

**THE POSK FOUNDATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# THE POSK FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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|--------------------------|--|
| <b>Trustees</b>          | J Kaczmarek<br>Dr A Ostoja-Ostaszewski<br>R Wisniowski (Chair)<br>A Zakrzewski<br>M Zaremba      |
| <b>Charity number</b>    | 802083   |
| <b>Registered office</b> | 238-246 King Street<br>London<br>UK<br>W6 0RF  |
| <b>Auditor</b>           | Bright Grahame Murray<br>Emperor's Gate<br>114a Cromwell Road<br>Kensington<br>London<br>SW7 4AG |
| <b>Bankers</b>           | Barclays Bank UK PLC<br>75 King Street<br>Hammersmith<br>W6 9HY                                  |

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# THE POSK FOUNDATION

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# THE POSK FOUNDATION

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The Trustees are pleased to present their report and the audited financial statements for the year ended 31 December 2020, which have been prepared in accordance with the accounting policies set out on page 10 and comply with the Charity's trust deed and applicable law. The administrative information on page 1 forms part of this report.

#### **Objectives and activities**

The POSK Foundation was formed to support the charitable objectives of POSK

The objects of the Charity are the advancement of the arts, culture or heritage; the provision of recreational facilities in the interests of social welfare; the advancement of education; the relief of poverty and the relief of those in need; and in particular:

- a. to support and maintain the Polish Library and promote Polish books and newspapers and the Polish printed or published word;
- b. to support and maintain any Polish theatre and in particular Polish theatre at the Polish Centre and to promote Polish music, Polish theatrical plays and the Polish spoken word;
- c. to support Polish National Festivals and to promote Polish arts, culture, heritage and traditions;
- d. to support the social, cultural, artistic and educational activities undertaken or recommended by POSK.

In furtherance of these objects the Charity may make grants of money to other persons or bodies who provide for these objects.

The Charity was established with the objective to build a permanent endowment fund which would be invested in perpetuity to provide an income to support the Charity's Objects and for this purpose the Trustees had the power to accumulate the income of the Charity for a period of 21 years from its establishment. This period expired on 4 September 2011.

The Charity achieves its objectives by providing grants, loans and financial support to other charities, principally The Polish Social and Cultural Association, the details of which are set out in the Financial Review below.

#### **Achievements and performance**

##### **Financial review**

During the year, the Charity made grants of £111,000 to POSK (2019 - £60,000) in support of the general purposes of that charity.

During the year the Charity earned investment income of £97,522 which represents an average return of 2.92% (2019 - £112,596: 3.57% average return). The total return (before donations) for 2020 was a positive 3.08% (2019: negative return of (14.41%) which is in line with sector indices.

##### **Investment policy**

The Foundation's investments consist of Common Investment Funds (CIF), Charity Authorised Investment Funds (CAIFs) and cash on deposit. There are no restrictions on the Foundation's power to invest. The investment strategy is reviewed by the Trustees periodically and takes account of the market conditions and demands for funds for furthering the objects of the Charity. The Trustees adopt a low risk investment strategy and there is no intention to change this in the near future.

# THE POSK FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **Structure, governance and management**

The Charity is governed by a Trust Deed dated 6 May 2009.

There are a minimum of three and a maximum of five trustees. The Treasurer of the Polish Social and Cultural Association (Registered Charity No. 236745) ("POSK") is ex-officio the chair of the Trustees of the Charity. The other Trustees can be appointed and removed by resolution of the Council of POSK.

The Trustees meet as required to effect the management of the Charity. Tasks and activities may be delegated to individual or groups of Trustees as appropriate.

The Charity shares premises with POSK and receives administrative support from the staff of POSK.

Trustees who served throughout the year were:

J Kaczmarek  
Dr A Ostoja-Ostaszewski  
R Wisniowski  
A Zakrzewski  
M Zaremba

#### **Training of Trustees**

There are no formal policies and procedures for the training and induction of Trustees. Persons elected as Trustees are usually familiar with the Charity and/or charitable organisations in general and are therefore considered capable.

#### **Murdzenski and Jagodzinski Funds**

The Charity received a bequest from the Will of Mr T. Murdzenski to hold the bequest as a permanent endowment and utilise the income to award prizes for outstanding literary, scientific or fine art work.

The Charity received a bequest from the Will of Mr Z. K. Jagodzinski to hold the bequest as a permanent endowment and utilise the income for the benefit of the Polish Library at POSK.

#### **Financial and Operational Review**

During the year, the Charity made grants of £111,000 to POSK (2019 - £60,000) in support of the general purposes of that charity.

During the year the Charity earned investment income of £97,521 which represents an average return of 2.92% (2019 - £112,596: 3.57% average return). The total return (before donations) for 2020 was 3.08% (2019: 14.41%) which is in line with sector indices.

#### **Charity's Public Benefit**

The Trustees have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission. The Trustees have taken the Charity Commission's public benefit guidance into account when making any decision it is relevant to.

The Trustees have ensured that all activities throughout the year have been in the interest of public benefit. This is evidenced as detailed within the objectives and activities by the financial support given to POSK of £111,000 to assist the charity in its continuing advancement of the arts, culture or heritage and provision of recreational facilities available to the general public.

# THE POSK FOUNDATION

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### **Risk management**

The trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate the Charity's exposure to the major risks. The principal risks and uncertainties facing the Charity are:

- (a) Diminution in the value of the investment portfolio.
- (b) POSK's ongoing funding requirements leading to selling down of the Charity's investment portfolio

### **Reserves**

The reserves held by the Foundation are £83,441. The purpose of these reserves is to provide a secure income stream to enable the Charity to fulfil its objects including the maintenance and development of the POSK building and the development of POSK's social and cultural activities.

**R Wisniowski (Chair)**

Trustee

Dated: 2 August 2021

# THE POSK FOUNDATION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2020

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE POSK FOUNDATION

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE POSK FOUNDATION

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### Opinion

We have audited the accounts of The Posk Foundation (the 'charity') 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 accounts:

- give a true and fair view of the state of the charity'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 Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

### Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

# THE POSK FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE POSK FOUNDATION

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### **Responsibilities of trustees**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts 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.

### **Other matters which we are required to address**

Your attention is drawn to the fact that the charity has prepared accounts in accordance with "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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

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

### **Use of our report**

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

# THE POSK FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE POSK FOUNDATION

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**Mark Cole (Senior Statutory Auditor)**  
**for and on behalf of Bright Grahame Murray**  
**Chartered Accountants**  
Emperor's Gate  
114a Cromwell Road  
Kensington  
London  
SW7 4AG

20 August 2021

Bright Grahame Murray is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

# THE POSK FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

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|  | Notes | Unrestricted funds<br>£ | Restricted funds<br>£ | Endowment funds<br>£ | Total 2020<br>£ | Total 2019<br>£ |
|--|-------|-------------------------|-----------------------|----------------------|-----------------|-----------------|
| <b>Income from:</b>                      |       |                         |                       |                      |                 |                 |
| Income from investments                  | 3     | 86,432                  | 11,090                | -                    | 97,522          | 112,596         |
|  |       | <hr/>                   | <hr/>                 | <hr/>                | <hr/>           | <hr/>           |
| <b>Expenditure on:</b>                   |       |                         |                       |                      |                 |                 |
| Charitable activities                    | 4     | 113,220                 | -                     | -                    | 113,220         | 62,815          |
|  |       | <hr/>                   | <hr/>                 | <hr/>                | <hr/>           | <hr/>           |
| Net gains/(losses) on investments        | 9     | -                       | -                     | 5,386                | 5,386           | 341,903         |
|  |       | <hr/>                   | <hr/>                 | <hr/>                | <hr/>           | <hr/>           |
| <b>Net movement in funds</b>             |       | (26,788)                | 11,090                | 5,386                | (10,312)        | 391,684         |
| Fund balances at 1 January 2020          |       | 110,229                 | 141,372               | 3,097,701            | 3,349,302       | 2,957,618       |
|  |       | <hr/>                   | <hr/>                 | <hr/>                | <hr/>           | <hr/>           |
| <b>Fund balances at 31 December 2020</b> |       | 83,441                  | 152,462               | 3,103,087            | 3,338,990       | 3,349,302       |
|  |       | <hr/> <hr/>             | <hr/> <hr/>           | <hr/> <hr/>          | <hr/> <hr/>     | <hr/> <hr/>     |

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

All income and expenditure derive from continuing activities.

# THE POSK FOUNDATION

## BALANCE SHEET

AS AT 31 DECEMBER 2020

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|   |       | 2020    |           | 2019    |           |
|---|-------|---------|-----------|---------|-----------|
|   | Notes | £       | £         | £       | £         |
| <b>Fixed assets</b>                                   |       |         |           |         |           |
| Investments   | 10    |         | 3,246,291 |         | 3,337,895 |
| <b>Current assets</b>                                 |       |         |           |         |           |
| Cash at bank and in hand                              |       | 94,499  |           | 13,207  |           |
| <b>Creditors: amounts falling due within one year</b> | 11    | (1,800) |           | (1,800) |           |
| Net current assets                                    |       |         | 92,699    |         | 11,407    |
| <b>Total assets less current liabilities</b>          |       |         | 3,338,990 |         | 3,349,302 |
| <b>Capital funds</b>                                  |       |         |           |         |           |
| Endowment funds - general                             | 12    |         | 3,103,087 |         | 3,097,701 |
| <b>Income funds</b>                                   |       |         |           |         |           |
| Restricted funds                                      | 13    |         | 152,462   |         | 141,372   |
| Unrestricted funds                                    |       |         | 83,441    |         | 110,229   |
|   |       |         | 3,338,990 |         | 3,349,302 |

The financial statements were approved by the Trustees on 2 August 2021

R Wisniowski (Chair)  
**Trustee**

# THE POSK FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Charity information

The POSK Foundation is an unincorporated registered charity governed by a Trust Deed dated 6th May 2009. The operating address is 238-246 King Street, London, W6 ORF.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 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 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objects of the charity 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 accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Incoming resources

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

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

Investment income is included when receivable.

# THE POSK FOUNDATION

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

### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of the delivery of its activities and services for its beneficiaries.
- Other expenditure represents those items not falling into an other heading.

All support costs are allocated to the one charitable activity of POSK Foundation.

#### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### 2 Critical accounting estimates and judgements

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

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

### 3 Income from investments

|                                     | Unrestricted<br>funds | Restricted<br>funds  | Total<br>2020 | Total<br>2019         |
|-------------------------------------|-----------------------|----------------------|---------------|-----------------------|
|                                     | £                     | £                    | £             | £                     |
| Income from investments             | 86,113                | 10,399               | 96,512        | 111,079               |
| Interest receivable                 | 319                   | 691                  | 1,010         | 1,517                 |
|                                     | <u>86,432</u>         | <u>11,090</u>        | <u>97,522</u> | <u>112,596</u>        |
|                                     | <u><u>101,425</u></u> | <u><u>11,171</u></u> |               | <u><u>112,596</u></u> |
| For the year ended 31 December 2019 |                       |                      |               |                       |

# THE POSK FOUNDATION

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

### 4 Charitable activities

|  | 2020<br>£      | 2019<br>£     |
|--|----------------|---------------|
| Grant funding of activities (see note 5) | 111,000        | 60,000        |
| Share of governance costs (see note 6)   | 2,220          | 2,815         |
|  | <u>113,220</u> | <u>62,815</u> |

### 5 Grants payable

|   | 2020<br>£      | 2019<br>£     |
|---|----------------|---------------|
| Grants to institutions:<br>Polish Social and Cultural Association | 111,000        | 60,000        |
|   | <u>111,000</u> | <u>60,000</u> |

### 6 Support costs

|   | Support<br>costs<br>£ | Governance<br>costs<br>£ | 2020<br>£    | 2019<br>£    | Basis of allocation |
|---|-----------------------|--------------------------|--------------|--------------|---------------------|
| Audit fees                                | -                     | 2,220                    | 2,220        | 2,815        | Governance          |
|   | <u>-</u>              | <u>2,220</u>             | <u>2,220</u> | <u>2,815</u> |                     |
| Analysed between<br>Charitable activities | -                     | 2,220                    | 2,220        | 2,815        |                     |
|   | <u>-</u>              | <u>2,220</u>             | <u>2,220</u> | <u>2,815</u> |                     |

Governance costs includes payments to the auditors of £2,220 (2019- £2,815) for audit fees.

### 7 Trustees

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

### 8 Employees

There were no employees during the year.

# THE POSK FOUNDATION

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

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

|                            | 2020  | 2019    |
|----------------------------|-------|---------|
|                            | £     | £       |
| Revaluation of investments | 5,386 | 341,903 |

### 10 Fixed asset investments

|                          | Listed<br>investments<br>£ | Cash in<br>portfolio | Total<br>£ |
|--------------------------|----------------------------|----------------------|------------|
| <b>Cost or valuation</b> |                            |                      |            |
| At 1 January 2020        | 3,097,701                  | 240,194              | 3,337,895  |
| Valuation changes        | 5,386                      | -                    | 5,386      |
| Disposals                | -                          | (96,991)             | (96,991)   |
| At 31 December 2020      | 3,103,087                  | 143,203              | 3,246,290  |
| <b>Carrying amount</b>   |                            |                      |            |
| At 31 December 2020      | 3,103,087                  | 143,203              | 3,246,290  |
| At 31 December 2019      | 3,097,701                  | 240,194              | 3,337,895  |

#### Fixed asset investment revaluation

The listed investments were revalued at market value as at the year end. The historical cost value is £2,525,730 (2019: £2,525,730).

### 11 Creditors: amounts falling due within one year

|                              | 2020  | 2019  |
|------------------------------|-------|-------|
|                              | £     | £     |
| Accruals and deferred income | 1,800 | 1,800 |

# THE POSK FOUNDATION

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

### 12 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

|                             | Movement in funds                    |                            |                            | Balance at 31<br>December<br>2020<br>£ |
|-----------------------------|--------------------------------------|----------------------------|----------------------------|--|
|                             | Balance at 1<br>January<br>2020<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ |  |
| <b>Permanent endowments</b> |                                      |                            |                            |  |
| Murdzenski fund             | 170,303                              | -                          | -                          | 181,243                                |
| Jagodinski fund             | 168,465                              | -                          | -                          | 179,287                                |
| Capital fund                | 2,758,933                            | -                          | -                          | 2,742,557                              |
|                             | <u>3,097,701</u>                     | <u>-</u>                   | <u>-</u>                   | <u>3,103,087</u>                       |

The Charity received a bequest from the Will of Mr T. Murdzenski to hold the bequest as a permanent endowment and utilise the income to award prizes for outstanding literary, scientific or fine art work.

The Charity received a bequest from the Will of Mr Z. K. Jagodzinski to hold the bequest as a permanent endowment and utilise the income for the benefit of the Polish Library at POSK.

### 13 Restricted funds

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

|                  | Movement in funds                    |                            |                            | Balance at 31<br>December<br>2020<br>£ |
|------------------|--------------------------------------|----------------------------|----------------------------|--|
|                  | Balance at 1<br>January<br>2020<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ |  |
| Murdzenski fund  | 94,181                               | 5,666                      | -                          | 99,847                                 |
| Jagodzinski fund | 47,191                               | 5,424                      | -                          | 52,615                                 |
|                  | <u>141,372</u>                       | <u>11,090</u>              | <u>-</u>                   | <u>152,462</u>                         |

# THE POSK FOUNDATION

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

### 14 Analysis of net assets between funds

|   | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Endowment<br>funds<br>£ | Total<br>£       |
|---|----------------------------|--------------------------|-------------------------|------------------|
| Fund balances at 31 December 2020 are represented by: |                            |                          |                         |                  |
| Investments   | 1,140                      | 142,063                  | 3,103,088               | 3,246,291        |
| Current assets/(liabilities)                          | 82,300                     | 10,399                   | -                       | 92,699           |
|   | <u>83,440</u>              | <u>152,462</u>           | <u>3,103,088</u>        | <u>3,338,990</u> |

### 15 Related party transactions

Mr R. Wisniowski and Mr A. Zakrzewski are Directors of POSK. Mr R. Wisniowski, Mr M Zaremba and Mr A. Zakrzewski are members of the Council of POSK.

During the year the Charity donated £111,000 (2019: £60,000) to POSK from unrestricted funds.