
THE POLONSKY FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

THE POLONSKY FOUNDATION

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THE POLONSKY FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2018

Trustees

Dr Leonard S. Polonsky CBE
Dr. Georgette Bennett
Marc A.L. Polonsky
Hannah Polonsky Whitney
Joshua-Marc Tanenbaum (appointed 22 February 2018)

Charity registered number

291143

Principal office

8 Park Crescent
London
W1B 1PG

Independent auditors

Nyman Libson Paul
Chartered Accountants
Statutory Auditors
Regina House
124 Finchley Road
London
NW3 5JS

Bankers

Lloyds TSB Offshore Limited
Peveril Buildings
Peveril Square
Douglas
Isle of Man
IM99 1JJ

National Westminster Plc
125 Great Portland Street
London
W1A 1GA

THE POLONSKY FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The Trustees present their annual report together with the audited financial statements of The Polonsky Foundation (the charity) for the ended 31 March 2018. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and Activities

- **Policies and objectives**

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

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

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

- **Grant making policies**

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

Achievements and performance

- **Review of activities**

Charitable grants made in the year to further the charity's objectives totalled £4,390,946 following grants made of £4,397,736 during the year ended 31 March 2017.

To achieve its stated objectives the charity is reliant on income from its investments as detailed in note 3.

Income from investments in the year amounted to £424,979 as compared with £736,884 in the year ended 31 March 2017.

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

- **Fundraising regulation**

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018**

- **Investment policy and performance**

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

Financial review

- **Reserves policy**

The charity's free reserves are represented by substantial investment holdings which form the charity's main source of income. Accordingly, the Trustees' reserves and funding policy is to ensure that funds are maintained at a level which provides the required income.

At the balance sheet date £22,891,692 (2017: £29,235,188) was held in reserves.

- **Asset cover for funds**

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

Structure, governance and management

- **Constitution**

The charity is constituted by a Deed of Trust dated 6 February 1985 and registered with the Charity Commission.

- **Method of appointment or election of Trustees**

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

- **Policies adopted for the induction and training of Trustees**

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

- **Organisational structure and decision making**

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

- **Related party relationships**

The charity has no related or connected charities.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018**

● **Risk management**

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

Plans for future periods

● **Future developments**

The main plans for the future are to continue to make grants to further the objectives of the charity.

Auditors

Nyman Libson Paul have expressed their willingness to continue as auditors, and a resolution for their reappointment will be proposed at the next Board Meeting.

Trustees' responsibilities statement

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

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

This report was approved by the Trustees, on 1 November 2018 and signed on their behalf by:

Marc A.L. Polonsky
Trustee

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE POLONSKY FOUNDATION

Opinion

We have audited the financial statements of The Polonsky Foundation (the 'charity') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Use of our report

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE POLONSKY FOUNDATION

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 financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements 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 financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE POLONSKY FOUNDATION

Auditors' responsibilities for the audit of the financial statements

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

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

Nyman Libson Paul

Chartered Accountants
Statutory Auditors

Regina House
124 Finchley Road
London
NW3 5JS

1 November 2018

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

THE POLONSKY FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:				
Investments	3	424,979	424,979	736,884
Other income	4	-	-	202,683
TOTAL INCOME		<u>424,979</u>	<u>424,979</u>	<u>939,567</u>
EXPENDITURE ON:				
Charitable activities	5,6	4,486,742	4,486,742	4,543,825
Other expenditure	7	167,710	167,710	-
TOTAL EXPENDITURE		<u>4,654,452</u>	<u>4,654,452</u>	<u>4,543,825</u>
NET EXPENDITURE BEFORE INVESTMENT (LOSSES)/GAINS				
Net (losses)/gains on investments	12	(4,229,473) (2,114,023)	(4,229,473) (2,114,023)	(3,604,258) 2,571,997
NET EXPENDITURE		<u>(6,343,496)</u>	<u>(6,343,496)</u>	<u>(1,032,261)</u>
NET MOVEMENT IN FUNDS		<u>(6,343,496)</u>	<u>(6,343,496)</u>	<u>(1,032,261)</u>
RECONCILIATION OF FUNDS:				
Total funds brought forward		29,235,188	29,235,188	30,267,449
TOTAL FUNDS CARRIED FORWARD		<u><u>22,891,692</u></u>	<u><u>22,891,692</u></u>	<u><u>29,235,188</u></u>

The notes on pages 11 to 19 form part of these financial statements.

THE POLONSKY FOUNDATION

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018**

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Investments	12		20,195,926		26,779,789
CURRENT ASSETS					
Debtors	13	808,460		356,099	
Cash at bank and in hand	18	1,894,432		2,111,268	
			<u>2,702,892</u>		<u>2,467,367</u>
CREDITORS: amounts falling due within one year	14	(7,126)		(11,968)	
NET CURRENT ASSETS			<u>2,695,766</u>		<u>2,455,399</u>
NET ASSETS			<u>22,891,692</u>		<u>29,235,188</u>
CHARITY FUNDS					
Unrestricted funds	16		<u>22,891,692</u>		<u>29,235,188</u>
TOTAL FUNDS			<u>22,891,692</u>		<u>29,235,188</u>

The financial statements were approved by the Trustees on 1 November 2018 and signed on their behalf, by:

Marc A.L. Polonsky

The notes on pages 11 to 19 form part of these financial statements.

THE POLONSKY FOUNDATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash used in operating activities	17	(5,111,655)	(3,488,820)
Cash flows from investing activities:			
Dividends, interest and rents from investments		424,979	736,884
Proceeds from sale of investments		4,469,840	4,184,881
Net cash provided by investing activities		4,894,819	4,921,765
Change in cash and cash equivalents in the year		(216,836)	1,432,945
Cash and cash equivalents brought forward		2,111,268	678,323
Cash and cash equivalents carried forward	18	1,894,432	2,111,268

The notes on pages 11 to 19 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Polonsky Foundation constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The trustees have reviewed the circumstances of the charity, and consider that adequate resources continue to be available to fund the activities of the charity for the foreseeable future. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

1.3 Fund accounting

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

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

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES (continued)

1.6 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date, using readily available market information. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.7 Interest receivable

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

1.8 Debtors

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

1.9 Cash at Bank and in hand

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

1.10 Creditors and provisions

Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.11 Financial instruments

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

1.12 Foreign currencies

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

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

Exchange gains and losses are recognised in the statement of financial activities.

1.13 Pensions

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES (continued)

1.14 Direct taxation

The Foundation is a registered charity and therefore is generally not liable to direct taxation on income arising from its charitable activities as it falls within the various exemptions available to registered charities.

2. SIGNIFICANT JUDGEMENTS AND ESTIMATES

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

The following and the charity's key sources of estimation uncertainty:

Fixed asset investments

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

Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment, management considers factors including the current credit rating of the debtor, the ageing profile and historical experience.

3. INVESTMENT INCOME

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Interest received	5,092	5,092	3,905
Dividends received	419,887	419,887	732,979
	<u>424,979</u>	<u>424,979</u>	<u>736,884</u>
Total 2017	<u>736,884</u>	<u>736,884</u>	

THE POLONSKY FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

4. OTHER INCOMING RESOURCES

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Foreign exchange gains	-	-	202,683
	<u> </u>	<u> </u>	<u> </u>
<i>Total 2017</i>	<u>202,683</u>	<u>202,683</u>	

5. GOVERNANCE COSTS

	Unrestricted funds 2018 £	Total funds 2017 £
Auditors' remuneration	4,500	4,500
Accountancy fees	6,700	6,360
Bank charges	1,930	2,243
Secretarial fees	15,220	11,158
General office expenses	2,666	2,417
Consultancy fees	14,067	72,007
Travel expenses	3,088	6,224
Staff salaries and pension costs	47,625	41,180
	<u> </u>	<u> </u>
	<u>95,796</u>	<u>146,089</u>

THE POLONSKY FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

6. LIST OF INSTITUTIONAL GRANTS PAYABLE

Name of institution/grant	2018 £	2017 £
Theatre for a New Audience	875,087	1,550,635
The Van Leer Jerusalem Institute	630,272	530,163
Friends of Bezalel Academy of Arts	593,087	199,500
University of Oxford	510,632	274,324
Bibliothèque Nationale de France (BNF)	353,264	160,432
British Library	222,151	240,760
The Hebrew University of Jerusalem	215,461	-
Royal College of Music	135,000	71,000
University of Cambridge	125,000	125,000
Harvard College	106,655	58,225
Oxford Centre of Hebrew and Jewish Studies	85,000	80,104
The Rhodes Trust	50,000	-
Aspen Music Festival and School	46,031	92,981
WNET (Simon Schama's 'Story of the Jews and the Fate of the World')	-	119,818
New York Public Library	-	109,688
The Metropolitan Museum	-	109,465
Jewish Funders Network	-	77,197
British Friends of Haifa University	-	74,700
Royal Academy of Arts	-	70,175
Subtotal grants to institutions	<u>3,947,640</u>	<u>3,944,167</u>
Other grants to institutions	443,306	453,569
	<u><u>4,390,946</u></u>	<u><u>4,397,736</u></u>

7. OTHER EXPENDITURE

	Unrestricted funds 2018 £	Total funds 2017 £
Foreign exchange losses	<u>167,710</u>	<u>-</u>

8. NET INCOME RESOURCES

This is stated after charging:

	2018 £	2017 £
Auditors' remuneration	<u>4,500</u>	<u>4,500</u>

During the year, no Trustees received any remuneration (2017 - £NIL).

THE POLONSKY FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

9. TRUSTEES

The Trustees did not receive any remuneration during the year. Governance costs include reimbursed travel and general office expenses of £1,921 (2017: £6,547) payable to Marc A.L. Polonsky.

Key management compensation

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

10. STAFF COSTS

Staff costs were as follows:

	2018 £	2017 £
Salaries and pension costs	47,625	41,180

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

	2018 No.	2017 No.
Administrative staff	1	1

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

11. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets at fair value through profit or loss		
Fixed asset investments	20,195,926	26,779,789

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

12. FIXED ASSET INVESTMENTS

	Investments £
Market value	
At 1 April 2017	26,779,789
Disposals	(4,153,179)
Losses on revaluation	(2,430,684)
	<u>20,195,926</u>
At 31 March 2018	<u>20,195,926</u>

Investments at market value comprise:

	2018 £	2017 £
Listed investments	<u>20,195,926</u>	<u>26,779,789</u>

Fixed asset investments are held in the UK and the rest of the world. Investments have been included at market value by reference to readily available market prices.

Net gains on investments

Included in the statement of financial activities are net losses on investments for the year of £2,114,023, comprising £2,430,684 (2017: £2,479,890 gain) of revaluation losses on investments held at the year end and £316,661 (2017: £92,107) of gains on investments disposed of during the year.

13. DEBTORS

	2018 £	2017 £
Other debtors	<u>808,460</u>	<u>356,099</u>

14. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Other taxation and social security	1,258	1,377
Other creditors	124	-
Accruals	5,744	10,591
	<u>7,126</u>	<u>11,968</u>

THE POLONSKY FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

15. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £488 (2017: £nil). Contributions totalling £123 (2017: £nil) were payable to the fund at the balance sheet date and are included in creditors.

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2018 £
Unrestricted funds					
General Funds - all funds	29,235,188	424,979	(4,654,452)	(2,114,023)	22,891,692

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2017 £
General Funds - all funds	30,267,449	939,567	(4,543,825)	2,571,997	29,235,188
Total of funds	30,267,449	939,567	(4,543,825)	2,571,997	29,235,188

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(6,343,496)	(1,032,261)
Adjustment for:		
Losses/(gains) on investments	2,430,684	(2,479,890)
Dividends, interest and rents from investments	(424,979)	(736,884)
Profit on the sale of fixed asset investments	(316,661)	(92,107)
(Increase)/decrease in debtors	(452,361)	861,726
Decrease in creditors	(4,842)	(9,404)
Net cash used in operating activities	(5,111,655)	(3,488,820)

THE POLONSKY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank	1,894,432	2,111,268
Total	<u>1,894,432</u>	<u>2,111,268</u>