

**The Broughton Charitable Trust**  
**Unaudited Financial Statements**  
**31 March 2023**

**HAFFNER HOFF LTD**

Accountants  
2nd Floor - Parkgates  
Bury New Road  
Prestwich  
Manchester  
M25 0TL

# The Broughton Charitable Trust

## Financial Statements

Year ended 31 March 2023

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# The Broughton Charitable Trust

## Trustees' Annual Report

Year ended 31 March 2023

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The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

### Reference and administrative details

**Registered charity name**            The Broughton Charitable Trust

**Charity registration number**        326987

**Principal office**                    11 Edilom Road  
Manchester  
M8 4HX

**The trustees**                        R Schleider  
D Cohen  
Z Y Barnett

**Accountants**                        Accountants  
2nd Floor - Parkgates  
Bury New Road  
Prestwich  
Manchester  
M25 0TL

# The Broughton Charitable Trust

## Trustees' Annual Report *(continued)*

Year ended 31 March 2023

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### Structure, governance and management

The Broughton Charitable Trust is constituted under a trust deed dated 31 October 1985. It is a registered charity with a charity number being 326987, and was registered on 14 March 1986.

Recruitment and appointment of new trustees would be in line with the trust deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day to day affairs are undertaken by the trustees on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

### Risk review

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

The risks faced by the trust are:-

1. Risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations.
2. Risks that there are not sufficient investment income and donations to enable grants to be paid out. However, the trustees can reduce grants to match reduced income.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

### Risk management

The Trustees are responsible for the management of the risks faced by the Charity. A formal review of the charity's risk management processes is undertaken on an annual basis.

The key controls used by the charity include:

- o Comprehensive strategic planning and budgeting;
- o Established organisational structure and lines of reporting;
- o Clear authorisation and approval levels.

Through the risk management processes established for the Charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

# The Broughton Charitable Trust

## Trustees' Annual Report *(continued)*

Year ended 31 March 2023

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### Objectives and activities

The objects of the charity are for such charitable purposes or charitable institutions as the trustees may in their absolute discretion determine.

### Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

### Grant making policy

The charity is funded by donations. The charity gives out grants in line with the above objects.

Grants made during the year to institutions are as detailed in the accounts.

The application of the funds by way of grants to either institutions or individuals and is almost always to institutions.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each object. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

### Achievements and performance

There was a net income and movement of funds for the year amounting to £31,416. The charity received £493,090 in donations during the year and £34,854 was paid out by way of grants and support costs.

There were no grants paid out during the year.

The trustees have embarked on a project to purchase a building to house a Synagogue. The preliminary transactions have been executed, and the charity is holding £220,000 in debtors as part of the purchase of the building. The trustees anticipate that legal title to the properties will be transferred to the charity in the near future. This will be reflected in the relevant years accounts.

The charity has low governance costs comprising professional fees.

All other office costs are borne by a local benefactor and the trustees wish to record their appreciation to the benefactor for the free use of their offices.

There were no material fundraising costs during the year.

# The Broughton Charitable Trust

## Trustees' Annual Report *(continued)*

Year ended 31 March 2023

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### Financial review

The trustees are delighted to have made contributions to the community as a result of this income and hope to be able to do so for many years to come.

### Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results.

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

In considering the limited financial obligations of the charity, the trustees have resolved to maintain a minimum reserve.

The free reserves, being the net current assets of the charity stand at £174,799 all of which are unrestricted.

### True and fair override

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charities governing document, The Charities Act 2011 and the relevant version of the 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).

### 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 and Wales requires the charity trustees to prepare financial statements for each 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 applicable 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 business.

# The Broughton Charitable Trust

## Trustees' Annual Report *(continued)*

### Year ended 31 March 2023

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The trustees are responsible for keeping adequate 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 applicable Charities (Accounts and Reports) Regulations, 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 trustees' annual report was approved on 31 January 2024 and signed on behalf of the board of trustees by:

Z Y Barnett  
Trustee

# The Broughton Charitable Trust

## Independent Examiner's Report to the Trustees of The Broughton Charitable Trust

**Year ended 31 March 2023**

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I report to the trustees on my examination of the financial statements of The Broughton Charitable Trust ('the charity') for the year ended 31 March 2023.

### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr H Schwalbe ACA  
Independent Examiner

2nd Floor - Parkgates  
Bury New Road  
Prestwich  
Manchester  
M25 0TL

31 January 2024

# The Broughton Charitable Trust

## Statement of Financial Activities

Year ended 31 March 2023

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		2023		2022
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	4	493,090	493,090	162,408
Investment income	5	180	180	2
<b>Total income</b>		<u>493,270</u>	<u>493,270</u>	<u>162,410</u>
<b>Expenditure</b>				
Expenditure on charitable activities	6,7	<u>34,854</u>	<u>34,854</u>	<u>18,568</u>
<b>Total expenditure</b>		<u>34,854</u>	<u>34,854</u>	<u>18,568</u>
Net losses on investments	10	(427,000)	(427,000)	–
<b>Net income and net movement in funds</b>		<u>31,416</u>	<u>31,416</u>	<u>143,842</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		143,383	143,383	(459)
<b>Total funds carried forward</b>		<u>174,799</u>	<u>174,799</u>	<u>143,383</u>

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

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The notes on pages 9 to 15 form part of these financial statements.

# The Broughton Charitable Trust

## Statement of Financial Position

31 March 2023

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	Note	2023 £	2022 £
<b>Current assets</b>			
Debtors	15	220,000	427,000
Cash at bank and in hand		<u>49,999</u>	<u>26,583</u>
		269,999	453,583
<b>Creditors: amounts falling due within one year</b>	16	<u>95,200</u>	<u>310,200</u>
<b>Net current assets</b>		<u>174,799</u>	<u>143,383</u>
<b>Total assets less current liabilities</b>		<u>174,799</u>	<u>143,383</u>
<b>Net assets</b>		<u>174,799</u>	<u>143,383</u>
<b>Funds of the charity</b>			
Unrestricted funds		<u>174,799</u>	<u>143,383</u>
<b>Total charity funds</b>	17	<u>174,799</u>	<u>143,383</u>

These financial statements were approved by the board of trustees and authorised for issue on 31 January 2024, and are signed on behalf of the board by:

Z Y Barnett  
Trustee

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The notes on pages 9 to 15 form part of these financial statements.

# The Broughton Charitable Trust

## Notes to the Financial Statements

Year ended 31 March 2023

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### 1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 11 Edilom Road, Manchester, M8 4HX.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

There are no material uncertainties about the charity's ability to continue.

#### Consolidation

The entity has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the entity and its subsidiary undertakings comprise a small group. This is also because donations from subsidiaries to the parent charity would be eliminated on consolidation.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amount reported.

#### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# The Broughton Charitable Trust

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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### 3. Accounting policies *(continued)*

#### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

# The Broughton Charitable Trust

## Notes to the Financial Statements *(continued)*

### Year ended 31 March 2023

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#### 3. Accounting policies *(continued)*

##### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### **Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

# The Broughton Charitable Trust

## Notes to the Financial Statements *(continued)*

### Year ended 31 March 2023

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#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Donations and legacies

	Unrestricted Funds £	<b>Total Funds 2023 £</b>	Unrestricted Funds £	Total Funds 2022 £
<b>Donations</b>				
Donations	16,890	16,890	162,408	162,408
Donations: Melton Properties Ltd	476,200	476,200	–	–
	<u>493,090</u>	<u>493,090</u>	<u>162,408</u>	<u>162,408</u>

#### 5. Investment income

	Unrestricted Funds £	<b>Total Funds 2023 £</b>	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	<u>180</u>	<u>180</u>	<u>2</u>	<u>2</u>

#### 6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	<b>Total Funds 2023 £</b>	Unrestricted Funds £	Total Funds 2022 £
Charitable Activities	1,620	1,620	6,000	6,000
Support costs	33,234	33,234	12,568	12,568
	<u>34,854</u>	<u>34,854</u>	<u>18,568</u>	<u>18,568</u>

#### 7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	<b>Total funds 2023 £</b>	Total fund 2022 £
Charitable Activities	1,620	32,033	33,653	17,369
Governance costs	–	1,201	1,201	1,199
	<u>1,620</u>	<u>33,234</u>	<u>34,854</u>	<u>18,568</u>

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# The Broughton Charitable Trust

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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### 8. Analysis of support costs

	Analysis of support costs £	<b>Total 2023</b> £	Total 2022 £
General office	8,310	8,310	3,369
Finance costs	23,724	23,724	8,000
Governance costs	1,200	1,200	1,199
	<u>33,234</u>	<u>33,234</u>	<u>12,568</u>

### 9. Analysis of grants

	<b>2023</b> £	2022 £
<b>Grants to institutions</b>		
Three Pillars Trust	–	1,000
Total grants	<u>–</u>	<u>1,000</u>

### 10. Net losses on investments

	Unrestricted Funds £	<b>Total Funds</b> <b>2023</b> £	Unrestricted Funds £	Total Funds 2022 £
Gains/(losses) on investments in group undertakings	<u>(427,000)</u>	<u>(427,000)</u>	<u>–</u>	<u>–</u>

### 11. Independent examination fees

	<b>2023</b> £	2022 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,200</u>	<u>1,200</u>

### 12. Staff costs

The average head count of employees during the year was Nil (2022: Nil).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

### 13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

# The Broughton Charitable Trust

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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### 14. Investments

	Shares in group undertaking s £
<b>Cost or valuation</b>	
At 1 April 2022	–
Additions	427,000
<b>At 31 March 2023</b>	<u>427,000</u>
<b>Impairment</b>	
At 1 April 2022	–
Disposals	(427,000)
<b>At 31 March 2023</b>	<u>(427,000)</u>
<b>Carrying amount</b>	
<b>At 31 March 2023</b>	<u>–</u>
At 31 March 2022	<u>–</u>

All investments shown above are held at valuation.

The results of the subsidiary undertaking have not been consolidated within the accounts of The Broughton Charitable Trust as mentioned in the accounts policies. It should be noted that Melton Properties Limited, the subsidiary undertaking, is now dormant.

### 15. Debtors

	2023 £	2022 £
Other debtors	<u>220,000</u>	<u>427,000</u>

### 16. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	1,200	1,200
Other creditors	<u>94,000</u>	<u>309,000</u>
	<u>95,200</u>	<u>310,200</u>

# The Broughton Charitable Trust

## Notes to the Financial Statements *(continued)*

### Year ended 31 March 2023

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#### 17. Analysis of charitable funds

##### Unrestricted funds

	At 1 April 2022	Income	Expenditure	Gains and losses	At 31 March 2023
	£	£	£	£	£
General funds	<u>143,383</u>	<u>493,270</u>	<u>(34,854)</u>	<u>(427,000)</u>	<u>174,799</u>

	At 1 April 2021	Income	Expenditure	Gains and losses	At 31 March 2022
	£	£	£	£	£
General funds	<u>(459)</u>	<u>162,410</u>	<u>(18,568)</u>	<u>–</u>	<u>143,383</u>

#### 18. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2023
	£	£
Current assets	269,999	269,999
Creditors less than 1 year	<u>(95,200)</u>	<u>(95,200)</u>
<b>Net assets</b>	<u>174,799</u>	<u>174,799</u>

	Unrestricted Funds	Total Funds 2022
	£	£
Current assets	453,583	453,583
Creditors less than 1 year	<u>(310,200)</u>	<u>(310,200)</u>
<b>Net assets</b>	<u>143,383</u>	<u>143,383</u>

#### 19. Related parties

The Broughton Charitable Trust has a 67% shareholding in Melton Properties Ltd. During the year Melton Properties Ltd disposed of all its assets. The proceeds received were then donated to its parent holdings with the amount attributable to The Broughton Charitable Trust coming to £476,200.

#### 20. Taxation

The Broughton Charitable Trust is a registered charity and therefore is not liable to income tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.