Charity registration number 275454 (England and Wales)

THE MELOW CHARITABLE TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

THE MELOW CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Spitz A Low R Weiss	
Charity registration	England and Wales	275454
Principal address	Lower Ground Floor 68 Filey Avenue London N6 6JJ	
Auditor	Glazers 843 Finchley Road London NW11 8NA	

THE MELOW CHARITABLE TRUST

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THE MELOW CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees present their annual report and financial statements for the year ended 31 December 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the 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)" (effective 1 January 2019).

Objectives and activities

The objects of the trust are for general charitable purposes and in particular for the relief of poverty and the advancement of religion and religious education.

The trustees confirm that they have referred to the guidelines contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objects and in planning future activities and setting the grant making policies for the year.
This charity was established for general charitable purposes and in particular for the relief of poverty and the advancement of the Jewish religion, especially in the field of education. Donations are made to organisations providing a sound religious education in accordance with the doctrines and principles of traditional Judaism and to institutions set up to provide aid to the Jewish needy, with a view to achieving the objects of the charity and in doing so the charity has complied with its duty to act for the public benefit in accordance with Section 4 of the Charities Act 2011.

Under the Trust Deed, the charity has the power to make any investment which the trustees see fit provided that funds so utilised are not immediately required for use in connection with any of its objects. The trustees regularly review the charity's position and needs in respect of the investment policy.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Grants are made to charitable institutions and organisations which conform to the objects of the charity after the trustees have satisfied themselves as to the bona fides of the recipients.
Applications for grants are made in writing to the charity or in person to the Trustees by voluntary and community organisations. All donations above £3,000 require approval of all the Trustees and after making the necessary checks, proportional to the level of funding involved, donations are provided

Achievements and performance

During the period under review £937,840 (2024: £1,114,501) was distributed in furtherance of the charity's objectives. The analysis of grants can be found in note 9 to the financial statements.

Financial review

The charity is dependent for its income on the commercial activities of its subsidiary and voluntary donations from companies connected with the trustees. The parent charity also receives a small amount of rental income from its sole investment property. The subsidiary undertaking, Lota Estates Limited, has a portfolio of investment properties and the group’s performance can be seen in the financial statements set out below.
The parent charity's investment property produced income of £8,651, with the subsidiary having £1,106,988 of rental income.

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which the trustees think appropriate after considering the future commitments of the charity and the likely administrative costs of the charity for the next year.
At the year end, £ 10,283,303 (2024: £10,206,534) was held as unrestricted funds, of which £1,158,749 (2024: £1,081,801) were free reserves.

The trustees have identified and reviewed the major risks to which the charity is exposed, in particular those related to the operations and finance of the charity and its subsidiary and are satisfied that systems are in place to mitigate those risks.

The principal risks to which the charity is exposed are:
- Liabilities arising from property investment activity
- Tenant defaults
- Damage to the property from flood, fire or terrorist action
- The availability of liquid funds to make grants and donations
- The general economic cycle

The trustees seek to manage or mitigate such risks wherever possible through such measures as insurance, tenant screening and monitoring, rigorous reviews of acquisition and investment opportunities, external expert advice, monitoring cash and regular monitoring of the economic outlook. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Plans for future periods

The charity plans continuing the activities outlined above in the coming years subject to incoming resources being maintained at a satisfactory level.

Structure, governance and management

The trust was set up by way of a Deed of Trust on 9 February 1978.

The trust's principal office is at Lower Ground Floor, 68 Filey Avenue, London N6 6JJ.

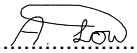
The trustees who served during the year and up to the date of signature of the financial statements were:

Mrs M Spitz
Mr A Low
Mrs R Weiss

The statutory power of appointing new trustees or a new trustee shall be exercisable by the trustees during their joint lives and thereafter by the survivor of them.
It is not currently the intention of the trustees of the charity to appoint new trustees. Should the situation change in the future, the trustees will apply suitable recruitment and training procedures.

The Trustees of the charity hold on trust for the charity, the share capital of the subsidiary undertaking, Lota Estates Limited.
The company, registered in England, is engaged in property investment and its results are incorporated in the consolidated financial statements.
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The trustees' report was approved by the Board of Trustees.



M Spitz
Trustee

Date: 23 September 2026

THE MELOW CHARITABLE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2025

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 and 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 year.

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 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 financial statements; and
- 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 sufficient accounting records that 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.

THE MELOW CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE MELOW CHARITABLE TRUST

Opinion

We have audited the financial statements of The Melow Charitable Trust (the 'charity') for the year ended 31 December 2025 which comprise the consolidated statement of financial activities, parent charity statement of financial activities, consolidated statement of financial position, parent charity balance sheet, consolidated 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 FRS 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 charity and its subsidiary's affairs as at 31 December 2025 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 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 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 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

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 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 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 auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

1) Enquiries of management concerning the charity's policies and procedures relating to:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance

- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and

- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

2) The company's remuneration policies, and

3) Discussions among the engagement team regarding how and when fraud might occur in the financial statements and any potential indicators of fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and IFRS as issued by the IASB and adopted by the EU, and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or avoid a material penalty.

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

In addition to the above, our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

- Enquiring of management concerning actual and potential litigation and claims;

- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We note that our audit is not primarily designed to detect non-compliance with laws and regulations and the Trustees and other management are responsible for such internal control as the Trustees and other management of the Charity determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to errors or fraud, including compliance with laws and regulations. Additionally, owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) 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 financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

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

For and on behalf of Glazers, Statutory Auditor
Chartered Accountants
843 Finchley Road
London
NW11 8NA
Date: .....

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

THE MELOW CHARITABLE TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £	2024 £
Income from:			
Donations and legacies	**3**	-	10,000
Investments	**4**	1,220,243	1,004,313
Total income		1,220,243	1,014,313
Expenditure on:			
Investment management	**5**	187,742	136,846
Charitable activities	**8**	955,732	1,128,170
Total expenditure		1,143,474	1,265,016
Net income/(expenditure) for the year/ Net movement in funds		76,769	(250,703)
Fund balances at 1 January 2025		10,206,534	10,457,237
Fund balances at 31 December 2025		10,283,303	10,206,534

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE MELOW CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £	2024 £
Income from:			
Donations and legacies	**3**	1,000,000	1,010,000
Investments	**4**	8,651	27,500
Total income		1,008,651	1,037,500
Expenditure on:			
Investment management	**5**	52,507	2,887
Charitable activities	**8**	950,479	1,124,041
Total resources expended		1,002,986	1,126,928
Net gains on investments	**13**	71,104	(161,275)
Net income/(expenditure) for the year/ Net movement in funds		76,769	(250,703)
Fund balances at 1 January 2025		10,206,534	10,457,237
Fund balances at 31 December 2025		10,283,303	10,206,534

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE MELOW CHARITABLE TRUST

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**14**		-		179
Investment property	**15**		10,781,975		10,781,975
			10,781,975		10,782,154
Current assets					
Debtors	**16**	366,567		302,913	
Cash at bank and in hand		953,105		940,164	
		1,319,672		1,243,077	
Creditors: amounts falling due within one year	**17**	(160,923)		(161,276)	
Net current assets			1,158,749		1,081,801
Total assets less current liabilities			11,940,724		11,863,955
Provisions for liabilities			(1,657,421)		(1,657,421)
Net assets			10,283,303		10,206,534
Income funds					
Unrestricted funds			10,283,303		10,206,534
			10,283,303		10,206,534

The financial statements were approved by the Trustees on 23 September 2026

M Spitz
Trustee

A Low
Trustee

THE MELOW CHARITABLE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**14**		-		179
Investment properties	**15**		650,000		650,000
Investments			11,122,323		11,051,219
			11,772,323		11,701,398
Current assets					
Cash at bank and in hand		64,672		5,603	
Creditors: amounts falling due within one year	**17**	1,553,692		1,500,467	
Net current liabilities			(1,489,020)		(1,494,864)
Total assets less current liabilities			10,283,303		10,206,534
Income funds					
Unrestricted funds			10,283,303		10,206,534
			10,283,303		10,206,534

The financial statements were approved by the Trustees on 23 September 2026

M Spitz
Chair of Trustees

A Low
Trustee

THE MELOW CHARITABLE TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash absorbed by operations	**22**		(1,207,302)		(1,111,519)
Investing activities					
Investment income received		1,220,243		1,004,313	
Net cash generated from investing activities			1,220,243		1,004,313
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			12,941		(107,206)
Cash and cash equivalents at beginning of year			940,164		1,047,370
Cash and cash equivalents at end of year			953,105		940,164

THE MELOW CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	**22**		50,418		(134,888)
Investing activities					
Investment income received		8,651		27,500	
Net cash generated from investing activities			8,651		27,500
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			59,069		(107,388)
Cash and cash equivalents at beginning of year			5,603		112,991
Cash and cash equivalents at end of year			64,672		5,603

1 Accounting policies

Charity information

The Melow Charitable Trust is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Lower Ground Floor, 78 Filey Avenue, London N6 6JJ..

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

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 the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the 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.
Notwithstanding the net current liabilities in the parent charity, the financial statements have been prepared on a going concern basis given the continued support of the charity's main creditors, which are all related parties.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors 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.

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

1.4 Income

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.

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

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

1 Accounting policies **(Continued)**

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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

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

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

Fixtures and fittings (charity)	25% 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.

1.7 Investment property

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

[Property rented to a group entity is accounted for as tangible fixed assets.]

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

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

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity 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 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.11 Taxation

The Charity is not liable to direct taxation (Income Tax) on its income which falls within the various exemptions available to registered charities. As a result, no Deferred Tax is provided on timing differences. The Charity is not registered for Value Added Tax (VAT) and is therefore unable to reclaim any input tax it suffers on its purchase. Expenditure in the accounts is therefore shown inclusive of VAT where appropriate

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period for the subsidiary.
Current tax is recognised on taxable income or expenditure for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.
Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

1.12 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Group financial statements

These financial statements consolidate the results of the charity and its subsidiary, Lota Estates Limited, on a line by line basis.

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 Donations and legacies

	Total	Unrestricted funds
	2025	2024
Group	£	£
Donations and gifts	-	10,000
Charity		
Donations and gifts	1,000,000	1,010,000

4 Investments

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Group		
Rental income	1,115,639	1,004,313
Interest receivable	104,604	-
	1,220,243	1,004,313
Charity		
Rental income	8,651	27,500

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2025	2024
Group		£
Investment management	187,742	136,846

5 Raising funds **(Continued)**

	187,742	136,846

Charity

Investment management	52,507	2,887
	52,507	2,887

6 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	12,420	9,480
Depreciation of owned tangible fixed assets	179	20

7 Trustees

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

8 Charitable activities

Group	Charitable expenditure 2025 £	Charitable expenditure 2024 £
Depreciation and impairment	179	20
Grant funding of activities (see note 9)	937,840	1,114,501
Share of support costs (see note 10)	5,293	4,169
Share of governance costs (see note 10)	12,420	9,480
	955,732	1,128,170

Charity

Depreciation	179	20
Grant funding of activities (see note 9)	937,840	1,114,501
Share of support costs	40	40
Share of governance costs (see note 10)	12,420	9,480
	950,479	1,124,041

9 Grants payable

	Charitable expenditure 2025 £	Charitable expenditure 2024 £
Grants to institutions:		
Achisomoch Aid	52,650	25,000
Amud Hatzdokoh Trust	26,500	15,500
Bait Limud Vchesed	20,000	35,450
Bikur Cholim Dsatmer	52,500	-
Chasdei Aharon Limited	63,120	120,500
Chasdei Sholom Trust	100,000	68,000
Chevras Mo'ov Ladol	119,300	45,600
College for Higher Rabbinical Studies	87,000	48,800
Fundd	600	45,600
Keren Chochmas Shloma Trust	-	40,000
Kollel Veyoul Moshe	-	30,000
Lechem Shlomo	20,000	63,000
Mifal Hachesed Vehatzedokoh	-	32,000
Mifal Tzedokoh Vechesed	78,000	65,000
Revach Vehazola Trust	-	38,000
Sharei Chesed (London)	33,120	
Shir Chesed Beis Yisroel	-	50,000
Start Upright	72,500	98,800
Tchabe Kollel Limited	3,450	63,500
Tevini	37,700	-
United Talmudical Associates	-	4,600
Other under £30,000	171,400	225,151
	937,840	1,114,501

All grants paid were for the alleviation of poverty, education and furtherance of the Jewish religion and general charitable purposes.

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10 Support costs

	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Support costs	5,293	-	5,293	4,169	-	4,169
Audit fees	-	12,420	12,420	-	9,480	9,480
	5,293	12,420	17,713	4,169	9,480	13,649
Analysed between Charitable activities	5,293	12,420	17,713	4,169	9,480	13,649

11 Taxation

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

12 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Total	-	-

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

13 Net gains/(losses) on investments

	Total	Total
Charity		
	2025	2024
	£	£
Gain/(loss) on investment in group undertakings	71,104	(161,275)
	71,104	(161,275)

14 Tangible fixed assets

	Group	Charity
Fixtures and fittings	**£**	**£**
Cost		
At 1 January 2025	10,362	10,362
At 31 December 2025	10,362	10,362
Depreciation and impairment		
At 1 January 2025	10,183	10,183
Depreciation charged in the year	179	179
At 31 December 2025	10,362	10,362
Carrying amount		
At 31 December 2024	179	179

15 Investment property

Group	**2025**
	£
Fair value	
At 1 January 2025 and 31 December 2025	10,781,975
Charity	
At 1 January 2025 and 31 December 2025	650,000

The group's investment properties comprise residential and commercial portfolios. The fair value of the investment properties has been arrived at on the basis of valuation carried out at 31st December 2025 by the trustees who are considered to have the experience and expertise required to undertake such an exercise. The valuation is made on an open market value basis by reference to market evidence of transaction prices for similar properties in the same location taking account their age and condition.

The historical cost of the investment properties was £2,778,973.

16 Debtors

	2025	2024
Amounts falling due within one year:	**£**	**£**
Group		
Trade debtors	276,602	291,600
Prepayments and accrued income	89,965	11,313
	366,567	302,913
Charity		
Trade debtors	-	-

16 Debtors **(Continued)**

17 Creditors: amounts falling due within one year

Group	2025	2024
	£	£
Other creditors	62,466	69,715
Accruals and deferred income	98,457	91,561
	160,923	161,276

Charity		
Amounts owed to subsidiary undertakings	1,525,041	1,485,818
Other creditors	-	7,249
Accruals and deferred income	28,650	7,400
	1,553,691	1,500,467

18 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 2025	Incoming resources	Resources expended	At 31 December 2025
	£	£	£	£
General funds	10,206,534	1,220,243	(1,143,474)	10,283,303

Previous year:	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
General funds	10,457,237	1,014,313	(1,265,016)	10,206,534

Provisions for liabilities	Notes	2025 £	2024 £
Deferred tax liabilities	**19**	1,657,421	1,657,421
		1,657,421	1,657,421

20 Related party transactions

Group
During the year, the Charity Group received donations of £nil (2024 £10,000) from a company with close family connections to a director.
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Charity
During the year, the Charity received all its donations (£1,000,000) from its subsidiary Lota Estates Ltd.
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21 Analysis of changes in net funds

The charity had no material debt during the year.

22	Cash generated from operations	2025 £	2024 £
	Surplus/ (deficit) for the year	76,769	(250,703)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(1,220,243)	(1,004,313)
	Depreciation and impairment of tangible fixed assets	179	20
	Movements in working capital:		
	(Increase)/decrease in debtors	(63,654)	120,970
	(Decrease)/ increase in creditors	(353)	22,507
	Cash absorbed by operations	(1,207,302)	(1,111,519)