	£	£	£	£
Bank charges	892	-	892	808
Telephone	8,041	-	8,041	7,263
Sundries	4,395	-	4,395	2,861
Car and travel	1,249	-	1,249	-
Health and safety expense	2,377	-	2,377	4,101
Computer expenses	7,452	-	7,452	-
Auditors' remuneration	-	16,800	16,800	14,400
Auditors' remuneration for non audit work	-	1,200	1,200	-
Legal fees	-	4,185	4,185	3,682
	<u>24,406</u>	<u>22,185</u>	<u>46,591</u>	<u>33,115</u>

**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	<b>31.12.24</b>	<b>31.12.23</b>
	<b>£</b>	<b>£</b>
Depreciation - owned assets	7,555	7,673

**11. AUDITORS' REMUNERATION**

	<b>31.12.24</b>	<b>31.12.23</b>
	<b>£</b>	<b>£</b>
Fees payable to the charity's auditors and their associates for the audit of the charity's financial statements	16,800	14,400
Other non-audit services	1,200	-

**12. TRUSTEES' REMUNERATION AND BENEFITS**

No members of council received any remuneration during the current year or prior year.

In the current year, no members of council received remuneration (2023: one member of council received £11,310 relating to work they completed in relation to the scanning project. The member of council donated the whole amount back to the charity during the year ended 31 December 2024).

Also, during the year, three members of council received reimbursement of travel, subsistence and other expenditure amounting to £2,879 (2023: £1,113).

**13. EMPLOYMENT COSTS**

	<b>31.12.24</b>	<b>31.12.23</b>
	<b>£</b>	<b>£</b>
Wages and salaries	248,236	206,025
Social security costs	18,393	11,029
Other pension costs	6,315	4,898
	<u>272,944</u>	<u>221,952</u>

The average monthly number of employees during the year was as follows:

	<b>31.12.24</b>	<b>31.12.23</b>
Administrative	<u>11</u>	<u>10</u>

No employees received emoluments in excess of £60,000.

THE POLISH INSTITUTE AND SIKORSKI MUSEUM

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024

14. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2024	39,505	237,661	277,166
Additions	-	6,495	6,495
At 31 December 2024	<u>39,505</u>	<u>244,156</u>	<u>283,661</u>
<b>DEPRECIATION</b>			
At 1 January 2024	-	168,613	168,613
Charge for year	-	7,555	7,555
At 31 December 2024	<u>-</u>	<u>176,168</u>	<u>176,168</u>
<b>NET BOOK VALUE</b>			
At 31 December 2024	<u>39,505</u>	<u>67,988</u>	<u>107,493</u>
At 31 December 2023	<u>39,505</u>	<u>69,048</u>	<u>108,553</u>

15. FIXED ASSET INVESTMENTS

	Listed investments £
<b>MARKET VALUE</b>	
At 1 January 2024	4,977,542
Additions	2,674,604
Disposals	(2,372,400)
Revaluations	(141,492)
At 31 December 2024	<u>5,138,254</u>
<b>NET BOOK VALUE</b>	
At 31 December 2024	<u>5,138,254</u>
At 31 December 2023	<u>4,977,542</u>

There were investment assets within the UK and outside the UK.

THE POLISH INSTITUTE AND SIKORSKI MUSEUM

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024

<b>16. INVESTMENT PROPERTY</b>			<b>£</b>
<b>FAIR VALUE</b>			
At 1 January 2024 and 31 December 2024			3,730,000
<b>NET BOOK VALUE</b>			
At 31 December 2024			3,730,000
At 31 December 2023			3,730,000
<b>17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
	<b>31.12.24</b>	<b>31.12.23</b>	
	<b>£</b>	<b>£</b>	
Other debtors	24,211	13,011	
Prepayments and accrued income	16,034	36,842	
	<u>40,245</u>	<u>49,853</u>	
<b>18. CURRENT ASSET INVESTMENTS</b>			
	<b>31.12.24</b>	<b>31.12.23</b>	
	<b>£</b>	<b>£</b>	
Other investments	186,444	196,444	
<b>19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
	<b>31.12.24</b>	<b>31.12.23</b>	
	<b>£</b>	<b>£</b>	
Social security and other taxes	28,442	3,794	
Other creditors	5,603	5,814	
Accruals and deferred income	20,791	17,823	
	<u>54,836</u>	<u>27,431</u>	
<b>20. MOVEMENT IN FUNDS</b>			
	<b>At 1.1.24</b>	<b>Net</b>	<b>At</b>
	<b>£</b>	<b>movement</b>	<b>31.12.24</b>
		<b>in funds</b>	<b>£</b>
		<b>£</b>	
<b>Unrestricted funds</b>			
General unrestricted funds	7,587,211	83,361	7,670,572
Revaluation reserve	1,614,177	-	1,614,177
	<u>9,201,388</u>	<u>83,361</u>	<u>9,284,749</u>
<b>TOTAL FUNDS</b>	<u>9,201,388</u>	<u>83,361</u>	<u>9,284,749</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024

20. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General unrestricted funds	766,945	(581,133)	(102,451)	83,361
<b>Restricted funds</b>				
Scanning and archiving grants	188,468	(188,468)	-	-
<b>TOTAL FUNDS</b>	<u>955,413</u>	<u>(769,601)</u>	<u>(102,451)</u>	<u>83,361</u>

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
<b>Unrestricted funds</b>			
General unrestricted funds	7,331,847	255,364	7,587,211
Revaluation reserve	1,614,177	-	1,614,177
	<u>8,946,024</u>	<u>255,364</u>	<u>9,201,388</u>
<b>TOTAL FUNDS</b>	<u>8,946,024</u>	<u>255,364</u>	<u>9,201,388</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General unrestricted funds	399,766	(482,360)	337,958	255,364
<b>Restricted funds</b>				
Scanning and archiving grants	182,958	(182,958)	-	-
<b>TOTAL FUNDS</b>	<u>582,724</u>	<u>(665,318)</u>	<u>337,958</u>	<u>255,364</u>

**Unrestricted funds**

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**20. MOVEMENT IN FUNDS - continued**

**Restricted funds**

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used. The restricted fund represents the grant from Polish Cultural Ministry received by the charity for specific scanning and archiving projects.

**21. FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES**

There is a contingent liability to repay the Polish Trustee Association all or part of a bequest of £64,393 (2023: £64,393) if other claimants on the estate were to come forward. No security has been provided against this liability.

**22. RELATED PARTY DISCLOSURES**

There were no disclosable related party transactions during the year (2023 - none).

**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

England & Wales - Charity number 312168

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# Accounts

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**Charity registration number 312168**

**Company registration number 00401816 (England and Wales)**

**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

**Annual report and financial statements**

**For the year ended 31 December 2023**

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Members Of Council

K Nowakowski  
A W Nosalik  
G A Gudzenski  
J T Korwin Szymanowski  
T Kaczmarek  
L Lasocki  
M Wojcik  
D Bildziuk

### Charity number

312168

### Company number

00401816

### Registered office

20 Princes Gate  
London  
SW7 1PT

### Auditor

MGR Weston Kay LLP  
55 Loudoun Road  
St John's Wood  
London  
NW8 0DL

### Bankers

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4QJ

CCLA Investment Management Limited  
COIF Charity Funds  
80 Cheapside  
London  
EC2 6DZ

Bank Santander  
Oddzial 64 w Warszawie  
UL. Ludwika Kondratowicza 35  
Poland  
03-285

Barclays Bank UK PLC  
1 Churchill Place  
London  
E14 5HP

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# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### Report from the Board of Trustees

The year saw the Board meet frequently online via Zoom. Mr Krzysztof de Berg replaced Mr. Krzysztof Barbarski as Chairman. Illness subsequently forced Mr. de Berg to resign from the Board on the 1<sup>st</sup> May 2023. The Board decided to continue its activities without a formal chair, with each member undertaking responsibility for a given portfolio. The Board expresses its gratitude to Mr. de Berg who has also given many decades of service to PISM and continues to provide invaluable assistance.

The Board, acting under Section 39 of the Articles of Association, used its powers to create a Committee to manage the affairs of the Polish Underground Study Movement. The new Committee held its first meeting in September 2022 and in 2023 met several times. The Committee is comprised of trustees from the Polish Institute and Sikorski Museum and a representation of members of the Polish Underground Study Movement. The Chairman of the Studium Committee will change with the Vice Chairman every six months and both the Chairman and Vice-Chairman are expected to be either co-opted or voted on to the Board of Trustees.

During the year all the uniforms and regimental standards were examined, repacked, and checked against existing catalogues. Safeguarding measures were put in place to ensure continuing protection of vulnerable exhibits. Work such as cataloguing and maintenance of other Museum exhibits is continuing.

The Board continues to apply to the Polish Ministry of Culture for a grant under the so-called WABIM project. In 2023, the funds were used to publish two books relating to museum artefacts and archive documents, updating of the PISM Website and updating our film and photographic archives.

The Archive department had an annual approximate number of 500 enquires by email and post. Professional advice and consultation on the archive are also given by phone. The reading room is open five days a week and averages between 15 to 40 persons per week.

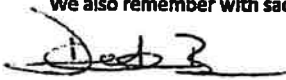
The Board, having commissioned a new website in previous years, took measures to ensure the development and improvement of the site as usage inevitably revealed weaknesses and faults. Constant technology changes have led to review of the website and its updating. A PISM Facebook site has been set up.

In April 2024, the Earl of St Andrews graciously agreed to become a patron of PISM as allowed for under Article 16(B) of the PISM Articles of Association.

This Institute and Museum is actively opening its doors to more and more visitors and extending its activities. HRH the Duke of Kent attended a reception organised by the Institute. Visits have been made by the Polish and Mexican Ambassadors, Polish Consuls and Polish Defence Attaches. Other visits were made by: The Lord Mayor of Westminster, The Mayor of Newark, a delegation from the ORP Blyskawica, 663 Squadron, Officer Cadets for the Polish Air Force Academy, Staff of the Battle of Britain Bunker Museum and the Defence Surveyors Association. The Institute was also visited by 40 bikers from Poland who were following footsteps of gen. Sikorski in the UK. The number of visits by Polish Schools increased and the Institute started an educational plan for live streaming lectures with the Polish Educational Society. An exhibition of gen. Wladyslaw Sikorski's trip to Mexico in 1942 was very successful.

So much of the work of PISM is undertaken by handfuls of volunteers for which the Board is extremely grateful and is mindful of the time and effort many volunteers, few of whom are young, contribute to the work of the Institute and Museum. Mr Wojtek DeLuga had a successful year. The income generated in the film archive exceeded those of previous years.

We also remember with sadness those members and volunteers who are no longer with us.



D Bildziuk

For and on Behalf of the Board

20 September 2024

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# **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

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# **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

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The Members of Council present their report and accounts for the year ended 31 December 2023, which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the The Polish Institute and Sikorski Museum Trust Deed, 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**

- To collect, preserve and interpret through the material evidence of Poland's past, especially that connected with the activities of the Polish Government-in-Exile and its Armed Forces 1939-45, for the public benefit, education and enjoyment.
- To care for the existing collections relating to Poland's history, principally the work of the Polish Government-in-Exile and its Armed forces 1939-45.
- To make provision for future collections which may be bequeathed by other institutions as well as by individual members of the public.
- Provide permanent and temporary exhibitions and events in a variety of disciplines for the information and education of visitors.
- To work with others to record, protect and enhance the achievements of the Polish Community in the United Kingdom.
- To provide a high quality education resource.
- Making the Institute and its activities accessible to all sections of the community.
- Encourage a dedicated workforce who cares about Polish heritage in the United Kingdom and its British contacts.
- To increase, by various means, the number of visitors and researchers to the Institute.
- To expand resources available to the Institute, with specific reference to staff and financial resources.

The full objects appear in the Memorandum and Articles of Association.

The Members of Council have had regard to Charity Commission's general guidance on public benefit when reviewing the aims, objectives and activities of the Charity.

The Members of Council have paid due regard to guidance issued by the Charity Commission in deciding what activities the Institute should undertake.

#### **Achievements and performance**

Details of the achievements of the charity during the year are shown above in the Trustee's Report.

# **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

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#### **Financial review**

The charity's incoming resources from charitable activities increased by 47% (550% including the £180,000 grant received from the Polish Ministry of Culture) and donations and legacies have increased by 28% in the year under review.

The total resources expended have increased by 42%. This includes the costs of generating funds which have decreased by 20% and the cost of charitable activities have increased by 51%.

There were net gains on investments of £337,958.

In the opinion of the Members of Council, the charity is in a strong position at the year end with unrestricted fund balance of £9,201,388.

It is the policy of the Institute that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Members of Council consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Institute's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees consider that, at the date of signing the report, the charity is a going concern, based on their review of existing funds and expected cash flow.

The Members of Council are aware of the charity's future financial needs and aim to secure the long term financial stability of the charity. They have a low to medium attitude to risk and have invested in income producing properties, a portfolio of FTSE 100 investments and retain liquid funds on deposit to ensure that they can meet the charity's short and medium term cash flow requirements. The charity has a normal level of exposure to price, liquidity and cash flow risk.

The Members of Council has assessed the major risks to which the Institute is exposed, and are satisfied that systems are in place to mitigate exposure to these.

There are no significant future changes planned and the Trustees look forward to a similar level of activity in the next financial year.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### Structure, governance and management

The Polish Institute and Sikorski Museum was established by a Trust Deed and is a company limited by guarantee with no shares. The Institute is governed by a Council consisting of a maximum of 24 Full Members. Each year one fifth of the longest serving Council members retire but being eligible, offer themselves for re-election at the Annual General Meeting. The charity is managed day-to-day by the Chairman, the Treasurer, the Vice Chairman and the rest of the Board who meet on average every six weeks.

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

K A de Berg	(Resigned 1 May 2023)
B Gabriel	(Appointed 8 May 2023 and resigned 1 January 2023)
J Tarczynski	(Resigned 21 October 2023)
M Mrozek	(Resigned 21 October 2023)
K Nowakowski	
A T Kawonczyk	(Resigned 21 October 2023)
A W Nosalik	
G A Gudlens	
J T Korwin Szymanowski	
T Kaczmarek	(Appointed 3 May 2023)
A W Zychowski	(Appointed 18 January 2023 and resigned 23 October 2023)
T de Berg	(Resigned 3 May 2023)
L Lasocki	(Appointed 4 December 2023)
M Wojcik	(Appointed 8 April 2024)
D Bildziuk	(Appointed 21 October 2023)

The Trustees can appoint full members in accordance with the Articles of Association. New Trustees are proposed from the full members based on their experience and the skills they can contribute to the charity. The existing Trustees will review these candidates' names and CV's. If successful, the candidates will be proposed for appointment at a Trustees meeting and subsequently confirmed at the AGM.

New Trustees follow an induction process. The charity's key management personnel (the Trustees) do not receive remuneration or other benefits for their work with the charity.

The charity's key management personnel do not receive remuneration or other benefit from their work with the charity.

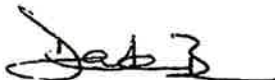
#### Auditor

A resolution proposing that MGR Weston Kay LLP be re-appointed as auditors will be put to the members.

#### Disclosure of Information to auditor

Each of the Members of Council 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 auditor is aware of such information.

The Trustees' report was approved by the Members Of Council.



D Bildziuk

Trustee

Dated: 20 September 2024

# **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

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The Members of Council, who are also the directors of The Polish Institute and Sikorski Museum for the purpose of company law, 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).

Company Law requires the Members of Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Institute and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. Company law requires that the Members of Council must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company.

In preparing these financial statements, the Members of Council 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 financial statements on the going concern basis unless it is inappropriate to presume that the Institute will continue in operation.

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

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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#### Opinion

We have audited the accounts of The Polish Institute and Sikorski Museum (the 'Institute') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the accounts, 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 charitable company's affairs as at 31 December 2023 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 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 Institute 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 entity'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 Members of Council are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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.

## **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

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##### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within 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 the knowledge and understanding of the Institute and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the 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

##### **Responsibilities of Members of Council**

As explained more fully in the statement of Chairman's and Trustees' responsibilities, the Members of Council, who are also the directors of the Institute 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 Members of Council 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 Members of Council are responsible for assessing the Institute'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 Members of Council 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**

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.

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.

## **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

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**Explanation as to what extent the auditor was considered capable of detecting irregularities including fraud**

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.

As part of our planning of the audit work required we obtained an understanding of the legal and regulatory frameworks that are applicable to the entity via enquiries of the company's management, carried out analytical procedures, held discussions amongst the engagement team and using knowledge of the sector determined that the most significant laws and regulation are those that relate to:

- Health and safety regulations.
- Employment law including right to work in the UK.
- Charities Act.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charities SORP, FRS102 and the Companies Act 2006.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with the laws and regulations and the fraud risks identified. This included enquiries with management to understand their policies and procedures for compliance with those regulations and we completed the following tests:

- Obtained an understanding of relevant controls.
- Reviewed the company's risk assessments, procedures and systems.
- Checked samples of documentation.
- Checked samples of documentation including minutes of the meetings of the trustees and service agreements with regulatory advisors.

We also assessed the risks of material misstatement in respect of fraud as follows:

- Revenue fraud.
- Unauthorised expenditure and/or payments.
- Management override of controls.
- Manipulation of accounting estimates.
- Related party fraud.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. This included the risk of management bias relating to judgements and assumptions used in the valuing the investment properties.

No significant issues were identified during our testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non – detection of irregularities, as these could involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

## **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

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

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Nigel Walfisz FCA (Senior Statutory Auditor)**

**for and on behalf of MGR Weston Kay LLP**

**Chartered Accountants**

**Statutory Auditor**

**55 Loudoun Road**

**St John's Wood**

**London**

**NW8 0DL**

**30 September 2024**

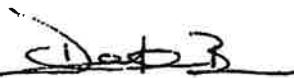
# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Property, plant and equipment	14		108,553		115,090
Investment properties	15		3,730,000		3,730,000
Investments	16		4,977,542		4,615,850
			<u>8,816,095</u>		<u>8,460,940</u>
<b>Current assets</b>					
Trade and other receivables	17	49,853		44,570	
Investments	18	196,444		196,488	
Cash at bank and in hand		169,400		277,555	
		<u>415,697</u>		<u>518,613</u>	
<b>Current liabilities</b>	19	<u>(30,404)</u>		<u>(33,529)</u>	
<b>Net current assets</b>			<u>385,293</u>		<u>485,084</u>
<b>Total assets less current liabilities</b>			<u>9,201,388</u>		<u>8,946,024</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
General unrestricted funds		7,587,211		7,331,847	
Revaluation reserve		1,614,177		1,614,177	
			<u>9,201,388</u>		<u>8,946,024</u>
			<u>9,201,388</u>		<u>8,946,024</u>

The financial statements were approved by the Members Of Council on 20 September 2024



**D Błdzziuk**  
Trustee

Company registration number 00401816

## THE POLISH INSTITUTE AND SIKORSKI MUSEUM

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £
<b>Income from:</b>					
Donations and legacies	3	54,412	-	54,412	42,402
Charitable activities	4	53,359	182,958	236,317	36,364
Investments	5	291,995	-	291,995	297,972
<b>Total income</b>		<b>399,766</b>	<b>182,958</b>	<b>582,724</b>	<b>376,738</b>
<b>Expenditure on:</b>					
Raising funds	6	46,781	-	46,781	58,738
Charitable activities	7	435,579	182,958	618,537	408,567
<b>Total expenditure</b>		<b>482,360</b>	<b>182,958</b>	<b>665,318</b>	<b>467,305</b>
Net gains/(losses) on investments	13	337,958	-	337,958	(707,791)
<b>Net movement in funds</b>		<b>255,364</b>	<b>-</b>	<b>255,364</b>	<b>(798,358)</b>
Fund balances at 1 January 2023		8,946,024	-	8,946,024	9,744,382
<b>Fund balances at 31 December 2023</b>		<b>9,201,388</b>	<b>-</b>	<b>9,201,388</b>	<b>8,946,024</b>

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

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### **1 Accounting policies**

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with 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)" (as amended for accounting periods commencing from 1 January 2019). The Institute is a Public Benefit Entity as defined by FRS 102.

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

##### **1.2 Going concern**

The Trustee consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern and have prepared these financial statements on this basis. This is supported by a large range of assets held by the Charity.

##### **1.3 Charitable funds**

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

Restricted funds are subject to specific conditions by donors or grantors 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 accounted for on a receivable basis. The charity is not VAT registered.

Income from donations is recognised when the charity's entitlement has been established, the amount receivable can be measured and the receipt becomes unconditional.

Income from legacies is recognised when there has been grant of probate, there are sufficient assets in the estate and evidence of entitlement has been received.

Investment income comprises rent receivable on investment properties, income from listed investments and interest on cash at bank and short term deposits. Rent receivable is accrued on a day to day basis, interest on deposits is accounted for on an accruals basis and other investment income is credited as declared.

Grant income is accounted for in accordance with the contract.

Income is allocated to restricted income when it is given by the donor or grant maker for specific purposes.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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**1 Accounting policies** (Continued)

**1.5 Resources expended**

All resources expended are accounted for on an accruals basis.

Costs of generating funds are those associated with rental and investment income.

Charitable activities include costs of services and support costs and depreciation on related assets.

Governance costs are those associated with constitutional and statutory requirements.

**1.6 Property, plant and equipment**

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	10% reducing balance
----------------------------------	----------------------

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.

Freehold properties are stated at cost. They have not been depreciated because in the opinion of the Trustees, their current value is significantly in excess of the value at which they are included in the Balance Sheet.

**1.7 Investment properties**

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are measured using the fair value model and stated at their estimated fair values as the reporting end date as determined by the Trustees. There is no depreciation charged on investment properties. The surplus or deficit on revaluation is recognised in the statement of financial activities.

**1.8 Fixed and current asset investments**

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investments have been classified as current if the funds are available on demand or at notice.

**1.9 Impairment of non-current assets**

At each reporting end date, the Institute reviews the carrying amounts of its tangible 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).

**1.10 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1 Accounting policies

(Continued)

##### 1.11 Financial Instruments

The Institute 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 Institute's balance sheet when the Institute 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.

##### 1.12 Creditors

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

##### 1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Institute is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.14 Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All net differences arising have been dealt with through the statement of financial activities.

##### 1.15 Heritage assets - Archives, Libraries, Regimental Colours and Museum Collections

The Museum has not capitalised heritage assets. This is because a comprehensive valuation would not provide a meaningful figure for users of the financial statements and the cost of doing so is not commensurate with benefits to the users of the financial statements.

Historic cost - while it may be possible to assign a cost to items purchased within a financial year, historic costs quickly becomes obsolete and meaningless, not only because of general price movements where markets for similar items do exist, but also because of changing opinions about attribution and authenticity, subsequent research into objects that reveals new value, the emergence of new information about the provenance of an item or changes in taste.

Valuation - attempting to value heritage assets acquired historically raises a number of further conceptual concerns. Valuation of heritage assets is complicated by the nature of many such assets. They are rarely sold and often have a value enhanced above the intrinsic through their association with a person, event or collection; there are a very limited number of buyers; no homogeneous population of assets on the market; and imperfect information about the items for sale. In contrast with many commercial assets, therefore, there is seldom an active market to provide indicative values of similar objects. This makes materially accurate valuations impossible to achieve for many heritage assets.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 2 Critical accounting estimates and judgements

In the application of the Institute's accounting policies, the Members of Council 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.

#### Valuation of investment properties

As described in note 15 to the financial statements, investment properties are stated at fair value. The trustees used observable market prices.

#### 3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	24,153	30,393
Legacies receivable	30,259	12,009
	<u>54,412</u>	<u>42,402</u>

#### 4 Charitable activities

	2023 £	2022 £
Performance related grants	182,958	-
Income from charitable activities	53,359	36,364
	<u>236,317</u>	<u>36,364</u>

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 5 Investments

	2023	2022
	£	£
Rental income	132,613	130,597
Income from listed investments	156,912	166,403
Interest receivable	2,470	972
	<u>291,995</u>	<u>297,972</u>

### 6 Raising funds

	2023	2022
	£	£
Costs of generating rental income	21,791	32,677
Investment management costs	24,990	26,061
	<u>46,781</u>	<u>58,738</u>

### 7 Charitable activities

	2023	2022
	£	£
Staff costs	221,952	203,774
Depreciation	7,673	8,398
Rates	28,423	24,002
Light and heat	20,789	8,942
Repairs and maintenance	32,071	26,885
Insurance	39,817	34,704
Archive/library costs	43,708	41,735
Printing, postage and stationary	5,515	4,859
Advertising	6,018	1,828
Foreign exchange gain or loss	(3,502)	-
Scanning costs	182,958	-
	<u>585,422</u>	<u>355,127</u>
Share of support costs (see note 8)	15,033	14,464
Share of governance costs (see note 8)	18,082	38,976
	<u>618,537</u>	<u>408,567</u>

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

8 Support costs	Support costs	Governance costs	Total	Support costs	Governance costs	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Telephone & internet	7,263	-	7,263	8,923	-	8,923
Sundry office costs	2,861	-	2,861	2,815	-	2,814
Car and travel	-	-	-	310	-	310
Bank charges	808	-	808	647	-	647
Health and safety	4,101	-	4,101	1,770	-	1,770
Audit fees	-	14,400	14,400	-	13,800	13,800
Legal and professional	-	3,682	3,682	-	25,175	25,176
	<u>15,033</u>	<u>18,082</u>	<u>33,115</u>	<u>14,465</u>	<u>38,975</u>	<u>53,440</u>
Analysed between Charitable activities	<u>15,033</u>	<u>18,082</u>	<u>33,115</u>	<u>20,510</u>	<u>14,858</u>	<u>53,440</u>

### 9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the company's auditor:	2023	2022
	£	£
Audit of the company's annual accounts	<u>14,400</u>	<u>13,800</u>

### 10 Member of Council

No members of council received any remuneration during the current year or prior year.

In the current year, one member of council received £11,310 (2022: nil) relating to work they completed in relation to the scanning project. The member of council donated the whole amount back to the charity during the year ended 31 December 2024.

Also, during the year, three members of council received reimbursement of travel, subsistence and other expenditure amounting to £1,113. (2022: One member of council received reimbursement of travel, subsistence and other expenditure amounting to £201).

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 11 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Administrative	10	10
	<u>10</u>	<u>10</u>
<b>Employment costs</b>	<b>2023</b>	<b>2022</b>
	£	£
Wages and salaries	206,025	189,157
Social security costs	11,029	10,478
Pension costs	4,898	4,139
	<u>221,952</u>	<u>203,774</u>

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

#### 12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 13 Net (losses)/ gains on investments

	2023	2022
	£	£
Revaluation and net gains / (losses) on investments	337,958	(707,791)

#### 14 Property, plant and equipment

	Land and buildings	Fixtures, fittings and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2023	39,505	236,525	276,030
Additions	-	1,136	1,136
At 31 December 2023	39,505	237,661	277,166
<b>Depreciation and impairment</b>			
At 1 January 2023	-	160,940	160,940
Depreciation charged in the year	-	7,673	7,673
At 31 December 2023	-	168,613	168,613
<b>Carrying amount</b>			
At 31 December 2023	39,505	69,048	108,553
At 31 December 2022	39,505	75,585	115,090

#### 15 Investment property

	2023
	£
<b>Fair value</b>	
At 1 January 2023 and 31 December 2023	3,730,000

The investment properties are stated in the accounts at the Trustees' estimate of the market value at the balance sheet date. There has been no valuation by an independent party.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 16 Fixed asset investments

	£
<b>Cost or valuation</b>	
At 1 January 2023	4,615,850
Additions	195,037
Valuation changes	539,653
Disposals	(214,354)
At 31 December 2023	<u>5,136,186</u>
<b>Carrying amount</b>	
At 31 December 2023	<u>5,136,186</u>
At 31 December 2022	<u>4,615,850</u>

#### 17 Trade and other receivables

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Other receivables	13,011	10,672
Prepayments and accrued income	36,842	33,898
	<u>49,853</u>	<u>44,570</u>

#### 18 Current asset investments

	2023	2022
	£	£
Other investments	<u>196,444</u>	<u>196,488</u>

#### 19 Current liabilities

	Notes	2023	2022
		£	£
Borrowings	20	2,974	3,409
Other taxation and social security		3,794	644
Other payables		5,814	7,057
Accruals		17,822	22,419
		<u>30,404</u>	<u>33,529</u>

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 20 Borrowings

	2023	2022
	£	£
Bank overdrafts	<u>2,974</u>	<u>3,409</u>
Payable within one year	<u>2,974</u>	<u>3,409</u>

#### 21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	<u>8,946,024</u>	<u>399,766</u>	<u>(482,360)</u>	<u>337,958</u>	<u>9,201,388</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
General funds	<u>9,744,382</u>	<u>376,738</u>	<u>(467,305)</u>	<u>(707,791)</u>	<u>8,946,024</u>

#### 22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used. The restricted fund represents the grant from Polish Cultural Ministry received by the charity for specific scanning and archiving projects.

	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
Scanning and archiving grants	<u>-</u>	<u>182,958</u>	<u>(182,958)</u>	<u>-</u>

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 23 Analysis of net assets between funds

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Unrestricted 2022 £
Fund balances at 31 December 2023 are represented by:				
Property, plant and equipment	108,553	-	108,553	115,090
Investment properties	3,730,000	-	3,730,000	3,730,000
Investments	4,977,542	-	4,977,542	4,615,850
Current assets/(liabilities)	385,293	-	385,293	485,084
	<u>9,201,388</u>	<u>-</u>	<u>9,201,388</u>	<u>8,946,024</u>

#### 24 Financial commitments, guarantees and contingent liabilities

There is a contingent liability to repay the Polish Trustee Association all or part of a bequest of £64,393 (2022: £64,393) if other claimants on the estate were to come forward. No security has been provided against this liability.

#### 25 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

#### 26 Company Information

The Polish Institute and Sikorski Museum is a private company limited by guarantee incorporated in England and Wales. The registered office and principle place of business is 20 Princes Gate, London, SW7 1PT.

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



**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

England & Wales - Charity number 312168

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# Accounts

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**Charity registration number 312168**

**Company registration number 00401816 (England and Wales)**

**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

**Annual report and financial statements**

**For the year ended 31 December 2022**

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Members Of Council</b>	B Gabriel J Tarczyński M Mrozek K Nowakowski A T Kawonczyk A W Nosalik G A Gudliens J T Korwin Szymanowski T Kaczmarek A W Zychowski
<b>Charity number</b>	312168
<b>Company number</b>	00401816
<b>Registered office</b>	20 Princes Gate London SW7 1PT
<b>Auditor</b>	MGR Weston Kay LLP 55 Loudoun Road St John's Wood London NW8 0DL
<b>Bankers</b>	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4QJ  CCLA Investment Management Limited COIF Charity Funds 80 Cheapside London EC2 6DZ

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# **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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### **Bankers (continued)**

**Bank Zachodni WBK  
Oddział 66 w Warszawie  
PL. Powstancow Warszawskich  
Poland  
00-030**

**Barclays Bank UK PLC  
1 Churchill Place  
London  
E14 5HP**

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# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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## **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **Report from the Board of Trustees**

The year saw the Board meet on seven occasions. Increasingly, meetings are now held virtually. This year also saw the resignation of the Chairman, Mr. Krzysztof Barbarski after many decades of service to PISM. The Trustees and all Members are grateful for the invaluable services rendered by him. Mr Krzysztof deBerg replaced Mr. Krzysztof Barbarski as Chairman. Illness subsequently forced Mr. deBerg to resign from the Board, which decided to continue its activities without a formal chair, but each member undertaking responsibility for a given portfolio. The Board expresses its gratitude to Mr. deBerg who has also given many decades of service to PISM and continues to provide invaluable assistance.

The Board was concerned with the future of the Krasinski Collection which had been loaned to the Museum some seventy years earlier in the undocumented understanding that the loan was to be permanent. But heirs to the collection have emerged claiming a right to it and this matter is still being investigated.

The Board, acting under Section 39 of the Articles of Association, used its powers to create a Committee to manage the affairs of the Polish Underground Study Movement. The new Committee held its first meeting in September 2022.

During the year all the uniforms and regimental standards were examined, repacked, and checked against existing catalogues. Safeguarding measures were put in place to ensure continuing protection of vulnerable exhibits. Work such as cataloguing and maintenance of other Museum exhibits is continuing.

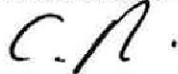
The Board agreed to an application to be made to the Polish Ministry of Culture for a grant under the so-called WABIM project. The funds will be used to publish two books relating to museum artefacts and archive documents, updating of the PISM Website and updating our film and photographic archives. A percentage of the grant money will go to the Polish Underground Study Movement for planned activities.

The Board, having commissioned a new website in the previous year, took measures to ensure the development and improvement of the site as usage inevitably revealed weaknesses and faults.

The year saw numerous visits to PISM by Polish Saturday Schools. Other visits were from the Bishop to the Polish Armed Forces, from the Trustees of the Society for Army Historical Research, from the management and directors of Skarbek Associates and by a delegation from the Royal Palace in Warsaw.

So much of the work of PISM is undertaken by handfuls of volunteers for which the Board is extremely grateful and is mindful of the time and effort many volunteers, few of whom are young, contribute to the work of the Institute and Museum. We also remember with sadness those who are no longer with us.

For and on Behalf of the Board



K Nowakowski

22 September 2023

# **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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The Members of Council present their report and accounts for the year ended 31 December 2022, which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the The Polish Institute and Sikorski Museum Trust Deed, 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**

- To collect, preserve and interpret through the material evidence of Poland's past, especially that connected with the activities of the Polish Government-in-Exile and its Armed Forces 1939-45, for the public benefit, education and enjoyment.
- To care for the existing collections relating to Poland's history, principally the work of the Polish Government-in-Exile and its Armed forces 1939-45.
- To make provision for future collections which may be bequeathed by other institutions as well as by individual members of the public.
- Provide permanent and temporary exhibitions and events in a variety of disciplines for the information and education of visitors.
- To work with others to record, protect and enhance the achievements of the Polish Community in the United Kingdom.
- To provide a high quality education resource.
- Making the Institute and its activities accessible to all sections of the community.
- Encourage a dedicated workforce who cares about Polish heritage in the United Kingdom and its British contacts.
- To increase, by various means, the number of visitors and researchers to the Institute.
- To expand resources available to the Institute, with specific reference to staff and financial resources.

The full objects appear in the Memorandum and Articles of Association.

The Members of Council have had regard to Charity Commission's general guidance on public benefit when reviewing the aims, objectives and activities of the Charity.

The Members of Council have paid due regard to guidance issued by the Charity Commission in deciding what activities the Institute should undertake.

#### **Achievements and performance**

Details of the achievements of the charity during the year are shown above in the Trustee's Report.

# **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **Financial review**

The charity's incoming resources from charitable activities fell by 61% and donations and legacies have decreased by 75.8% in the year under review.

The total resources expended have increased by 23.5%. This includes the costs of generating funds which have increased by 14.8% and the cost of charitable activities have increased by 8.7%.

There were net losses on investments of £707,791.

In the opinion of the Members of Council, the charity is in a strong position at the year end with unrestricted fund balance of £8.9m.

It is the policy of the Institute that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Members of Council consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Institute's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees consider that, at the date of signing the report, the charity is a going concern, based on their review of existing funds and expected cash flow.

The Members of Council are aware of the charity's future financial needs and aim to secure the long term financial stability of the charity. They have a low to medium attitude to risk and have invested in income producing properties, a portfolio of FTSE 100 investments and retain liquid funds on deposit to ensure that they can meet the charity's short and medium term cash flow requirements. The charity has a normal level of exposure to price, liquidity and cash flow risk.

The Members of Council has assessed the major risks to which the Institute is exposed, and are satisfied that systems are in place to mitigate exposure to these.

There are no significant future changes planned and the Trustees look forward to a similar level of activity in the next financial year.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### Structure, governance and management

The Polish Institute and Sikorski Museum was established by a Trust Deed and is a company limited by guarantee with no shares. The Institute is governed by a Council consisting of a maximum of 24 Full Members. Each year one fifth of the longest serving Council members retire but being eligible, offer themselves for re-election at the Annual General Meeting. The charity is managed day-to-day by the Chairman, the Treasurer, the Vice Chairman and the rest of the Board who meet on average every six weeks.

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

K Barbarski	(Resigned 29 April 2022)
K A de Berg	(Resigned 1 May 2023)
B Gabriel	
J Tarczynski	
M Mrozek	
K Nowakowski	
A T Kawonczyk	
A W Nosalik	
G A Gudlens	(Appointed 10 February 2022)
J T Korwin Szymanowski	(Appointed 10 February 2022)
T Kaczmarek	(Appointed 10 February 2022)
A W Zychowski	(Appointed 18 January 2023)

The Trustees can appoint full members in accordance with the Articles of Association. New Trustees are proposed from the full members based on their experience and the skills they can contribute to the charity. The existing Trustees will review these candidates' names and CV's. If successful, the candidates will be proposed for appointment at a Trustees meeting and subsequently confirmed at the AGM.

New Trustees follow an induction process. The charity's key management personnel (the Trustees) do not receive remuneration or other benefits for their work with the charity.

The charities key management personnel do not receive remuneration or other benefit from their work with the charity.

### Auditor

A resolution proposing that MGR Weston Kay LLP be re-appointed as auditors will be put to the members.

### Disclosure of information to auditor

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

The Trustees' report was approved by the Members Of Council.



K Nowakowski

Trustee

Dated: 22 September 2023

## **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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The Members of Council, who are also the directors of The Polish Institute and Sikorski Museum for the purpose of company law, 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).

Company Law requires the Members of Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Institute and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Members of Council 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 financial statements on the going concern basis unless it is inappropriate to presume that the Institute will continue in operation.

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

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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#### Opinion

We have audited the accounts of The Polish Institute and Sikorski Museum (the 'Institute') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the accounts, 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 charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Institute 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 entity'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 Members of Council are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within 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 the knowledge and understanding of the Institute and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the 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

#### Responsibilities of Members of Council

As explained more fully in the statement of Chairman's and Trustees' responsibilities, the Members of Council, who are also the directors of the Institute 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 Members of Council 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 Members of Council are responsible for assessing the Institute'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 Members of Council 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

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.

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.

## **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

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##### **Explanation as to what extent the auditor was considered capable of detecting Irregularities including fraud**

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.

As part of our planning of the audit work required we obtained an understanding of the legal and regulatory frameworks that are applicable to the entity via enquiries of the company's management, carried out analytical procedures, held discussions amongst the engagement team and using knowledge of the sector determined that the most significant laws and regulation are those that relate to:

- Health and safety regulations.
- Employment law including right to work in the UK.
- Charities Act.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charities SORP, FRS102 and the Companies Act 2006.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with the laws and regulations and the fraud risks identified. This included enquiries with management to understand their policies and procedures for compliance with those regulations and we completed the following tests:

- Obtained an understanding of relevant controls.
- Reviewed the company's risk assessments, procedures and systems.
- Checked samples of documentation.
- Checked samples of documentation including minutes of the meetings of the trustees and service agreements with regulatory advisors.

We also assessed the risks of material misstatement in respect of fraud as follows:

- Revenue fraud.
- Unauthorised expenditure and/or payments.
- Management override of controls.
- Manipulation of accounting estimates.
- Related party fraud.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. This included the risk of management bias relating to judgements and assumptions used in the valuing the investment properties.

No significant issues were identified during our testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non – detection of irregularities, as these could involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

## **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

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

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Nigel Walfisz FCA (Senior Statutory Auditor)**  
**for and on behalf of MGR Weston Kay LLP**  
**Chartered Accountants**  
**Statutory Auditor**  
**55 Loudoun Road**  
**St John's Wood**  
**London**  
**NW8 0DL**

**26 September 2023**

## THE POLISH INSTITUTE AND SIKORSKI MUSEUM

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £
<b><u>Income from:</u></b>					
Donations and legacies	3	42,402	-	42,402	175,383
Charitable activities	4	36,364	-	36,364	93,188
Investments	5	297,972	-	297,972	245,359
<b>Total income</b>		<b>376,738</b>	<b>-</b>	<b>376,738</b>	<b>513,930</b>
<b><u>Expenditure on:</u></b>					
Raising funds	6	58,738	-	58,738	51,155
Charitable activities	7	408,567	-	408,567	376,010
<b>Total expenditure</b>		<b>467,305</b>	<b>-</b>	<b>467,305</b>	<b>427,165</b>
Net gains/(losses) on investments	12	(707,791)	-	(707,791)	7,203
<b>Net movement in funds</b>		<b>(798,358)</b>	<b>-</b>	<b>(798,358)</b>	<b>93,968</b>
Fund balances at 1 January 2022		9,744,382	-	9,744,382	9,650,414
<b>Fund balances at 31 December 2022</b>		<b>8,946,024</b>	<b>-</b>	<b>8,946,024</b>	<b>9,744,382</b>

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

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Property, plant and equipment	13		115,090		123,488
Investment properties	14		3,730,000		3,730,000
Investments	15		4,615,850		5,484,893
			<u>8,460,940</u>		<u>9,338,381</u>
<b>Current assets</b>					
Trade and other receivables	16	44,570		40,208	
Investments	17	196,488		219,868	
Cash at bank and in hand		277,555		179,468	
		<u>518,613</u>		<u>439,544</u>	
<b>Current liabilities</b>	18	<u>(33,529)</u>		<u>(33,543)</u>	
<b>Net current assets</b>			<u>485,084</u>		<u>406,001</u>
<b>Total assets less current liabilities</b>			<u>8,946,024</u>		<u>9,744,382</u>
<b>Income funds</b>					
<b>Unrestricted funds</b>					
General unrestricted funds		7,331,847		8,130,205	
Revaluation reserve		1,614,177		1,614,177	
			<u>8,946,024</u>		<u>9,744,382</u>
			<u>8,946,024</u>		<u>9,744,382</u>

The financial statements were approved by the Members Of Council on 22 September 2023



K Nowakowski  
Trustee

Company registration number 00401816

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with 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)" (as amended for accounting periods commencing from 1 January 2019). The Institute is a Public Benefit Entity as defined by FRS 102.

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

#### **1.2 Going concern**

The Trustee consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern and have prepared these financial statements on this basis. This is supported by a large range of assets held by the Charity.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Members of Council 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 accounted for on a receivable basis. The charity is not VAT registered.

Income from donations is recognised when receivable where possible, and when the charity's entitlement to receipt becomes unconditional.

Income from legacies is recognised when there has been grant of probate, there are sufficient assets in the estate and evidence of entitlement has been received.

Investment income comprises rent receivable on investment properties, income from listed investments and interest on cash at bank and short term deposits. Rent receivable is accrued on a day to day basis, interest on deposits is accounted for on an accruals basis and other investment income is credited as declared.

Grant income is accounted for in accordance with the contract.

Income is allocated to restricted income when it is given by the donor or grant maker for specific purposes.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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**1 Accounting policies** **(Continued)**

**1.5 Resources expended**

All resources expended are accounted for on an accruals basis.

Costs of generating funds are those associated with rental and investment income.

Charitable activities include costs of services and support costs and depreciation on related assets.

Governance costs are those associated with constitutional and statutory requirements.

**1.6 Property, plant and equipment**

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	10% reducing balance
----------------------------------	----------------------

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.

Freehold properties are stated at cost. They have not been depreciated because in the opinion of the Trustees, their current value is significantly in excess of the value at which they are included in the Balance Sheet.

**1.7 Investment properties**

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are measured using the fair value model and stated at their estimated fair values as the reporting end date as determined by the Trustees. There is no depreciation charged on investment properties. The surplus or deficit on revaluation is recognised in the statement of financial activities.

**1.8 Fixed and current asset investments**

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investments have been classified as current if the funds are available on demand or at notice.

**1.9 Impairment of non-current assets**

At each reporting end date, the Institute reviews the carrying amounts of its tangible 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).

**1.10 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### **1 Accounting policies**

(Continued)

##### **1.11 Financial instruments**

The Institute 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 Institute's balance sheet when the Institute 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.

##### **1.12 Creditors**

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

##### **1.13 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Institute is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **1.14 Foreign currency translation**

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All net differences arising have been dealt with through the statement of financial activities.

##### **1.15 Heritage assets - Archives, Libraries, Regimental Colours and Museum Collections**

The Museum has not capitalised heritage assets. This is because a comprehensive valuation would not provide a meaningful figure for users of the financial statements and the cost of doing so is not commensurate with benefits to the users of the financial statements.

Historic cost - while it may be possible to assign a cost to items purchased within a financial year, historic costs quickly becomes obsolete and meaningless, not only because of general price movements where markets for similar items do exist, but also because of changing opinions about attribution and authenticity, subsequent research into objects that reveals new value, the emergence of new information about the provenance of an item or changes in taste.

Valuation - attempting to value heritage assets acquired historically raises a number of further conceptual concerns. Valuation of heritage assets is complicated by the nature of many such assets. They are rarely sold and often have a value enhanced above the intrinsic through their association with a person, event or collection; there are a very limited number of buyers; no homogeneous population of assets on the market; and imperfect information about the items for sale. In contrast with many commercial assets, therefore, there is seldom an active market to provide indicative values of similar objects. This makes materially accurate valuations impossible to achieve for many heritage assets.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 2 Critical accounting estimates and judgements

In the application of the Institute's accounting policies, the Members of Council 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.

#### Valuation of investment properties

As described in note 14 to the financial statements, investment properties are stated at fair value. The trustees used observable market prices.

#### 3 Donations and legacies

	2022	2021
	£	£
Donations and gifts	30,393	4,620
Legacies receivable	12,009	170,763
	<u>42,402</u>	<u>175,383</u>

#### 4 Charitable activities

	2022	2021
	£	£
Performance related grants	-	36,810
Income from charitable activities	36,364	56,378
	<u>36,364</u>	<u>93,188</u>

#### 5 Investments

	2022	2021
	£	£
Rental income	130,597	114,518
Income from listed investments	166,403	130,383
Interest receivable	972	458
	<u>297,972</u>	<u>245,359</u>

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Raising funds

	2022	2021
	£	£
Costs of generating rental income	32,677	25,163
Investment management costs	26,061	25,992
	<u>58,738</u>	<u>51,155</u>

### 7 Charitable activities

	2022	2021
	£	£
Staff costs	203,774	197,307
Depreciation	8,398	9,331
Rates	24,002	25,193
Light and heat	8,942	6,893
Repairs and maintenance	26,885	16,100
Insurance	34,704	30,681
Archive library costs	41,735	47,841
Printing, postage and stationary	4,859	3,823
Advertising	1,828	787
Foreign exchange gain or loss	-	2,686
	<u>355,127</u>	<u>340,642</u>
Share of support costs (see note 8)	14,464	20,510
Share of governance costs (see note 8)	38,976	14,858
	<u>408,567</u>	<u>376,010</u>

## THE POLISH INSTITUTE AND SIKORSKI MUSEUM

### NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Support costs	Support	Governance	Total	Support	Governance	Total
	costs	costs		costs	costs	
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Telephone & Internet	8,923	-	8,923	13,230	-	13,230
Sundry office costs	2,814	-	2,814	4,983	-	4,983
Car and travel	310	-	310	348	-	348
Bank charges	647	-	647	513	-	513
Health and safety	1,770	-	1,770	1,436	-	1,436
Audit fees	-	13,800	13,800	-	10,200	10,200
Legal and professional	-	25,176	25,176	-	4,658	4,658
	<u>14,464</u>	<u>38,976</u>	<u>53,440</u>	<u>20,510</u>	<u>14,858</u>	<u>35,368</u>
Analysed between						
Charitable activities	<u>14,464</u>	<u>38,976</u>	<u>53,440</u>	<u>20,510</u>	<u>14,858</u>	<u>35,368</u>

### 9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the company's auditor:	2022	2021
	£	£
Audit of the company's annual accounts	<u>13,800</u>	<u>10,200</u>

### 10 Member of Council

None of the members of council received any remuneration during the current year or the previous year.

During the year, one member of council received reimbursement of travel, subsistence and other expenditure amounting to £201 (2021: £100).

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 11 Employees

##### Number of employees

The average monthly number of employees during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Administrative	10	10
	<u>          </u>	<u>          </u>
<b>Employment costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	189,157	183,022
Social security costs	10,478	9,191
Pension costs	4,139	4,357
	<u>          </u>	<u>          </u>
	<u>203,774</u>	<u>196,570</u>

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

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 12 Net (losses)/ gains on investments

	2022	2021
	£	£
Revaluation and net gains / (losses) on investments	(707,791)	677,203
Revaluation of investment properties	-	(670,000)
	<u>(707,791)</u>	<u>7,203</u>

### 13 Property, plant and equipment

	Land and buildings	Fixtures, fittings and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2022	39,505	236,525	276,030
At 31 December 2022	<u>39,505</u>	<u>236,525</u>	<u>276,030</u>
<b>Depreciation and impairment</b>			
At 1 January 2022	-	152,542	152,542
Depreciation charged in the year	-	8,398	8,398
At 31 December 2022	<u>-</u>	<u>160,940</u>	<u>160,940</u>
<b>Carrying amount</b>			
At 31 December 2022	<u>39,505</u>	<u>75,585</u>	<u>115,090</u>
At 31 December 2021	<u>39,505</u>	<u>83,983</u>	<u>123,488</u>

### 14 Investment property

	2022
	£
<b>Fair value</b>	
At 1 January 2022 and 31 December 2022	<u>3,730,000</u>

The investment properties are stated in the accounts at the Trustees' estimate of the market value at the balance sheet date. There has been no valuation by an independent party.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 15 Fixed asset investments

	£
<b>Cost or valuation</b>	
At 1 January 2022	5,484,893
Additions	377,773
Valuation changes	(788,338)
Disposals	(458,478)
	<u>4,615,850</u>
<b>At 31 December 2022</b>	<u>4,615,850</u>
<b>Carrying amount</b>	
At 31 December 2022	<u>4,615,850</u>
At 31 December 2021	<u>5,484,893</u>

#### 16 Trade and other receivables

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Other receivables	10,672	7,919
Prepayments and accrued income	33,898	32,289
	<u>44,570</u>	<u>40,208</u>

#### 17 Current asset investments

	2022	2021
	£	£
Other investments	<u>196,488</u>	<u>219,868</u>

#### 18 Current liabilities

	2022	2021
	£	£
	<b>Notes</b>	
Borrowings	19	3,409
Other taxation and social security		644
Other payables		7,057
Accruals		22,419
		<u>33,529</u>
		<u>33,543</u>

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Borrowings	2022	2021
	£	£
Bank overdrafts	3,409	4,413
Payable within one year	3,409	4,413

20 Analysis of net assets between funds	Unrestricted 2022 £	Total 2022 £	Unrestricted 2021 £
Fund balances at 31 December 2022 are represented by:			
Property, plant and equipment	115,090	115,090	123,488
Investment properties	3,730,000	3,730,000	3,730,000
Investments	4,615,850	4,615,850	5,484,893
Current assets/(liabilities)	485,084	485,084	406,001
	<u>8,946,024</u>	<u>8,946,024</u>	<u>9,744,382</u>

### 21 Financial commitments, guarantees and contingent liabilities

There is a contingent liability to repay the Polish Trustee Association all or part of a bequest of £64,393 (2021: £64,393) if other claimants on the estate were to come forward. No security has been provided against this liability.

### 22 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

### 23 Company Information

The Polish Institute and Sikorski Museum is a private company limited by guarantee incorporated in England and Wales. The registered office and principle place of business is 20 Princes Gate, London, SW7 1PT.

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

**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

England & Wales - Charity number 312168

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# Accounts

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Charity Registration No. 312168

Company Registration No. 00401816 (England and Wales)

**The Polish Institute and Sikorski Museum**

**a company limited by guarantee**

**Trustees' report and audited financial statements**

**For the year ended 31 December 2020**

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Members Of Council</b>	K Barbarski K A de Berg B Gabriel J Tarczyński M Mrozek K Nowakowski A T Kawonczyk A W Nosalik
<b>Secretary</b>	B S Wereszczynski
<b>Charity number</b>	312168
<b>Company number</b>	00401816
<b>Registered office</b>	20 Princes Gate London SW7 1PT
<b>Auditor</b>	MGR Weston Kay LLP 55 Loudoun Road St John's Wood London NW8 0DL
<b>Bankers</b>	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4QJ  CCLA Investment Management Limited COIF Charity Funds 80 Cheapside London EC2 6DZ  Royal Bank of Scotland 175-177 Kensington High Street London W8 6SH

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# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## CHAIRMAN'S AND TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### Chairman's Report

2020 commenced as a "normal" year, with all of the departments of the Institute (Archives, Museum and the Polish Underground Movement Study Trust), planning to concentrate on their anticipated workloads for the year. However, as all are obviously aware, the country was hit by the Covid Pandemic and this had an obvious serious impact on the Institute.

Essentially the Institute was in lockdown for the majority of the year, with salaried staff furloughed and volunteer staff obviously not attending. There was some respite for short periods of time but the Institute could not function to its normal, full potential.

As in previous years, when the Institute was able to function, it continued to draw researchers, authors, film makers, journalists as well as general visitors. Where possible, contacts were maintained with other institutions of a similar profile, both in the United Kingdom as well as abroad.

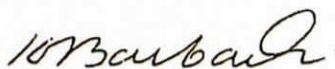
Again, within the periods when the Institute could function, the preservation of its collections continued. This included the scanning and preservation of documents, photographs and films, as well as certain museum exhibits.

Where possible during lockdown, checks were made on the condition of the various properties belonging to the Institute. Fortunately there were no particular emergency issues, although certain works may be undertaken once lockdowns finally end. Here, it must be borne in mind, that the rented properties do bring in a much-needed income for the Institute.

As mentioned in previous years, a core of salaried staff is employed by the Institute, with the majority of other staff working in a voluntary capacity. It is hoped that eventually all will be able to return once the Covid Pandemic has been conquered.

During the period of lockdown some of the Trustee-Directors were involved in the preparation of an on-line presentation relating to the Polish contribution to the Battle of Britain. Consideration was also given to reviewing the Institute's web page.

Traditionally, I should like to convey the thanks of the Trustee-Directors to all of the Institute's staff, both full-time as well as volunteer, for their dedication, enthusiasm and above all their hard work.



Krzysztof Barbarski CEng

Chairman

Dated: 20 September 2021

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## CHAIRMAN'S AND TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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The Members of Council present their report and accounts for the year ended 31 December 2020, which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the The Polish Institute and Sikorski Museum Trust Deed, 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

- To collect, preserve and interpret through the material evidence of Poland's past, especially that connected with the activities of the Polish Government-in-Exile and it's Armed Forces 1939-45, for the public benefit, education and enjoyment.
- To care for the existing collections relating to Poland's history, principally the work of the Polish Government-in-Exile and it's Armed forces 1939-45.
- To make provision for future collections which may be bequeathed by other institutions as well as by individual members of the public.
- Provide permanent and temporary exhibitions and events in a variety of disciplines for the information and education of visitors.
- To work with others to record, protect and enhance the achievements of the Polish Community in the United Kingdom.
- To provide a high quality education resource.
- Making the Institute and its activities accessible to all sections of the community.
- Encourage a dedicated workforce who cares about Polish heritage in the United Kingdom and its British contacts.
- To increase, by various means, the number of visitors and researchers to the Institute.
- To expand resources available to the Institute, with specific reference to staff and financial resources.

The full objects appear in the Memorandum and Articles of Association.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## CHAIRMAN'S AND TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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The Members of Council have had regard to Charity Commission's general guidance on public benefit when reviewing the aims, objectives and activities of the Charity.

The Members of Council have paid due regard to guidance issued by the Charity Commission in deciding what activities the Institute should undertake.

### **Museum Activities**

The Museum Department of the Polish Institute and Sikorski Museum continued to be run by a team of volunteers, with the assistance of one member of salaried staff in the film/audio section. It should be mentioned that some of the volunteers contribute to other departments as well as to the museum.

The general visitor will be familiar with the general displays of the Museum but be unaware of the large number of exhibits located in the various storage areas at 20 Prince's Gate. These do need frequent inspection and, if needed, appropriate conservation. The majority of work, in the main was concerned with the care of the extensive uniform collection as well as further cataloguing of the document collection. The Museum has obviously been hit by the Covid Pandemic issue and it is hoped that work may again continue in the new year.

As a reminder, the majority of the extensive film collection is now located in one location, under the care of the BFI. This particular section does bring in much needed funds by the use of materials by film and television companies.

Where possible, in between lockdowns, contacts were maintained with museums and galleries, both in the United Kingdom, as well as abroad. As ever, a considerable interest was shown by local museums relating to the Polish Forces during the Second World War. It is hoped that these contacts will be able to be continued in the new year.

Once again, the Museum guides played an important role in propagating knowledge about Poland's Armed Forces, as well as other aspects of Poland's history, among those visiting the Institute. Again, it is hoped that they may return in the new year.

### **Activities of the Polish Underground Movement (1939-1945) Study Trust Archives**

Due to the Covid Pandemic much of the plans and project envisaged for 2020 had to be shelved. Despite the various lockdowns and closures, the Study Trust managed to answer 246 archival enquiries.

In January 2020, there was the book launch of K Trzaskowska's (Study Trust Archive assistant) about Tadeusz Zenczykowski one of the founders of the Study Trust.

In as much as was possible scanning of the KW3 Collection (Home Army soldiers' service verifications) was continued as was the repackaging in acid free special archival files.

The process of preparing the Papers of leading Home Army soldiers and politicians who had donated their documentation to the Study Trust for future scanning was continued. Several such collections are now awaiting future digitisation.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## CHAIRMAN'S AND TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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### Activities of the Archive Department

As with other departments of the Institute, the activities of the Archives were curtailed in March 2020 as a result of the Covid Pandemic and the subsequent lockdowns, with staff being put on furlough. During the lockdowns the Archives were closed to the public as well as to volunteer staff.

However, when possible, the work of the Archives continued. Above all replying to correspondent enquiries and continuing in limited form the digitisation project. A certain number of archival collections were sorted and catalogued.

During the period under review some 53,306 pages were scanned by Digital Archive Today. A further 4,448 pages were scanned in house.

Work continued relating to the processing of the Polish Ex-Combatant Association Archive.

During the year under review the collections of the Archive were augmented by several dozen donations, the most important being the Lt-Col. Jozef Szylejko Papers.

The Keeper of the Archives presented papers at conferences in Warsaw (in person before lockdown) and London (via Zoom). The Deputy Keeper of Archives presented papers at conferences in Warsaw and Paris prior to lockdown.

The second edition of Wlada Majewska's memoirs were published at the end of the year with an introduction by the Keeper of Archives.

Up to the March lockdown, 45 persons made use of the facilities of the reading room. 313 postal archival enquiries were researched and answered.

As ever, special thanks are directed both to the salaried staff and the volunteers whose dedication and work is invaluable to the progress made this year. It is hoped that work may continue during the next year.

### Achievements and performance

Details of the achievements of the charity during the year are shown above in the Chairman's Report.

### Financial review

The charity's incoming resources from charitable activities fell by 13% and donations and legacies have increased by 596% in the year under review.

The total resources expended have decreased by 28%. This includes the costs of generating funds which have decreased by 15% and the cost of charitable activities have decreased by 31%.

There were significant losses on investments of £254k.

In the opinion of the Members of Council, the charity is in a strong position at the year end with unrestricted fund balance of £9.7m.

It is the policy of the Institute that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Members of Council considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Institute's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees consider that, at the date of signing the report, the Charity is a going concern, based on their review of existing funds and expected cash flow.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## CHAIRMAN'S AND TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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The Members of Council are aware of the charity's future financial needs and aim to secure the long term financial stability of the charity. They have a low to medium attitude to risk and have invested in income producing properties, a portfolio of FSTE 100 investments and retain liquid funds on deposit to ensure that they can meet the charity's short and medium term cash flow requirements. The charity has a normal level of exposure to price, liquidity and cash flow risk.

The Members of Council has assessed the major risks to which the Institute is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

There are no significant future plans, the trustees look forward to a similar level of activity in the next financial year.

### Structure, governance and management

The Polish Institute and Sikorski Museum was established by a Trust Deed and is a company limited by guarantee with no shares. The Institute is governed by a Council consisting of a maximum of 24 Full Members. Each year one fifth of the longest serving Council members retire but being eligible offer themselves for re-election at the Annual General Meeting. The charity is managed day-to-day by the the Chairman and the Treasurer, B Gabriel, who meet on average every 6 weeks.

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

K Barbarski

K A de Berg

B Gabriel

M J Olizar

(Resigned 2 April 2020)

J Tarczynski

A W Borucki

(Resigned 28 April 2020)

M Mrozek

K Nowakowski

A T Kawonczyk

A W Nosalik

W M Owsianka

(Retired 1 January 2021)

The Trustees can appoint full members in accordance with the Articles of Association. New Trustees are proposed from the full members based on their experience and the skills they can contribute to the charity. The existing Trustees will review these candidates' names and CV's. If successful, the candidates will be proposed for appointment at a Trustees meeting and subsequently confirmed at the AGM.

The Trustees follow an induction process for all new Trustees.

The charities key management personnel do not receive remuneration or other benefit from their work with the charity.

### Auditor

A resolution proposing that MGR Weston Kay LLP be re-appointed as auditors will be put to the members.

### Disclosure of information to auditor

Each of the Members of Council 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 auditor is aware of such information.

**THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

**CHAIRMAN'S AND TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Chairman's and Trustees' report was approved by the Members Of Council.



**K Barbarski**

Trustee

Dated: 20 September 2021

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## STATEMENT OF CHAIRMAN'S AND TRUSTEES' RESPONSIBILITIES

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The Members of Council, who are also the directors of The Polish Institute and Sikorski Museum for the purpose of company law, are responsible for preparing the Chairman's And Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Members of Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Institute and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Members of Council 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 financial statements on the going concern basis unless it is inappropriate to presume that the Institute will continue in operation.

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

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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#### Opinion

We have audited the accounts of The Polish Institute and Sikorski Museum (the 'Institute') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the accounts, 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 charitable company's affairs as at 31 December 2020 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 Institute 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 entity'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 Members of Council are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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

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

- the information given in the Chairman's and Trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Chairman's and 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 the knowledge and understanding of the Institute and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Chairman's and Trustees' report.

We have nothing to report in respect of the following matters in relation to which the 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

#### Responsibilities of Members of Council

As explained more fully in the statement of Chairman's and Trustees' responsibilities, the Members of Council, who are also the directors of the Institute 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 Members of Council 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 Members of Council are responsible for assessing the Institute'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 Members of Council 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

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THE POLISH INSTITUTE AND SIKORSKI MUSEUM

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#### **Explanation as to what extent the auditor was considered capable of detecting irregularities including fraud**

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.

As part of our planning of the audit work required we obtained an understanding of the legal and regulatory frameworks that are applicable to the entity via enquiries of the company's management, carried out analytical procedures, held discussions amongst the engagement team and using knowledge of the sector determined that the most significant laws and regulation are those that relate to:

- Health and safety regulations.
- Employment law including right to work in the UK.
- Implementation of government support schemes relating to COVID.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charities SORP FRS102 and the Companies Act 2006.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with the laws and regulations and the fraud risks identified. This included enquiries with management to understand their policies and procedures for compliance with those regulations and we completed the following tests:

- Obtained an understanding of relevant controls.
- Reviewed the company's risk assessments, procedures and systems.
- Checked samples of documentation.
- Checked samples of documentation including minutes of the meetings of the trustees and service agreements with regulatory advisors.

We also assessed the risks of material misstatement in respect of fraud as follows:

- Revenue fraud.
- Unauthorised expenditure and/or payments.
- Management override of controls.
- Manipulation of accounting estimates.
- Related party fraud.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. This included the risk of management bias relating to judgements and assumptions used in the valuing the investment properties.

No significant issues were identified during our testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non – detection of irregularities, as these could involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

# **THE POLISH INSTITUTE AND SIKORSKI MUSEUM**

## **INDEPENDENT AUDITOR'S REPORT TO THE POLISH INSTITUTE AND SIKORSKI MUSEUM (CONTINUED)**

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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

This report is made solely to the charitable company's members, 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 charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Nigel Walfisz FCA (Senior Statutory Auditor)**

**for and on behalf of MGR Weston Kay LLP**

**Chartered Accountants**

**Statutory Auditor**

55 Loudoun Road

St John's Wood

London

NW8 0DL

30 September 2021

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<b><u>Income from:</u></b>					
Donations and legacies	3	87,300	-	87,300	12,531
Charitable activities	4	23,878	69,899	93,777	108,362
Investments	5	178,639	-	178,639	259,233
<b>Total income</b>		<b>289,817</b>	<b>69,899</b>	<b>359,716</b>	<b>380,126</b>
<b><u>Expenditure on:</u></b>					
Raising funds	6	28,337	-	28,337	33,324
Charitable activities	7	287,170	69,899	357,069	503,029
<b>Total resources expended</b>		<b>315,507</b>	<b>69,899</b>	<b>385,406</b>	<b>536,353</b>
Net gains/(losses) on investments	12	(254,998)	-	(254,998)	475,992
<b>Net movement in funds</b>		<b>(280,688)</b>	<b>-</b>	<b>(280,688)</b>	<b>319,765</b>
Fund balances at 1 January 2020		9,931,102	-	9,931,102	9,611,337
<b>Fund balances at 31 December 2020</b>		<b>9,650,414</b>	<b>-</b>	<b>9,650,414</b>	<b>9,931,102</b>

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

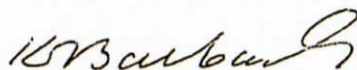
# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Property, plant and equipment	13		132,819		142,234
Investment properties	14		4,400,000		4,400,000
Investments	15		4,703,299		4,924,633
			<u>9,236,118</u>		<u>9,466,867</u>
<b>Current assets</b>					
Trade and other receivables	16	32,565		37,562	
Investments	17	219,865		269,749	
Cash at bank and in hand		197,232		199,989	
		<u>449,662</u>		<u>507,300</u>	
<b>Current liabilities</b>	18	<u>(35,366)</u>		<u>(43,065)</u>	
<b>Net current assets</b>			<u>414,296</u>		<u>464,235</u>
<b>Total assets less current liabilities</b>			<u><u>9,650,414</u></u>		<u><u>9,931,102</u></u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
General unrestricted funds		6,966,237		7,246,925	
Revaluation reserve		<u>2,684,177</u>		<u>2,684,177</u>	
			<u>9,650,414</u>		<u>9,931,102</u>
			<u><u>9,650,414</u></u>		<u><u>9,931,102</u></u>

The financial statements were approved by the Members Of Council on 20 September 2021



K Barbarski  
Trustee

Company Registration No. 00401816

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with 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)" (as amended for accounting periods commencing from 1 January 2019). The Institute is a Public Benefit Entity as defined by FRS 102.

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

##### 1.2 Going concern

The Trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern and have prepared these financial statements on this basis. This is supported by a range of large assets held by the Charity.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Members of Council in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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 accounted for on a receivable basis. The charity is not VAT registered.

Income from donations is recognised when receivable where possible, and when the charity's entitlement to receipt becomes unconditional.

Income from legacies is recognised when there has been grant of probate, there are sufficient assets in the estate and evidence of entitlement has been received.

Investment income comprises rent receivable on investment properties, income from listed investments and interest on cash at bank and short term deposits. Rent receivable is accrued on a day to day basis, interest on deposits is accounted for on an accruals basis and other investment income is credited as declared.

Grant income is accounted for in accordance with the contract.

Income is allocated to restricted income when it is given by the donor or grant maker for specific purposes.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### 1.5 Resources expended

All resources expended are accounted for on an accruals basis.

Costs of generating funds are those associated with rental and investment income.

Charitable activities include costs of services and support costs and depreciation on related assets.

Governance costs are those associated with constitutional and statutory requirements.

##### 1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	10% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Freehold properties are stated at cost. They have not been depreciated because in the opinion of the Trustees, their current value is significantly in excess of the value at which they are included in the Balance Sheet.

##### 1.7 Investment properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are measured using the fair value model and stated at their estimated fair values as the reporting end date as determined by the Trustees. There is no depreciation charged on investment properties. The surplus or deficit on revaluation is recognised in the statement of financial activities.

##### 1.8 Fixed and current asset investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investments have been classified as current if the funds are available on demand or at notice.

##### 1.9 Impairment of non-current assets

At each reporting end date, the Institute reviews the carrying amounts of its tangible 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).

##### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.11 Financial instruments

The Institute 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 Institute's balance sheet when the Institute 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.

#### 1.12 Creditors

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

#### 1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Institute is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.14 Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All net differences arising have been dealt with through the statement of financial activities.

#### 1.15 Heritage assets - Archives, Libraries, Regimental Colours and Museum Collections

The Museum has not capitalised heritage assets. This is because a comprehensive valuation would not provide a meaningful figure for users of the financial statements and the cost of doing so is not commensurate with benefits to the users of the financial statements.

Historic costs while it may be possible to assign a cost to items purchased within a financial year, historic costs quickly become obsolete and meaningless, not only because of general price movements where markets for similar items do exist, but also because of changing opinions about attribution and authenticity, subsequent research into objects that reveals new value, the emergence of new information about the provenance of an item or changes in taste.

Valuation - attempting to value heritage assets acquired historically raises a number of further conceptual concerns. Valuation of heritage assets is complicated by the nature of many such assets. They are rarely sold and often have a value enhanced above the intrinsic through their association with a person, event or collection; there are a very limited number of buyers; no homogeneous population of assets on the market; and imperfect information about the items for sale. In contrast with many commercial assets, therefore, there is seldom an active market to provide indicative values of similar objects. This makes materially accurate valuations impossible to achieve for many heritage assets.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2 Critical accounting estimates and judgements

In the application of the Institute's accounting policies, the Members of Council 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.

#### Valuation of investment properties

As described in note 14 to the financial statements, investment properties are stated at fair value. The trustees used observable market prices.

#### 3 Donations and legacies

	2020	2019
	£	£
Donations and gifts	38,540	9,810
Legacies receivable	48,760	2,721
	<u>87,300</u>	<u>12,531</u>

#### 4 Charitable activities

	2020	2019
	£	£
Performance related grants	69,899	64,559
Income from charitable activities	23,878	43,803
	<u>93,777</u>	<u>108,362</u>

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5	Investments	2020	2019
		£	£
	Rental income	95,233	100,879
	Income from listed investments	83,406	158,354
		<u>178,639</u>	<u>259,233</u>
		<u><u>178,639</u></u>	<u><u>259,233</u></u>
6	Raising funds	2020	2019
		£	£
	Costs of generating rental income	4,595	9,142
	Investment management costs	23,742	24,182
		<u>28,337</u>	<u>33,324</u>
		<u><u>28,337</u></u>	<u><u>33,324</u></u>
7	Charitable activities	2020	2019
		£	£
	Staff costs	159,264	178,216
	Depreciation	10,368	11,414
	Rates	27,070	22,666
	Light and heat	8,555	9,232
	Repairs and maintenance	25,044	85,498
	Insurance	28,221	25,868
	Archive library costs	37,396	62,204
	Printing, postage and stationary	3,928	8,265
	Advertising	1,757	4,673
	Foreign exchange gain or loss	-	1,896
	Scanning project costs	27,025	64,559
		<u>328,628</u>	<u>474,491</u>
		<u><u>328,628</u></u>	<u><u>474,491</u></u>
	Share of support costs (see note 8)	13,724	12,369
	Share of governance costs (see note 8)	14,717	16,169
		<u>357,069</u>	<u>503,029</u>
		<u><u>357,069</u></u>	<u><u>503,029</u></u>

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Telephone & internet	9,797	-	9,797	8,040
Sundry office costs	1,698	-	1,698	1,636
Car and travel	480	-	480	-
Bank charges	341	-	341	1,103
Health and safety	1,408	-	1,408	1,590
Audit fees	-	10,200	10,200	10,200
Legal and professional	-	4,517	4,517	5,969
	<u>13,724</u>	<u>14,717</u>	<u>28,441</u>	<u>28,538</u>
Analysed between				
Charitable activities	<u>13,724</u>	<u>14,717</u>	<u>28,441</u>	<u>28,538</u>

### 9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the company's auditor:	2020	2019
	£	£
Audit of the company's annual accounts	<u>10,200</u>	<u>10,200</u>

### 10 Member of Council

None of the members of council received any remuneration during the current year or the previous year.

During the year no members of council (2019: 1) received reimbursement of travel, subsistence and other expenditure amounting to £Nil (2019: £77).

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 11 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Administrative	10	10

##### Employment costs

	2020 £	2019 £
Wages and salaries	170,415	161,505
Social security costs	8,434	9,495
Pension costs	3,103	7,246
	<u>181,952</u>	<u>178,246</u>

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

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 12 Net (losses)/ gains on investments

	2020	2019
	£	£
Revaluation and net gains / (losses) on investments	(254,998)	875,992
Revaluation of investment properties	-	(400,000)
	<u>(254,998)</u>	<u>475,992</u>

### 13 Property, plant and equipment

	Land and buildings	Fixtures, fittings and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2020	39,505	235,572	275,077
Additions	-	953	953
	<u>39,505</u>	<u>236,525</u>	<u>276,030</u>
<b>At 31 December 2020</b>	<b>39,505</b>	<b>236,525</b>	<b>276,030</b>
<b>Depreciation and impairment</b>			
At 1 January 2020	-	132,843	132,843
Depreciation charged in the year	-	10,368	10,368
	<u>-</u>	<u>143,211</u>	<u>143,211</u>
<b>At 31 December 2020</b>	<b>-</b>	<b>143,211</b>	<b>143,211</b>
<b>Carrying amount</b>			
At 31 December 2020	<u>39,505</u>	<u>93,314</u>	<u>132,819</u>
At 31 December 2019	<u>39,505</u>	<u>102,729</u>	<u>142,234</u>

### 14 investment property

	2020
	£
<b>Fair value</b>	
At 1 January 2020 and 31 December 2020	<u>4,400,000</u>

The investment properties are stated in the accounts at the Trustees' estimate of the market value at the balance sheet date. There has been no valuation by an independent party.

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 15 Fixed asset investments

	£
<b>Cost or valuation</b>	
At 1 January 2020	4,924,633
Additions	396,224
Valuation changes	(140,045)
Disposals	(477,513)
	<u>4,703,299</u>
<b>Carrying amount</b>	
At 31 December 2020	<u>4,703,299</u>
At 31 December 2019	<u>4,924,633</u>

#### 16 Trade and other receivables

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Other receivables	4,292	10,114
Prepayments and accrued income	28,273	27,448
	<u>32,565</u>	<u>37,562</u>

#### 17 Current asset investments

	2020	2019
	£	£
Other investments	219,865	269,749
	<u>219,865</u>	<u>269,749</u>

#### 18 Current liabilities

	2020	2019
	£	£
	<b>Notes</b>	
Borrowings	19	13,102
Other taxation and social security		15,621
Other payables		3,461
Accruals		5,603
		13,200
		<u>35,366</u>
		<u>43,065</u>

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 19 Borrowings

	2020 £	2019 £
Bank overdrafts	13,102	15,621
Payable within one year	13,102	15,621

### 20 Restricted funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Scanning and archiving grants	-	27,025	(27,025)	-
Coronavirus job retention scheme	-	42,874	(42,874)	-
	-	69,899	(69,899)	-

The restricted fund represents the unexpended balance of grants received by the Polish Underground Movement Trust department for specific scanning and archiving projects and the government grant received for the Coronavirus Job Retention Scheme and related wages costs.

### 21 Analysis of net assets between funds

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:				
Property, plant and equipment	132,819	-	132,819	142,234
Investment properties	4,400,000	-	4,400,000	4,400,000
Investments	4,703,299	-	4,703,299	4,924,633
Current assets/(liabilities)	414,296	-	414,296	464,235
	9,650,414	-	9,650,414	9,931,102

### 22 Financial commitments, guarantees and contingent liabilities

There is a contingent liability to repay the Polish Trustee Association all or part of a bequest of £64,393 (2019: £64,393) if other claimants on the estate were to come forward. No security has been provided against this liability.

### 23 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

# THE POLISH INSTITUTE AND SIKORSKI MUSEUM

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 24 Company Information

The Polish Institute and Sikorski Museum is a private company limited by guarantee incorporated in England and Wales. The registered office and principle place of business is 20 Princes Gate, London, SW7 1PT.

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