

M O Charitable Trust
Unaudited Financial Statements
5 April 2023

HAFFNER HOFF LTD

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

M O Charitable Trust

Financial Statements

Year ended 5 April 2023

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M O Charitable Trust

Trustees' Annual Report

Year ended 5 April 2023

The trustees present their report and the unaudited financial statements of the charity for the year ended 5 April 2023.

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

Independent examiner	D Schwarz FCCA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL
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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 2023

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 9%, 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

The charity made grants totalling £313,446 (2022:£254,108) in furtherance of its objectives.

The charity received donations of £37,500 (2022:£116,687) and rental income of £243,647 (2022:£298,349). Interest income was £645 (2022:0).

Financial review

As at 5 April 2023 the charity held free unrestricted reserves, being the net current assets of the charity, of £213,745 (2022:52,093)

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 2023

The trustees' annual report was approved on 12 January 2024 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 2023

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 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 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

12 January 2024

M O Charitable Trust

Statement of Financial Activities

Year ended 5 April 2023

		2023		2022
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	37,500	37,500	116,687
Investment income	5	244,292	244,292	298,349
Total income		<u>281,792</u>	<u>281,792</u>	<u>415,036</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	6	(84,703)	(84,703)	(57,632)
Expenditure on charitable activities	7,8	(317,550)	(317,550)	(260,643)
Total expenditure		<u>(402,253)</u>	<u>(402,253)</u>	<u>(318,275)</u>
Net losses on investments	11	(2,259)	(2,259)	(3,189)
Net (expenditure)/income		<u>(122,720)</u>	<u>(122,720)</u>	<u>93,572</u>
Other recognised gains and losses				
Losses from revaluation of fixed assets		(438,373)	(438,373)	(83,813)
Net movement in funds		<u>(561,093)</u>	<u>(561,093)</u>	<u>9,759</u>
Reconciliation of funds				
Total funds brought forward		3,793,338	3,793,338	3,783,579
Total funds carried forward		<u>3,232,245</u>	<u>3,232,245</u>	<u>3,793,338</u>

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

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

M O Charitable Trust

Statement of Financial Position

5 April 2023

	Note	2023		2022
		£	£	£
Fixed assets				
Investments	16		3,035,500	3,797,888
Current assets				
Debtors	17	78,922		25,762
Cash at bank and in hand		144,054		48,362
		<u>222,976</u>		<u>74,124</u>
Creditors: amounts falling due within one year	18	<u>9,231</u>		<u>22,031</u>
Net current assets			<u>213,745</u>	<u>52,093</u>
Total assets less current liabilities			<u>3,249,245</u>	<u>3,849,981</u>
Creditors: amounts falling due after more than one year	19		<u>17,000</u>	<u>56,643</u>
Net assets			<u><u>3,232,245</u></u>	<u><u>3,793,338</u></u>
Funds of the charity				
Unrestricted funds:				
Revaluation reserve		(522,186)		(83,813)
Other unrestricted income funds		3,754,431		3,877,151
Total unrestricted funds		<u>3,232,245</u>		<u>3,793,338</u>
Total charity funds	20		<u><u>3,232,245</u></u>	<u><u>3,793,338</u></u>

These financial statements were approved by the board of trustees and authorised for issue on 12 January 2024, and are signed on behalf of the board by:

M Kaufman
Trustee

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 2023

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 investment properties measured at fair value through income or expenditure.

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 besides for the valuation of investment property.

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.

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.

- income from donated goods is measured at the fair value of the goods unless this is impracticable 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.

M O Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 5 April 2023

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.

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 profit or loss.

If a reliable measure of fair value is no longer available 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.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	37,500	37,500	116,687	116,687

5. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Income from investment properties	243,647	243,647	298,349	298,349
Bank interest receivable	645	645	–	–
	<u>244,292</u>	<u>244,292</u>	<u>298,349</u>	<u>298,349</u>

M O Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 5 April 2023

6. Investment management costs

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Insurance and Service Charge	16,345	16,345	15,615	15,615
Heat and Light	1,696	1,696	1,646	1,646
Professional fees	7,108	7,108	10,014	10,014
Loan Interest	–	–	849	849
Property repairs and maintenance charges	44,059	44,059	13,911	13,911
Rates	(769)	(769)	540	540
Sundry	1,556	1,556	1,484	1,484
Commissions	14,708	14,708	13,573	13,573
	<u>84,703</u>	<u>84,703</u>	<u>57,632</u>	<u>57,632</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Charitable Activities	313,446	313,446	254,108	254,108
Support costs	4,104	4,104	6,535	6,535
	<u>317,550</u>	<u>317,550</u>	<u>260,643</u>	<u>260,643</u>

8. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2023 £	Total fund 2022 £
Charitable Activities	313,446	–	313,446	254,108
Governance costs	–	4,104	4,104	6,535
	<u>313,446</u>	<u>4,104</u>	<u>317,550</u>	<u>260,643</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2023 £	Total 2022 £
General office	504	504	535
Governance costs	3,600	3,600	6,000
	<u>4,104</u>	<u>4,104</u>	<u>6,535</u>

M O Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 5 April 2023

10. Analysis of grants

	2023 £	2022 £
Grants to institutions		
AAC	11,800	–
Ateres School	–	8,500
Bedeech Kovod	–	5,000
Beis Ahron Trust	20,000	–
Care All	–	15,000
Chasdei Ahron	18,000	–
Chevrach Machzikei Mesivta	–	5,000
Edupoor	–	15,000
Friends of BSS	20,000	–
Gateshead Jewish Learning Society	–	16,000
Gateshead Kehilla	13,200	13,750
Gateshead Kehilla Kollel	5,430	12,000
Gevurath Ari Academy trust	18,000	–
GJPS Trust	18,000	–
Grants under £5,000	81,994	26,598
Hachzokas Torah Vchessed Charity	15,000	–
J O C T	–	20,000
Kollel Gaon Yaakov	–	25,000
Largsmount	6,000	–
M Y R C T	–	9,200
Merkas Hatorah Belz Machnovke	25,000	–
Mifal Hachessed Vehatzedokoh	–	15,000
Mosdos Hatorah Pnei Menachem	5,000	–
Sunderland Kolel	–	10,800
T Y A	–	8,600
Tchabe Kollel	18,000	–
Telz Aacademy Trust	18,000	–
The Gateshead Cheder Limited	5,672	16,750
Yeshiva Letzeirim	–	6,500
Yishaya Adler Memorial Fund	14,350	25,410
	<u>313,446</u>	<u>254,108</u>
Total grants	<u>313,446</u>	<u>254,108</u>

11. Net losses on investments

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Gains/(losses) on other investment assets	(2,259)	<u>(2,259)</u>	(3,189)	<u>(3,189)</u>

M O Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 5 April 2023

12. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	—	3,000
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	—	3,000

13. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for: Independent examination of the financial statements	3,600	—

14. Staff costs

	Nil	Nil
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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).

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 £
Cost or valuation	
At 6 April 2022	3,797,888
Additions	—
Disposals	(324,015)
Fair value movements	(438,373)
At 5 April 2023	3,035,500
Impairment	
At 6 April 2022 and 5 April 2023	
Carrying amount	
At 5 April 2023	3,035,500
At 5 April 2022	3,797,888

All investments shown above are held at valuation.

M O Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 5 April 2023

16. Investments *(continued)*

Investment properties

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

17. Debtors

	2023	2022
	£	£
Other debtors	<u>78,922</u>	<u>25,762</u>

18. Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals and deferred income	4,020	6,420
Social security and other taxes	4,740	4,741
Other creditors	471	10,870
	<u>9,231</u>	<u>22,031</u>

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

	2023	2022
	£	£
Loans	<u>17,000</u>	<u>56,643</u>

20. Analysis of charitable funds

Unrestricted funds

	At 6 April 2022 £	Income £	Expenditure £	Gains and losses £	At 5 April 2023 £
General funds	3,877,151	281,792	(402,253)	(2,259)	3,754,431
Revaluation reserve	(83,813)	–	–	(438,373)	(522,186)
	<u>3,793,338</u>	<u>281,792</u>	<u>(402,253)</u>	<u>(440,632)</u>	<u>3,232,245</u>

	At 6 April 2021 £	Income £	Expenditure £	Gains and losses £	At 5 April 2022 £
General funds	3,783,579	415,036	(318,275)	(3,189)	3,877,151
Revaluation reserve	–	–	–	(83,813)	(83,813)
	<u>3,783,579</u>	<u>415,036</u>	<u>(318,275)</u>	<u>(87,002)</u>	<u>3,793,338</u>

M O Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 5 April 2023

21. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2023 £
Investments	3,035,500	3,035,500
Current assets	222,976	222,976
Creditors less than 1 year	(9,231)	(9,231)
Creditors greater than 1 year	(17,000)	(17,000)
Net assets	3,232,245	3,232,245

	Unrestricted Funds £	Total Funds 2022 £
Investments	3,797,888	3,797,888
Current assets	74,124	74,124
Creditors less than 1 year	(22,031)	(22,031)
Creditors greater than 1 year	(56,643)	(56,643)
Net assets	3,793,338	3,793,338

22. Related parties

During the year, aggregate donations totalling £37,500 (2022:70,355) were received by the charity from the trustees and related parties.

Included in other creditors is £17,000 (2022:£56,643) owing to the trustees of the charity. This loan is interest free.

Largsmount Ltd is a related party by virtue of the trustees being close relatives of the trustees of the charity. Largsmount received a grant of £6,000 in the year. This was subject to normal grant criteria.

23. Taxation

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