

**M O Charitable Trust**  
**Unaudited Financial Statements**  
**5 April 2021**

**HAFFNER HOFF LTD**

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

# **M O Charitable Trust**

## **Financial Statements**

**Year ended 5 April 2021**

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# M O Charitable Trust

## Trustees' Annual Report

Year ended 5 April 2021

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The trustees present their report and the unaudited financial statements of the charity for the year ended 5 April 2021.

### Reference and administrative details

**Registered charity name** M O Charitable Trust

**Charity registration number** 327060

**Principal office** 72 Windemere street  
Gateshead  
NE8 1XT

### The trustees

M Kaufman  
E Kaufman

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

### Structure, governance and management

The Charity is a charitable trust constituted by a Deed of Trust dated 20 November 1985 and is a registered charity, number 327060.

The Charity is run by the trustees who all act in an honorary capacity. A new trustee would receive copies of the previous years' Annual Report and Accounts and a copy of the Charity Commission leaflet 'The Essential Trustee : What you need to know'.

### Risk Management

The trustees have identified and reviewed the major risks to which the charity is exposed. Both manual and automated checks are regularly invoked, particularly those relating to the operations and finance of the charity. The trustees are satisfied that these systems and procedures mitigate any perceived risks.

# M O Charitable Trust

## Trustees' Annual Report *(continued)*

### Year ended 5 April 2021

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#### **Objectives and activities**

The objectives of the charity are general charitable purposes.

#### **Public Benefit Policy**

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

#### **Grant Making Policy**

Grants are made to charitable institutions and organisations which accord with the objects of the charity.

#### **Investment Policy**

It is the policy of the Charity to maintain cash reserves so as to be able to take advantage of any investment opportunities that arise. This policy is regularly reviewed by the trustees and their investment advisors, who advise as to safe investments and when to sell properties and as to rent reviews.

During the year the charity's investments produced a return of over 7%, this is significantly higher than rates on bank deposits and the trustees consider property to be an appropriate investment for the charity's funds.

#### **Achievements and performance**

During the year the charity made grants totalling £219,043 in furtherance of its objectives.

During the year the Charity received donations of over £223,280 and rental income of over £227,155.

#### **Financial review**

As at 5 April 2021 the charity held free unrestricted reserves, being the net assets of the charity of £640,129.

#### **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. It is the policy of the charity to hold reserves sufficient to maintain regular grants at previous years levels. The trustees feel it would be prudent to maintain reserves at such a level that would enable the Charity to generate its own income to meet this aim. As the Charity has no other reliable income other than from its property investments, the trustees consider that it is prudent to retain reserves sufficient to take advantage of any investment opportunities arising.

#### **Plans for future periods**

It is anticipated that the charity will continue to support charitable purposes and institutions in accordance with its objects.

# M O Charitable Trust

## Trustees' Annual Report *(continued)*

Year ended 5 April 2021

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### 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 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 2 February 2022 and signed on behalf of the board of trustees by:

M Kaufman  
Trustee

# **M O Charitable Trust**

## **Independent Examiner's Report to the Trustees of M O Charitable Trust**

**Year ended 5 April 2021**

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I report to the trustees on my examination of the financial statements of M O Charitable Trust ('the charity') for the year ended 5 April 2021.

### **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 Association of Chartered Certified Accountants, 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.

D Schwarz FCCA  
Independent Examiner

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

2 February 2022

# M O Charitable Trust

## Statement of Financial Activities

Year ended 5 April 2021

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		2021		2020
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	4	223,280	<b>223,280</b>	106,190
Investment income	5	227,155	<b>227,155</b>	191,159
<b>Total income</b>		<u>450,435</u>	<u><b>450,435</b></u>	<u>297,349</u>
<b>Expenditure</b>				
Expenditure on raising funds:				
Investment management costs	6	(94,640)	<b>(94,640)</b>	(89,982)
Expenditure on charitable activities	7,8	(222,696)	<b>(222,696)</b>	(134,644)
<b>Total expenditure</b>		<u>(317,336)</u>	<u><b>(317,336)</b></u>	<u>(224,626)</u>
Net gains on investments	11	16,282	<b>16,282</b>	23,366
<b>Net income and net movement in funds</b>		<u>149,381</u>	<u><b>149,381</b></u>	<u>96,089</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		3,404,454	<b>3,404,454</b>	3,308,364
<b>Total funds carried forward</b>		<u>3,553,835</u>	<u><b>3,553,835</b></u>	<u>3,404,453</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 7 to 13 form part of these financial statements.

# M O Charitable Trust

## Statement of Financial Position

5 April 2021

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	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	16	3,139,485	3,930,582
<b>Current assets</b>			
Debtors	17	27,382	21,116
Cash at bank and in hand		630,106	12,952
		<u>657,488</u>	<u>34,068</u>
<b>Creditors: amounts falling due within one year</b>	18	<u>17,359</u>	<u>5,220</u>
<b>Net current assets</b>		<u>640,129</u>	<u>28,848</u>
<b>Total assets less current liabilities</b>		<u>3,779,614</u>	<u>3,959,430</u>
<b>Creditors: amounts falling due after more than one year</b>	19	<u>225,779</u>	<u>554,977</u>
<b>Net assets</b>		<u>3,553,835</u>	<u>3,404,453</u>
<b>Funds of the charity</b>			
Unrestricted funds		<u>3,553,835</u>	<u>3,404,453</u>
<b>Total charity funds</b>	20	<u>3,553,835</u>	<u>3,404,453</u>

These financial statements were approved by the board of trustees and authorised for issue on 2 February 2022, and are signed on behalf of the board by:

M Kaufman  
Trustee

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The notes on pages 7 to 13 form part of these financial statements.

# M O Charitable Trust

## Notes to the Financial Statements

Year ended 5 April 2021

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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 72 Windemere Street, Gateshead, NE8 1XT.

### 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.

#### 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 amounts reported at the year end.

#### Fund accounting

General unrestricted funds comprise the accumulated surplus or deficit on income and expenditure account. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds are funds subject to specific restricted conditions imposed by donors. There are no restricted funds as at the Balance Sheet date.

Designated funds are funds which have been set aside at the discretion of the Trustees for specific purposes. There are no designated funds as at the Balance Sheet date.

#### Incoming resources

All income is 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.

# M O Charitable Trust

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

### Year ended 5 April 2021

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

##### Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Charitable activities are made up of grants to institutions.

Expenditure also includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Governance costs are included on an accruals basis and are recognised when there is a legal or constructive obligation to pay for expenditure.

##### 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.

##### Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

##### Financial instruments

A financial asset or a financial liability is recognised only when the entity 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, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

#### 4. Donations and legacies

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
<b>Donations</b>				
Donations	223,280	<b>223,280</b>	106,190	106,190

# M O Charitable Trust

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

Year ended 5 April 2021

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### 5. Investment income

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Income from investment properties	227,155	<b>227,155</b>	191,121	191,121
Bank interest receivable	–	<b>–</b>	38	38
	<u>227,155</u>	<u><b>227,155</b></u>	<u>191,159</u>	<u>191,159</u>

### 6. Investment management costs

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Insurance and Service Charge	34,178	<b>34,178</b>	13,324	13,324
Heat and Light	6,568	<b>6,568</b>	2,217	2,217
Professional fees	12,908	<b>12,908</b>	18,443	18,443
Loan Interest	15,933	<b>15,933</b>	17,301	17,301
Property repairs and maintenance charges	4,881	<b>4,881</b>	13,716	13,716
Rates	–	<b>–</b>	6,761	6,761
Sundry	3,348	<b>3,348</b>	2,831	2,831
Commissions	16,824	<b>16,824</b>	15,389	15,389
	<u>94,640</u>	<u><b>94,640</b></u>	<u>89,982</u>	<u>89,982</u>

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

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Charitable Activities	219,043	<b>219,043</b>	129,462	129,462
Support costs	3,653	<b>3,653</b>	5,182	5,182
	<u>222,696</u>	<u><b>222,696</b></u>	<u>134,644</u>	<u>134,644</u>

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

	Grant funding of activities £	Support costs £	<b>Total funds 2021 £</b>	Total fund 2020 £
Charitable Activities	219,043	–	<b>219,043</b>	129,462
Governance costs	–	3,653	<b>3,653</b>	5,182
	<u>219,043</u>	<u>3,653</u>	<u><b>222,696</b></u>	<u>134,644</u>

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# M O Charitable Trust

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

Year ended 5 April 2021

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### 9. Analysis of support costs

	Analysis of support costs activity 1 £	<b>Total 2021</b> £	Total 2020 £
General office	354	<b>354</b>	382
Governance costs	3,300	<b>3,300</b>	4,800
	<u>3,654</u>	<u><b>3,654</b></u>	<u>5,182</u>

### 10. Analysis of grants

	<b>2021</b> £	2020 £
<b>Grants to institutions</b>		
Care All	<b>12,500</b>	8,000
Edu poor	<b>12,500</b>	10,000
Grants under £5,000	<b>53,313</b>	37,542
Mifal Hacheshed Vehatzedokoh	<b>25,000</b>	20,000
Sunderland kolel	<b>10,200</b>	5,580
The Gateshead Cheder Limited	–	9,650
yehsivas shaarei chaim	<b>80,000</b>	17,000
Yishaya Adler Memorial Fund	<b>25,530</b>	21,690
	<u><b>219,043</b></u>	<u>129,462</u>
Total grants	<u><b>219,043</b></u>	<u>129,462</u>

### 11. Net gains on investments

	Unrestricted Funds £	<b>Total Funds</b> <b>2021</b> £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on other investment assets	<u>16,282</u>	<u><b>16,282</b></u>	<u>23,366</u>	<u>23,366</u>

### 12. Auditors remuneration

	<b>2021</b> £	2020 £
Fees payable for the audit of the financial statements	<u>–</u>	<u>2,400</u>

# M O Charitable Trust

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

### Year ended 5 April 2021

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#### 13. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>3,300</u>	<u>–</u>

#### 14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
	Nil	Nil

The average head count of employees during the year was Nil (2020: Nil).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

#### 15. Trustee remuneration and expenses

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

#### 16. Investments

	Investment properties £
<b>Cost or valuation</b>	
At 6 April 2020	3,930,582
Additions	307,621
Disposals	<u>(1,098,718)</u>
<b>At 5 April 2021</b>	<u>3,139,485</u>
<b>Impairment</b>	
<b>At 6 April 2020 and 5 April 2021</b>	
<b>Carrying amount</b>	
<b>At 5 April 2021</b>	<u>3,139,485</u>
At 5 April 2020	<u>3,930,582</u>

All investments shown above are held at valuation.

#### Investment properties

The investment properties are stated at market value as per the trustees valuation at the year end.

# M O Charitable Trust

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

Year ended 5 April 2021

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### 17. Debtors

	2021	2020
	£	£
Other debtors	<u>27,382</u>	<u>21,116</u>

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

	2021	2020
	£	£
Accruals and deferred income	8,520	5,220
Social security and other taxes	8,839	–
	<u>17,359</u>	<u>5,220</u>

### 19. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Other creditors	<u>225,779</u>	<u>554,977</u>

### 20. Analysis of charitable funds

#### Unrestricted funds

	At 6 April 2020	Income	Expenditure	Gains and losses	At 5 April 2021
	£	£	£	£	£
General funds	<u>3,404,454</u>	<u>450,435</u>	<u>(317,336)</u>	<u>16,282</u>	<u>3,553,835</u>

  

	At 6 April 2019	Income	Expenditure	Gains and losses	At 5 April 2020
	£	£	£	£	£
General funds	<u>3,308,364</u>	<u>297,349</u>	<u>(224,626)</u>	<u>23,366</u>	<u>3,404,453</u>

# M O Charitable Trust

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

Year ended 5 April 2021

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### 21. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Investments	3,139,485	<b>3,139,485</b>
Current assets	657,488	<b>657,488</b>
Creditors less than 1 year	(17,359)	<b>(17,359)</b>
Creditors greater than 1 year	(225,779)	<b>(225,779)</b>
<b>Net assets</b>	<u>3,553,835</u>	<u>3,553,835</u>

  

	Unrestricted Funds £	Total Funds 2020 £
Investments	3,930,582	3,930,582
Current assets	34,068	34,068
Creditors less than 1 year	(5,220)	(5,220)
Creditors greater than 1 year	(554,977)	(554,977)
<b>Net assets</b>	<u>3,404,453</u>	<u>3,404,453</u>

### 22. Related parties

During the year, donations totalling £70,000 were received by the charity from the trustees, Mr M and Mrs E Kaufman.

Included in Other Creditors is £103,643 owing to the trustees of the charity. This loan is interest free and repayable on demand.

Also included in Other Creditors is £2,136 owing to the J O Charitable Trust, a charity with common trustees with this charity. This loan is interest free and repayable on demand.