

WORLD ORT TRUST

England & Wales · Charity number 1042541

Details

Status	Registered
Legal form	Charitable company
Company number	02967916
Registered	1994-12-01
Register	View on the Charity Commission register

Contact

Address	ORT House 147 Arlington Road London NW1 7ET
Phone	02074468501
Email	wo@ort.org
Website	www.ort.org

Activities

Objects: (1) TO PROMOTE THE ADVANCEMENT OF EDUCATION AND VOCATIONAL TRAINING FOR THE PUBLIC BENEFIT IN PARTICULAR BUT NOT EXCLUSIVELY AMONGST PERSONS PRACTISING OR ADHERING TO THE JEWISH RELIGION (2) TO PROMOTE THE ADVANCEMENT OF EDUCATION FOR THE PUBLIC BENEFIT CONCERNING JEWISH CULTURE HISTORY TRADITIONS RELIGION AND LANGUAGE IN PARTICULAR BUT NOT EXCLUSIVELY AMONGST PERSONS PRACTISING OR ADHERING TO THE JEWISH RELIGION (3) TO RELIEVE POVERTY AND SICKNESS AND TO PRESERVE AND PROTECT HEALTH BY PROVISION OF MOTHER AND CHILD CARE FACILITIES AND HEALTH EDUCATION

Activities: The Charity's principal activity is providing World ORT with grants so that it can carry out education and training worldwide. The Charity also lets out space in its London office which is surplus to operational requirements.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- Israel
- Lithuania
- Russia
- United States
- Camden

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£581,934	£1,122,064	£8,407,421	1
2023-12-31	£1,080,968	£1,221,447	£8,813,107	1
2022-12-31	£305,876	£5,509,544	-	-
2021-12-31	£7,014,819	£371,442	£14,018,318	2
2020-12-31	£936,348	£669,627	£15,281,874	3

Trustees

Name	Role	Appointed
RICHARD HATTER		
Simon Julian Alberga		2022-08-10
Simon Laurence Bernstein		2022-08-10

WORLD ORT TRUST

England & Wales - Charity number 1042541

Accounts

Charity registration number 1042541 (England and Wales)

Company registration number 02967916

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R M Hatter Mr S L Bernstein Mr S J Alberga
Secretary	Mrs R Weston
Charity number (England and Wales)	1042541
Company number	02967916
Registered office	ORT House 147 Arlington Road London England NW1 7ET
Auditor	RDP Newmans LLP Lynwood House 373-375 Station Road Harrow Middlesex HA1 2AW

WORLD ORT TRUST

(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent auditor's report	8 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 26

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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 charitable objects of World ORT Trust are given below and are taken from the Memorandum and Articles of Association, as follows:

- to promote the advancement of education and vocational training for the public benefit, in particular but not exclusively amongst persons practising or adhering to the Jewish religion;
- to promote the advancement of education for the public benefit concerning Jewish culture, history, traditions, religion and language in particular but not exclusively amongst persons practising or adhering to the Jewish religion; and
- to relieve poverty and sickness and to preserve and protect health through the provision of mother and childcare facilities and health education.

To meet these objectives, World ORT Trust makes grants to World ORT to fund education and training projects worldwide. The Trustees have put in place formal procedures to ensure that grants made are only used for purposes which comply with UK rules for charitable donations. To monitor the impact of grants made, World ORT Trust maintains regular communication with World ORT and reviews the progress and outcomes of projects like the Kfar Silver School.

World ORT Trust does not actively seek charitable donations, but it does occasionally receive donations from UK charities or benefactors. The nature of such donations, whether restricted or unrestricted, is determined by the donor.

World ORT Trust owns the freehold of an office building at 147 Arlington Road London NW1 7ET called ORT House. The trustees have substantially redeveloped and invested in this freehold land and building, which serves as the head office for World ORT Trust, ORT UK and World ORT. World ORT Trust lets out office space to World ORT and ORT UK by way of serviced office agreements. Three floors of the building are not required by the three ORT charities and are therefore leased to third parties on commercial terms. The income from leasing out the building net of the operating costs of operating the building and administering the charity are used to make charitable grants as set out above.

Following completion of a redevelopment of ORT House in 2023, two floors have been let to tenants who are now in occupation. The final floor of the building has been marketed widely by agents and the trustees are currently in advanced negotiations with a prospective tenant. There is no certainty that a lease will be signed.

Public benefit

The trustees confirm compliance with their duty under section 17 of the Charities Act 2011 and operate with due regard to the guidance published by the Charity Commission in relation to the charity's activities being for the public benefit. The Trustees comply with the Equalities Act 2010 when reviewing the charity's aims and objectives and in planning future activities.

Social investments

The charity has a policy of not making social investments either in individuals or schools.

Grant making policy

The charity grants surplus funds to World ORT as set out above.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and performance

The results for the year are set out in the Statement of Financial Activities on page 11.

Total income of the charity was \$743,590 in the year to December 2024, reflecting a fall in donations that has partially offset the rental income which commenced following redevelopment of the building (2023: \$1,344,488).

Income from donations was \$450,021 (2023: \$1,283,314) of which \$450,000 (2023: \$1,280,720) was for restricted purposes. This donation was used to make a restricted charitable grant totalling \$450,000 (2023: \$1,250,000) to World ORT.

Income from letting and serviced office activities was \$291,449 (2023: \$59,918). A part of the charity's freehold property was disposed of during 2021 the proceeds from which were used to fund major refurbishment works, which were completed in the latter half of 2023.

The following are the restricted funds received and granted to World ORT in the year. In the year, beneficiary charities received the following:

Activity	Region	2024	2023
Kfar Silver School	Israel	<u>\$450,000</u>	<u>\$1,250,000</u>

Kfar Silver Youth Village is a boarding school in southern Israel serving over 1,000 students aged 12 to 18, including Israeli youth, immigrants, refugees, and at-risk teenagers. It offers junior high and high school education, combining academic learning with agricultural training, mental health support, and social development. Students follow the national curriculum and receive additional support through tutoring, Hebrew lessons, and after-school programmes to close educational gaps.

World ORT assumed ownership of the school in 2016 and has led its development, supported by funding from affiliated charities such as World ORT Trust. Major infrastructure upgrades include a renovated dining hall, new athletic facilities, and a modern science centre. World ORT also provides teacher training, student welfare services, and international learning opportunities.

The school relies on donor support to meet essential needs, such as mental health services, basic supplies, and educational support to prevent dropouts. Students are encouraged to pursue interests in music, culinary arts, sports, and animal care. Innovative programmes like Agritech integrate life sciences, genetics, and technology to prepare students for careers in high-demand fields. Since 2016 Kfar Silver has seen a 70% increase in student enrolment and a 50% drop in dropout rates, and has achieved a 95% pass rate in the Israeli matriculation exam (Bagrut).

Other than the restricted grant above, World ORT Trust has not made any unrestricted charitable grants during the year (2023: \$nil).

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Financial review

In the year under review, World ORT Trust has maintained a healthy financial position, with overall reserves amounting to \$10,522,429 (2023: \$11,212,604).

During the year the charity had net outgoings, before other gains and losses, of \$690,175 (2023: \$174,725 net outgoings) which was primarily driven by increased building maintenance costs in 2024 compared to 2023, when the building was closed for most of the year for renovations, and significant depreciation on the charity's fixed assets. The depreciation charge of \$422,474 (2023: \$21,076) is material to the financial results of the charity but is a non-cash expense.

The charity has two types of reserves: restricted and unrestricted.

Restricted funds: The charity transfers restricted donations received to World ORT according to the instructions from the donor. Restricted reserves comprise income and expenditure relating to specific donations made by donors which are held for the purpose of being transferred to World ORT to fulfil the charitable purposes requested by the donor. During the year, the charity received \$450,000 (2023: \$1,280,720) in restricted donations, which were fully remitted to World ORT in the year.

Unrestricted funds: the charity grants these funds to World ORT in accordance with the charity's grant policy as described above. Unrestricted reserves mainly comprise income generated from the charity's main asset net of building operating and administration costs. During the year, the charity received total unrestricted income of \$293,590 (2023: \$63,768), which includes \$291,449 (\$59,918) of rental and serviced office income generated from letting vacant office space.

The charity owns the freehold to its head office, ORT House. Movements in fixed assets are detailed in Note 12 to the financial statements. In 2023, following completion of redevelopment works and consultations with the charity's external valuers, the fair value of the freehold land and buildings was reduced by \$1,737,606 primarily due to the impact of higher interest rates on commercial property values. As at 31 December 2024, the value of the freehold land and buildings was \$10,372,386.

While World ORT Trust's policy is to depreciate the value of the building in its accounts because the building is World ORT's own office, the underlying value of the freehold land and is driven by rental income, occupancy, and market sentiment including UK interest rates. As the charity prepares its accounts in US dollars, foreign exchange rate movements can materially affect the reported value of certain assets, particularly the building which is the main asset of the charity. Foreign exchange retranslation adjustments may result in significant fluctuations in the financial statements year-on-year.

As at 31 December 2024, overall reserves were \$10,522,429 (2023: \$11,212,604), of which \$10,491,509 (2023: \$11,181,684) is unrestricted reserves that includes a revaluation reserve of \$5,033,865 that can only be realised if the freehold property is disposed. In addition, overall reserves include restricted funds of \$30,920 (2023: \$30,920) which are to be remitted to World ORT in the subsequent financial year.

Reserves policy and going concern

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between six and twelve months' expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Overall reserves amounted to \$10,522,429 (2023: \$11,212,604), which consists of \$10,491,509 (2023: \$11,181,684) in unrestricted funds and \$30,920 (2023: \$30,920) in restricted funds.

The unrestricted funds include a revaluation reserve of \$5,033,865, which can only be realised upon disposal of the freehold property. Therefore, the general 'free' unrestricted reserves amount to \$5,457,644 (2023: \$6,147,819). Given the consistent increase in rental income, the charity is considered to have sufficient resources to continue its charitable activities for the foreseeable future.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Risk management

The trustees regularly review the risks that the charity is exposed to and assess the major risks that the charity faces each financial year when preparing and updating the strategic plan. The major risks identified include:

- financial risks arising from the variability of incoming donations, which create the risk that the charity will not have sufficient funds to continue to meet its charitable objectives (1);
- the risk of not being able to let the vacant space in ORT House to generate additional income and cover the costs of running the building (2).

1) The financial risk arising from the variability of donations is managed by regularly reviewing the financial position of the charity. Historically the charity has successfully ensured that planned charitable activities can be funded in accordance with anticipated donations and the level of funds available.

2) The risk of not being able to let space in ORT House is managed by:

- maintaining the building to a commercially attractive standard;
- appointing and managing appropriate agents to market vacant space;
- fitting out vacant space to maximise its appeal to potential tenants; and
- dividing excess space into smaller units to achieve a diversity of tenants and maximise appeal to local occupiers.

Plans for future periods

The charity continues to actively seek tenants to occupy the final vacant office floor in 2025, thereby increasing rental income and ensuring that insurance and all building operating costs are covered by occupiers.

Structure, governance and management

The charity is constituted under a Memorandum and Articles of Association, incorporated on 14 September 1994 as amended by Special Resolution on 17 October 1994 and 30 October 2000, and is a registered charity (number 1042541). The charity is a charitable company limited by guarantee and registered in England and Wales with company number 02967916.

History

The trustees who are also the directors, for the purposes of both company and charity law, served during the year and up to the date of signature of the financial statements were:

Mr R M Hatter
Mr S L Bernstein
Mr S J Alberga

Throughout this report, they are collectively referred to as the 'trustees'.

Mr S J Alberga was also a trustee of World ORT during the year.

Recruitment, appointment and terms of office of Trustees

The Memorandum and Articles of Association states that the number of trustees shall not be less than three but shall not be subject to any maximum.

Additional or replacement trustees can be appointed by the existing trustees. New trustees are given an induction by other trustees, an outline of their responsibilities and a list of the information they will receive in order to fulfil their responsibilities.

New trustees are mainly identified from contacts of existing trustees and occasionally by advertising in UK Jewish media. A third party indemnity provision is in force for the benefit of each of the trustees and the officers.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Organisational structure

The trustees consider the Board of Trustees are the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis, with financial decisions being made by the Chief Financial Officer of World ORT, Mrs H Grumet. The main strategic decisions made by the trustees include letting decisions regarding unoccupied office space, the maintenance of ORT House and ensuring that grants are made with due regard to the financial position of the Trust. Day to day administration of the charity is carried out by World ORT under an appropriate service agreement.

Arrangements for setting the pay and remuneration for the key management personnel

All trustees give their time freely and no trustee received any remuneration from the charity during the year. There were no trustees' expenses in the year. The Chief Financial Officer of World ORT does not receive any remuneration for her duties in relation to World ORT Trust.

The only employee referred to in note 10 is primarily engaged in the general administrative activities of the charity. Staff pay is reviewed in accordance with their employment contract. In view of the nature of the charity, the trustees will normally benchmark against pay levels in other charities of similar size.

Affiliate organisations and related parties

The ultimate parent undertaking and controlling party is World ORT, a charity registered in Switzerland under registration number CH-6600148971-1, which is the main umbrella charity operating internationally in the ORT network of organisations and many World ORT staff are based in ORT House for which it pays a serviced office charge to World ORT Trust. World ORT also provides a number of accounting and administrative functions for World ORT Trust under a service agreement.

World ORT Trust is also linked to ORT UK and World ORT through a number of common charitable aims and objectives. ORT UK is an autonomous charity registered in England and Wales. ORT UK's office staff are based in ORT House, for which it pays a serviced office charge to World ORT Trust.

The financial statements for World ORT are in US Dollars and accordingly the trustees believe that presenting accounts in US Dollars is beneficial in accounting for the charity's finances and obligations, given the global nature of World ORT's activities, the charity's contributions to these activities, and the charity's intrinsic involvement within the World ORT network of charities. Further details of the work of World ORT can be obtained from the World ORT website: <http://www.ort.org>.

Trustees of World ORT Trust may also be trustees of ORT UK and/or World ORT. Where this is the case, this is noted on the list of trustees on page 4.

Related party transactions during the year were as follows:

- As at 31 December 2024, \$nil was due to World ORT (2023: \$105,084) and \$83,412 was due from World ORT (2023: \$nil). During the year, serviced office charges amounting to \$191,726 (2023: \$52,578) were made to World ORT for the use of shared facilities. World ORT Trust is a subsidiary of World ORT, a charitable organisation in Switzerland.
- As at 31 December 2024, \$7,837 was due from ORT UK (2023: \$5,877) for serviced office charges receivable and \$nil (2023: \$103,760) was due from ORT UK. During the year, serviced office charges amounting to \$27,471 (2023: \$7,340) were made to ORT UK for the use of shared facilities. ORT UK is related as it participates in joint projects with World ORT, which is the parent of World ORT Trust.
- As at 31 December 2024, \$6,852 was owed to Epsilon Real Estate Partners Limited (2023: \$nil). During the year project management costs in relation to the development and refurbishment of the new ORT House amounted to \$10,101 (2023: \$11,855). Epsilon Real Estate Partners Limited is related by virtue of having a trustee of the charity as a director and shareholder.
- During the year, restricted donations of \$450,000 (2023: \$1,250,000) were received from The Maurice Hatter Foundation of which \$450,000 (2023: \$1,250,000) was remitted to World ORT in the year for the Kfar Silver School project. The Maurice Hatter Foundation is related by virtue of having a common trustee.

**WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2024

Auditor

In accordance with the company's articles, a resolution proposing that RDP Newmans LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' Report, including the Strategic Report, was approved by the Board of Trustees.

Mr S J Alberga

Trustee

30 October 2025

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees, who are also the directors of World ORT Trust for the purpose of company law, 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).

Company Law 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, including the income and expenditure, of the charitable company 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 UK 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 adequate 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 Companies Act 2006. 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 confirm that so far as they are aware, there is no relevant audit information (as defined by section 418 (3) of the Companies Act 2006) of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

WORLD ORT TRUST

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WORLD ORT TRUST

Opinion

We have audited the financial statements of World ORT Trust (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 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 requirements of the Companies Act 2006.

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, except to the extent otherwise explicitly stated in our report, 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

WORLD ORT TRUST

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WORLD ORT TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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, who are also the directors of the charity for the purpose of company law, 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 liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the Trustees, who are also the directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charity Commission Regulations, Charities Act 2011, Statement of recommended practice (SORP FRS102), taxation legislation and data protection, anti-bribery and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

**WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF WORLD ORT TRUST**

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed and tested journal entries to identify unusual transactions and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reviewing and agreeing financial statement disclosures and testing to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and bankers.
- reviewing minutes of board meetings.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paresh Radia FCA (Senior Statutory Auditor)

For and on behalf of RDP Newmans LLP, Statutory Auditor
Chartered Accountants
Lynwood House
373-375 Station Road
Harrow
Middlesex
HA1 2AW
30 October 2025

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds 2024 2024	Restricted funds 2024 2024	Total 2024 2024	Unrestricted funds 2023 2023	Restricted funds 2023 2023	Total 2023 2023
	Notes	\$	\$	\$	\$	\$	\$
Income from:							
Donations and legacies	3	21	450,000	450,021	2,594	1,280,720	1,283,314
Charitable activities							-
Income from letting and serviced office activity	4	291,449	-	291,449	59,918	-	59,918
Investments	5	2,120	-	2,120	1,256	-	1,256
Total income		293,590	450,000	743,590	63,768	1,280,720	1,344,488
Expenditure on:							
Charitable activities	6	983,765	450,000	1,433,765	269,213	1,250,000	1,519,213
Total expenditure		983,765	450,000	1,433,765	269,213	1,250,000	1,519,213
Net (outgoing)/incoming resources		(690,175)	-	(690,175)	(205,445)	30,720	(174,725)
Other recognised gains and losses							
Revaluation of tangible fixed assets		-	-	-	(1,737,606)	-	(1,737,606)
Net movement in funds		(690,175)	-	(690,175)	(1,943,051)	30,720	(1,912,331)
Fund balances at 1 January 2024		11,181,684	30,920	11,212,604	13,124,735	200	13,124,935
Fund balances at 31 December 2024		10,491,509	30,920	10,522,429	11,181,684	30,920	11,212,604

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 DECEMBER 2024

		2024		2023	
	Notes	\$	\$	\$	\$
Fixed assets					
Tangible assets	12		10,477,494		10,801,426
Current assets					
Debtors	13	170,645		291,675	
Cash at bank and in hand		415,161		361,676	
		585,806		653,351	
Creditors: amounts falling due within one year	14	(376,538)		(274,665)	
Net current assets			209,268		378,686
Total assets less current liabilities			10,686,762		11,180,112
Creditors: amounts falling due after more than one year	15	(196,825)			-
Net assets excluding pension surplus			10,489,937		11,180,112
Defined benefit pension surplus	17		32,492		32,492
Total net assets			10,522,429		11,212,604
The funds of the charity					
<u>Restricted funds</u>					
Restricted income funds	18		30,920		30,920
<u>Unrestricted funds</u>					
Unrestricted funds	19	5,457,644		6,147,819	
Revaluation reserve		5,033,865		5,033,865	
		10,522,429		11,212,604	

The financial statements were approved by the trustees on 30 October 2025

Mr S J Alberga
Trustee

Company registration number 02967916 (England and Wales)

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 \$	\$	2023 \$	\$
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	24		149,908		(776,518)
Investing activities					
Purchase of tangible fixed assets		(98,543)		(1,313,515)	
Investment income received		2,120		1,256	
Net cash used in investing activities			(96,423)		(1,312,259)
Net cash generated from financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			53,485		(2,088,777)
Cash and cash equivalents at beginning of year			361,676		2,450,453
Cash and cash equivalents at end of year			415,161		361,676

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

World ORT Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is ORT House, 147 Arlington Road, London, NW1 7ET, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The functional currency of the charity is sterling. The financial statements are prepared in US Dollars, which is the presentation currency of the charity because this is the operating currency of World ORT group. 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. 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.

1.3 Charitable funds

Unrestricted funds, excluding the revaluation reserve, 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.

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.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Revenue includes rental income, service charges and other recoveries from tenants of the charity's property. Rental income is recognised on an accruals basis in the period in which it is earned, in accordance with the terms of the lease.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

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:

Freehold building	2% per annum on cost
Building improvements	10% per annum on cost
Fixtures, fittings and equipment	20% per annum on cost
Computer equipment	20% per annum on cost

Freehold land is not depreciated.

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 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).

1.8 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.

1.9 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.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

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.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of fixed assets.

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.12 Foreign exchange

Transactions in currencies other than US Dollar are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in the Statement of Financial Activities.

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.

Key sources of estimation uncertainty

Retirement benefit schemes

Accounting for a defined benefit pension scheme and the value of liabilities is dependent on significant assumptions, including an assessment of the discount rate, price inflation and key demographic figures including life expectancy and mortality rates. These accounting judgements are inherently complex and require a high level of management judgement and specialist input by an actuary in the calculation of the value of the liabilities.

There was no movement during the year in respect to the defined benefit pension scheme, as outlined in Note 17.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

2 Critical accounting estimates and judgements

(Continued)

Freehold property valuations

The fair value of the freehold property recognised in freehold land and buildings is appraised regularly by management.

The valuation is inherently complex and requires a high level of management judgement and specialist input by external surveyors.

The underlying assumptions are explained in more detail in the accounting policies on tangible fixed assets and in note 12.

3 Income from donations and legacies

	Unrestricted funds 2024 \$	Restricted funds 2024 \$	Total 2024 \$	Unrestricted funds 2023 \$	Restricted funds 2023 \$	Total 2023 \$
Donations and gifts	21	450,000	450,021	2,594	1,280,720	1,283,314

4 Income from charitable activities

	Unrestricted funds 2024 \$	Unrestricted funds 2023 \$
Income from letting and serviced office activity	291,449	59,918

5 Income from investments

	Unrestricted funds 2024 \$	Unrestricted funds 2023 \$
Interest receivable	2,120	1,256

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

6 Charitable activities	Unrestricted Charitable Expenditure		Restricted Charitable Expenditure		Unrestricted Letting and Serviced Office Activities		Total		Unrestricted Charitable Expenditure		Restricted Charitable Expenditure		Unrestricted Letting and Serviced Office Activities		Total	
	2024	2024	2024	2024	2024	2024	2024	2024	2023	2023	2023	2023	2023	2023	2023	2023
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Staff costs	21,371	-	-	-	-	-	21,371	28,487	-	-	-	-	-	-	28,487	-
Depreciation and impairment	-	-	422,474	-	-	-	422,474	-	-	-	-	-	21,076	-	21,076	-
Building running costs	-	-	380,151	-	-	-	380,151	-	-	-	-	-	172,926	-	172,926	-
Foreign exchange gain/(loss)	-	-	61,768	-	-	-	61,768	-	-	-	-	-	(25,674)	-	(25,674)	-
Consultancy fees	-	-	10,045	-	-	-	10,045	-	-	-	-	-	-	-	-	-
Governance costs	17,925	-	-	-	-	-	17,925	14,185	-	-	-	-	-	-	14,185	-
Legal and professional	2,364	-	32,585	-	-	-	34,949	27,708	-	-	-	-	-	-	27,708	-
Sundry	1	-	-	-	-	-	1	4	-	-	-	-	-	-	4	-
Office support costs	33,882	-	-	-	-	-	33,882	29,436	-	-	-	-	-	-	29,436	-
Bank charges	1,199	-	-	-	-	-	1,199	1,065	-	-	-	-	-	-	1,065	-
	76,742	-	907,023	-	-	-	983,765	100,885	-	-	-	-	168,328	-	269,213	-
Grant funding of activities (see note 7)	-	450,000	-	-	-	-	450,000	-	1,250,000	-	1,250,000	-	-	-	1,250,000	-
	76,742	450,000	907,023	450,000	907,023	1,433,765	1,433,765	100,885	1,250,000	168,328	1,519,213	168,328	1,519,213			
Analysis by fund																
Unrestricted funds	76,742	-	907,023	-	-	-	983,765	100,885	-	-	-	-	168,328	-	269,213	-
Restricted funds	-	450,000	-	450,000	-	-	450,000	-	1,250,000	-	1,250,000	-	-	-	1,250,000	-
	76,742	450,000	907,023	450,000	907,023	1,433,765	1,433,765	100,885	1,250,000	168,328	1,519,213	168,328	1,519,213			

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

7 Grants payable

	Restricted Charitable Expenditure 2024 \$	Total 2024 \$	Restricted Charitable Expenditure 2023 \$	Total 2023 \$
Grants to institutions (1 grant):				
World ORT	450,000	450,000	1,250,000	1,250,000

8 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2024	2023
	\$	\$
For audit services		
Audit of the financial statements of the charity	17,776	17,816

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year, nor were any expenses reimbursed to them (2023: \$nil).

10 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Administration	1	1
Employment costs	2024	2023
	\$	\$
Wages and salaries	18,315	23,333
Other pension costs	2,519	5,154
	20,834	28,487

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

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

12 Tangible fixed assets

	Freehold building	Fixtures, fittings and equipment	Computer equipment	Total
	\$	\$	\$	\$
Cost or valuation				
At 1 January 2024	10,682,682	130,546	12,463	10,825,691
Additions	81,763	16,779	-	98,542
At 31 December 2024	10,764,445	147,325	12,463	10,924,233
Depreciation and impairment				
At 1 January 2024	-	21,664	2,601	24,265
Depreciation charged in the year	392,059	27,922	2,493	422,474
At 31 December 2024	392,059	49,586	5,094	446,739
Carrying amount				
At 31 December 2024	10,372,386	97,739	7,369	10,477,494
At 31 December 2023	10,682,682	108,882	9,862	10,801,426

Discussions were held between the trustees and external property valuers and it was deemed that there was a decrease in the fair value of the property during 2023 due to higher interest rates resulting in lower sales values and lower rents being achieved. The charity's external property valuers estimated that the fair value of the building had reduced by approximately 17.5%, which was reflected in the 2023 financial statements.

In the opinion of the trustees, there has been no material change in the fair value of the property from 2023.

At 31 December 2024, had the revalued assets been carried at historic cost less accumulated depreciation, their carrying amount would have been approximately \$5,338,521 (2023: \$5,648,817).

13 Debtors

	2024	2023
	\$	\$
Amounts falling due within one year:		
Trade debtors	38,648	5,877
Amount owed by parent undertaking	83,412	-
Amounts owed by other related parties	-	103,760
Other debtors	4,585	75,222
Prepayments and accrued income	44,000	106,816
	170,645	291,675

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

14 Creditors: amounts falling due within one year

	Notes	2024 \$	2023 \$
Other taxation and social security		138,321	63,101
Deferred income	16	60,561	-
Trade creditors		22,825	37,880
Amount owed to parent undertaking		-	105,084
Other creditors		52,352	46,777
Accruals		102,479	21,823
		<u>376,538</u>	<u>274,665</u>

15 Creditors: amounts falling due after more than one year

	Notes	2024 \$	2023 \$
Deferred income	16	196,825	-
		<u>196,825</u>	<u>-</u>

16 Deferred income

	2024 \$	2023 \$
Other deferred income	257,386	-
	<u>257,386</u>	<u>-</u>

Deferred income is included in the financial statements as follows:

	2024 \$	2023 \$
Deferred income is included within:		
Current liabilities	60,561	-
Non-current liabilities	196,825	-
	<u>257,386</u>	<u>-</u>
Movements in the year:		
Deferred income at 1 January 2024	-	-
Deferred in the year	257,386	-
	<u>257,386</u>	<u>-</u>
Deferred income at 31 December 2024	<u>257,386</u>	<u>-</u>

Deferred income is recognised when any grant or rental income received in the current year relates to subsequent financial years. This is in order to match, as far as possible, the incoming resources with corresponding expenditure.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

17 Retirement benefit schemes

	2024	2023
	\$	\$
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	2,519	2,668
	<u> </u>	<u> </u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Defined benefit schemes

World ORT Trust operate a defined benefit scheme known as the ORT Retirement Benefit Plan which is administered by a third party. The scheme was established on 14 February 1974 and was closed to new members with effect from 1 November 1999. The assets of the scheme are held separately to those of the Charity.

In the current accounting year there were no active members and there has been no movement in the defined benefit pension scheme balance, with no changes arising from actuarial gains or losses, contributions, or benefits paid.

The valuation used has been based on the most recent actuarial valuation at 1 January 2018 and was updated by the actuary, ISIO Group Limited, to take account of the requirements of FRS102 in order to assess the liabilities of the scheme at December 2020, December 2021, December 2022 and December 2023. Scheme assets are stated at their Market value at the respective balance sheet dates and overall expected rates of return are established by applying published brokers' forecasts to each category of scheme assets.

In May 2022, the pension scheme insured all remaining uninsured benefits in the scheme with an insurer, through a 'buy-in' transaction where annuity contracts were bought in the name of the pension scheme trustees which remain as assets of the pension scheme, resulting in a nil defined benefit obligation.

	2024	2023
	\$	\$
Liabilities/(assets):		
Fair value of plan assets	(32,492)	(32,492)
	<u> </u>	<u> </u>
Surplus in scheme	(32,492)	(32,492)
	<u> </u>	<u> </u>

	2024
	\$
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 January 2024	32,492
	<u> </u>

The actual return on plan assets was \$nil (2023: \$1,244)

	2024	2023
	\$	\$
<i>Fair value of plan assets</i>		
Cash and Cash equivalents	32,492	32,492
	<u> </u>	<u> </u>

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

Current year:	At 1 January 2024 \$	Incoming resources \$	Resources expended \$	At 31 December 2024 \$
Restricted funds	30,920	450,000	(450,000)	30,920
Previous year:	At 1 January 2023 \$	Incoming resources \$	Resources expended \$	At 31 December 2023 \$
Restricted funds	200	1,280,720	(1,250,000)	30,920

Restricted reserves comprise funds relating to specific donations made by donors which are held for the purpose of being transferred to World ORT to fulfil the charitable purposes requested by the donor.

During the year, the charity received restricted donations of \$450,000, and were remitted in full to World ORT for the Kfar Silver School infrastructure project. The restricted funds carried forward are to be remitted to World ORT in the subsequent financial year.

19 Unrestricted funds

The income funds of the charity include unrestricted funds:

	At 1 January 2024 \$	Incoming resources \$	Resources expended \$	Transfers \$	Gains and losses \$	At 31 December 2024 \$
General unrestricted funds	6,147,819	293,590	(983,765)	-	-	5,457,644
Revaluation reserve	5,033,865	-	-	-	-	5,033,865
	11,181,684	293,590	(983,765)	-	-	10,491,509

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

19 Unrestricted funds

(Continued)

Previous year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	\$	\$	\$	\$	\$	\$
General unrestricted funds	6,353,264	63,768	(269,213)	-	-	6,147,819
Revaluation reserve	6,771,471	-	-	-	(1,737,606)	5,033,865
	<u>13,124,735</u>	<u>63,768</u>	<u>(269,213)</u>	<u>-</u>	<u>(1,737,606)</u>	<u>11,181,684</u>

20 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	2024	2024	2024
	\$	\$	\$
Fund balances at 31 December 2024 are presented by:			
Tangible assets	10,477,494	-	10,477,494
Current assets/(liabilities)	178,348	30,920	209,268
Long term liabilities	(196,825)	-	(196,825)
Provisions and pensions	32,492	-	32,492
	<u>10,491,509</u>	<u>30,920</u>	<u>10,522,429</u>

	Unrestricted funds	Restricted funds	Total
	2023	2023	2023
	\$	\$	\$
Fund balances at 31 December 2023 are presented by:			
Tangible assets	10,801,426	-	10,801,426
Current assets/(liabilities)	347,766	30,920	378,686
Provisions and pensions	32,492	-	32,492
	<u>11,181,684</u>	<u>30,920</u>	<u>11,212,604</u>

21 Members' liability

The company is limited by guarantee and does not have share capital. Each member of the company undertakes to contribute such amount as may be required (not exceeding £10) to the company's assets if it should be wound up while they are a member or within one year after they cease to be a member, for payment of the company's debts and liabilities contracted before they cease to be a member.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

22 Related party transactions

As at 31 December 2024, \$nil was due to World ORT (2023: \$105,084) and \$83,412 was due from World ORT (2023: \$nil). During the year, serviced office charges amounting to \$191,726 (2023: \$52,578) were made to World ORT for the use of shared facilities. World ORT Trust is a subsidiary of World ORT, a charitable organisation in Switzerland.

As at 31 December 2024, \$7,837 was due from ORT UK (2023: \$5,877) for serviced office charges receivable and \$nil (2023: \$103,760) was due from ORT UK. During the year, serviced office charges amounting to \$27,471 (2023: \$7,340) were made to ORT UK for the use of shared facilities. ORT UK is related as it participates in joint projects with World ORT, which is the parent of World ORT Trust.

As at 31 December 2024, \$6,852 was owed to Epsilon Real Estate Partners Limited (2023: \$nil). During the year project management costs in relation to the development and refurbishment of the new ORT House amounted to \$10,101 (2023: \$11,855). Epsilon Real Estate Partners Limited is related by virtue of having a trustee of the charity as a director and shareholder.

During the year, restricted donations of \$450,000 (2023: \$1,250,000) were received from The Maurice Hatter Foundation of which \$450,000 (2023: \$1,250,000) was remitted to World ORT in the year for the Kfar Silver School project. The Maurice Hatter Foundation is related by virtue of having a common trustee.

23 Ultimate parent undertaking

The ultimate parent undertaking and controlling party is World ORT which is a charity registered in Switzerland under registration number CH-6600148971-1.

The consolidated financial statements of World ORT, which include the results of World ORT Trust, are available to the public at www.ort.org.

24 Cash generated from/(absorbed by) operations	2024	2023
	\$	\$
Deficit for the year	(690,175)	(174,725)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,120)	(1,256)
Depreciation and impairment of tangible fixed assets	422,474	21,076
Difference between pension charge and cash contributions	-	2,487
Movements in working capital:		
Decrease in debtors	121,030	85,248
Increase/(decrease) in creditors	41,313	(709,348)
Increase in deferred income	257,386	-
Cash generated from/(absorbed by) operations	149,908	(776,518)

25 Analysis of changes in net funds

The charity had no material debt during the year.

WORLD ORT TRUST

England & Wales - Charity number 1042541

Accounts

Charity registration number 1042541

Company registration number 02967916 (England and Wales)

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R M Hatter Mr S L Bernstein Mr S J Alberga
Secretary	Mrs R Weston
Charity number	1042541
Company number	02967916
Principal address	ORT House 147 Arlington Road London England NW1 7ET
Registered office	ORT House 147 Arlington Road London England NW1 7ET
Auditor	RDP Newmans LLP Lynwood House 373-375 Station Road Harrow Middlesex HA1 2AW
Bankers	Lloyds Bank PLC 140 Camden High Street London NW1 0NG

WORLD ORT TRUST

(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent auditor's report	8 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 27

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

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 Memorandum and Articles of Association, the Companies Act 2006 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).

Principal aims and objectives

The charitable objects of World ORT Trust are given below and are taken from the Memorandum and Articles of Association, as follows:

- to promote the advancement of education and vocational training for the public benefit, in particular but not exclusively amongst persons practising or adhering to the Jewish religion;
- to promote the advancement of education for the public benefit concerning Jewish culture, history, traditions, religion and language in particular but not exclusively amongst persons practising or adhering to the Jewish religion; and
- to relieve poverty and sickness and to preserve and protect health through the provision of mother and childcare facilities and health education.

To meet these objectives, World ORT Trust makes grants to World ORT, to fund education and training projects worldwide.

Activities for raising funds: World ORT Trust owns the freehold of 147 Arlington Road London NW1 7ET. The trustees have invested in this freehold land and building, which is the charity's head office. World ORT Trust lets out office space that is surplus to operational requirements. During 2022, and most of 2023, the charity carried out major refurbishment works during which the building was unoccupied. The building reopened in the latter half of 2023 once the works were completed.

Three floors of the newly refurbished building are not required by World ORT Trust. Leases were signed with two tenants on commercial terms after the balance sheet date. The remaining vacant floor is being marketed actively by commercial property agents.

Funds raised by World ORT Trust which are not required for the running of the charity are donated to World ORT. The nature of grants, whether restricted or unrestricted, is determined by the donors.

The charity also accepts donations from UK donors in co-operation with and also from ORT UK, albeit these donations are now atypical.

To assess whether these objectives have been achieved, the trustees review the amount of monies received for charitable purposes and amount of monies remitted to World ORT.

In this context the trustees have complied with their duty under section 17 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission in relation to the activities being for the public benefit, as well as, the Equalities Act 2010 when reviewing the charity's aims and objectives and in planning future activities.

Social investments

The charity has a policy of not making social investments either in individuals or schools.

Grant making policy

The charity grants surplus funds to World ORT which carries out worldwide education, support and training projects.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

The results for the year are set out in the Statement of Financial Activities on page 11.

During the year the total income of the charity was \$1,344,488 (2022: \$375,308).

Income from donations was \$1,283,314 (2022: \$346,959) of which \$1,280,720 (2022: \$139,474) was for restricted purposes. Using these donations, the charity was able to make restricted charitable grants totalling \$1,250,000 (2022: \$137,067) to World ORT.

Income from letting and serviced office activities was \$59,918 (2022: \$914). A part of the freehold property was disposed of during 2021 and the charity carried out major refurbishment works. The refurbishment works were completed in the latter half of 2023.

Investment income was \$1,256 (2022: \$27,435). Prior year investment income included \$27,258 in relation to interest on the deferred consideration (£250,000) for the sale of 126 Albert Road in 2021, which was received in full in 2023.

The majority of restricted funds received were granted to World ORT in the year. The following are the restricted funds received and granted. The activities change from year to year, therefore, direct comparison is not always possible. In the year, beneficiary charities achieved the following:

Activity	Region	2023 \$	2022 \$
Gunzberg Book Project	Germany		5,676
Ukraine Emergency Campaign	Ukraine		61,644
Kfar Silver School	Israel	<u>1,250,000</u>	<u>69,747</u>
		<u>1,250,000</u>	<u>137,067</u>

For World ORT, funding in 2023 has been largely driven by contributions from ORT America's donor base, as well as from ORT UK, ORT Switzerland and ORT Canada. World ORT combines the funds raised in the United Kingdom with funds raised elsewhere in the world. Where possible, World ORT involves the local state authorities and also local individuals.

World ORT has spent much of 2023 responding to the Russia-Ukraine conflict and the Israel-Hamas war in the last quarter of 2023.

The ORT community in Ukraine is considerable, involving 3,800 students, 400 teachers and schools across 6 cities. A worldwide emergency campaign has raised around \$3.7m in the last 2 years to support ORT beneficiaries deal with the hardship that the war caused as well as supporting those who chose to leave their homes for safer parts of the country or abroad. Additional support was provided to ORT schools around Europe who have taken in Ukrainian refugees, providing them with funding to house and educate those displaced by the war. Due to the uncertainties surrounding the region it is generally accepted that prioritising needs in the region will continue to be a factor for many months, if not years to come.

In respect to the Israel-Hamas war, World ORT has raised over \$2m to provide support for the affected students and families, and estimates that an additional \$2m is needed to be able to provide the necessary security and mental health support in future. World ORT Kadima Mada, their operational arm in Israel, has assisted thousands of students and teachers by providing essential mental health services and educational resources, supporting schools with laptops and teacher training, and have supplied evacuated students with technology to enable them to participate in online learning. Kadima Mada also provides in-person and online stress relief and activities for 1st-8th grade students across Israel, from Eilat in the south to the Northern Galilee. With thousands of Israelis still displaced, trauma affecting families, and communities being unable to return to their homes in the south, World ORT is planning to extend its emergency response in 2024. Overall, funding priorities continue in Israel, notably in the Kfar Silver Youth Village which is continuing its extensive renovation of the general infrastructure on campus.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

World ORT Trust has maintained a healthy financial position with total net assets of \$11,212,604 (2022: \$13,124,935) of which \$30,920 (2022: \$200) relates to restricted funds.

Excluding other gains and losses, the charity had a deficit of \$174,725 (2022: \$6,384,869 deficit), which was predominantly due to the completion of the refurbishment works at ORT House in 2023. The significant level of deficit in 2022 was largely a result of charitable grants being in excess of donations received, the extensive building works undertaken at ORT House in 2022 and significant foreign exchange losses. The charity anticipates further improvement in results in the subsequent financial year.

The charity has two types of reserves: restricted and unrestricted.

Restricted funds: the charity transfers the restricted funds received to World ORT according to the instructions from the donor. Restricted reserves comprise income and expenditure relating to specific donations made by donors which are held for the purpose of being transferred to World ORT to fulfil the charitable purposes requested by the donor.

Unrestricted funds: the charity grants these funds to World ORT in accordance with the grants policy. Unrestricted reserves typically comprise net income generated from letting and serviced office income derived from the charity's building, as well as donations made for general charitable purposes.

World ORT Trust owns the freehold to its head office, New ORT House. Movements on fixed assets are set out in note 13 to the financial statements. Following consultations with the charity's external valuers during the year, the fair value has been decreased by \$1,737,606 reflecting the impact of higher interest rates on commercial property values. The revaluation of the freehold land and buildings at 31 December 2023 stands at \$5,033,865 and the value of the land and buildings as at 31 December 2023 stands at \$10,682,682 (2022: \$11,202,419) and this proportion of the fund can only be realised by disposing of the freehold land and buildings.

This year overall reserves have decreased by \$1,912,331 and the unrestricted funds have reduced to \$11,181,684 (2022: \$13,124,735). It is the policy of the charity to donate the net surplus generated from letting and serviced office activities to World ORT to fund its projects worldwide. The plans for the funds are to reinvest part of the proceeds into the newly refurbished modern office building, 147 Arlington Road, in part for its own occupation and in part to generate additional income for the charity. The surplus proceeds realised are planned to be used to assist World ORT with its finances towards their aligned aims and objectives.

Reserves policy and going concern

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between six and twelve months' expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The financial statements for the year ended 31 December 2023 show general unrestricted reserves of \$11,181,684. The lower level of reserves is due to unrestricted expenditure, which includes significant amounts for property maintenance and repairs, exceeding unrestricted donations received during the year, and the downward revaluation of the property.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Risk management

The trustees regularly review the risks that the charity is exposed to, and assess the major risks that the charity faces each financial year when preparing and updating the strategic plan. The major risks identified include:

- financial risks arising from the variability of incoming donations, which create the risk that the charity will not have sufficient funds to continue to meet its charitable objectives (1);
- the risk of not being able to let the excess space in ORT House to generate additional income (2); and
- the defined benefit pension scheme (3).

1) The financial risk arising from the variability of donations is managed by the trustees by regularly reviewing the financial performance and position of the charity, which has been done successfully historically by ensuring that planned charitable activities are in accordance with anticipated donations and the level of funds available.

2) The risk of not being able to let space in ORT House is managed by:

- maintaining the building to a commercially attractive standard; and
- dividing excess space into smaller units to achieve a diversity of tenants.

3) The valuation of the defined benefit pension scheme at 31 December 2023 shows an asset balance of \$32,492 (2022: \$34,979). The trustees have passed a resolution to settle any deficit from the proceeds of the property sale.

The trustees closed the scheme to new members in 1999. It had no active members at the end of 2021. The last member is due to retire in 2028. In May 2022, the pension scheme insured all remaining uninsured benefits in the scheme with an insurer through a 'buy-in' transaction where annuity contracts were bought in the name of the pension scheme trustees, which remain as assets of the pension scheme resulting in no defined benefit obligation.

Plans for future periods

The redevelopment project of ORT House was completed in the latter half of 2023, allowing tenants to be sought. The charity anticipates increased rental and serviced office income in 2024.

Although grants and donations are no longer anticipated from ORT UK, the close working relationship between World ORT and ORT UK staff mean that they are provided with all necessary resources to carry out their charitable activities.

Structure, governance and management

The charity is constituted under a Memorandum and Articles of Association, incorporated on 14 September 1994 as amended by Special Resolution on 17 October 1994 and 30 October 2000, and is a registered charity (number 1042541). The charity is a charitable company limited by guarantee and registered in England and Wales with company number 02967916.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

History

The trustees who are also the directors, for the purposes of both company and charity law, served during the year and up to the date of signature of the financial statements were:

Mr R M Hatter
Mr S L Bernstein
Mr S J Alberga

Throughout this report, they are collectively referred to as the 'trustees'.

Mr S J Alberga acted as a trustee of World ORT and ORT UK during the year.

Recruitment, appointment and terms of office of Trustees

The Memorandum and Articles of Association states that the number of trustees shall not be less than three but shall not be subject to any maximum.

Additional or replacement trustees can be appointed by the existing trustees. New trustees are given an induction by other trustees, an outline of their responsibilities and a list of the information they will receive in order to fulfil those responsibilities.

The methods used to appoint trustees are mainly utilising the contacts of existing trustees and occasionally by advertising in UK Jewish media. A third party indemnity provision is in force for the benefit of each of the trustees and the officers.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Organisational structure

The trustees consider the Board of Trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis, with financial decisions being made by the Chief Financial Officer of World ORT, Mrs H Grumet. Strategic decisions made by the trustees include the maintenance of ORT House and matters in connection with the Defined Benefit Pension Scheme.

Arrangements for setting the pay and remuneration for the key management personnel

All trustees give their time freely and no trustee received any remuneration from the charity during the year. There were no trustees' expenses in the year.

The Chief Financial Officer of World ORT does not receive any remuneration for her duties in relation to World ORT Trust.

The one employee referred to in note 10 is primarily concerned with the general administrative activities of the charity. Staff pay is reviewed per staff contracts. In view of the nature of the charity, the trustees will normally benchmark against pay levels in other charities of similar size.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Affiliate organisations and related parties

The ultimate parent undertaking and controlling party is World ORT which is a charity registered in Switzerland and its registration number is CH-6600148971-1. The financial statements for World ORT are in US Dollar and accordingly the trustees believe that presenting its accounts in US Dollar is beneficial in accounting for the charity's finances and obligations, given the global nature of World ORT's activities, the charity's contributions to these activities, and the charity's position within the World ORT's group of charities.

The charity is linked to ORT UK and World ORT through common aims and objectives. ORT UK is an autonomous charity registered in England and Wales. ORT UK raises funds from a variety of sources. ORT UK's office staff are based in ORT House, for which it pays a serviced office charge to World ORT Trust.

The trustees of World ORT Trust may also be trustees of ORT UK. Where this is the case, this is noted on the list of trustees on page 5. There is no shared management between the two charities.

Further details of the work of World ORT can be obtained by going to the World ORT website: <http://www.ort.org>.

Related party transactions during the year:

- As at 31 December 2023, \$105,084 was due to World ORT (2022: \$496,294). During the year, serviced office charges amounting to \$52,578 were made to World ORT for the use of shared facilities. World ORT Trust is a wholly owned subsidiary of World ORT.
- As at 31 December 2023, \$109,637 was due from ORT UK (2022: \$25,792). During the year, serviced office charges amounting to \$7,340 were made to ORT UK for the use of shared facilities. ORT UK is related by virtue of having a common trustee.
- Restricted donations of \$1,250,000 (2022: \$nil) were received from The Maurice Hatter Foundation and were remitted in full to World ORT in the year for the Kfar Silver School project. The Maurice Hatter Foundation is related by virtue of having a common trustee.
- A total of \$11,855 (2022: \$36,815) was paid to Epsilon Real Estate Partners Limited for project management in relation to the development and refurbishment of the new ORT House. Epsilon Real Estate Partners Limited is related by virtue of having a trustee of the charity as a director and shareholder.

Auditor

In accordance with the company's articles, a resolution proposing that RDP Newmans LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' Report, including the Strategic Report, was approved by the Board of Trustees.

Mr S J Alberga
Trustee

9 November 2024

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also the directors of World ORT Trust for the purpose of company law, 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).

Company Law 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, including the income and expenditure, of the charitable company 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 UK 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 adequate 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 Companies Act 2006. 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 confirm that so far as they are aware, there is no relevant audit information (as defined by section 418 (3) of the Companies Act 2006) of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

WORLD ORT TRUST

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WORLD ORT TRUST

Opinion

We have audited the financial statements of World ORT Trust (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 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 requirements of the Companies Act 2006.

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, except to the extent otherwise explicitly stated in our report, 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

WORLD ORT TRUST

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WORLD ORT TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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, who are also the directors of the charity for the purpose of company law, 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 liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the Trustees, who are also the directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charity Commission Regulations, Charities Act 2011, Statement of recommended practice (SORP FRS102), taxation legislation and data protection, anti-bribery and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF WORLD ORT TRUST

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed and tested journal entries to identify unusual transactions and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reviewing and agreeing financial statement disclosures and testing to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and bankers.
- reviewing minutes of board meetings.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paresh Radia FCA (Senior Statutory Auditor)
for and on behalf of RDP Newmans LLP

12 November 2024

Chartered Accountants
Statutory Auditor

Lynwood House
373-375 Station Road
Harrow
Middlesex
HA1 2AW

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 2023 \$	Restricted funds 2023 2023 \$	Total 2023 2023 \$	Unrestricted funds 2022 2022 \$	Restricted funds 2022 2022 \$	Total 2022 2022 \$
Notes							
Income from:							
Donations and legacies	3	2,594	1,280,720	1,283,314	207,485	139,474	346,959
Charitable activities							-
Income from letting and serviced office activity	4	59,918	-	59,918	914	-	914
Investments	5	1,256	-	1,256	27,435	-	27,435
Total income		63,768	1,280,720	1,344,488	235,834	139,474	375,308
Expenditure on:							
Charitable activities	6	269,213	1,250,000	1,519,213	6,623,110	137,067	6,760,177
Total expenditure		269,213	1,250,000	1,519,213	6,623,110	137,067	6,760,177
Net (outgoing)/incoming resources before transfers		(205,445)	30,720	(174,725)	(6,387,276)	2,407	(6,384,869)
Gross transfers between funds	12	-	-	-	2,407	(2,407)	-
Net (outgoing)/incoming resources		(205,445)	30,720	(174,725)	(6,384,869)	-	(6,384,869)
Other recognised gains and losses							
Revaluation of tangible fixed assets		(1,737,606)	-	(1,737,606)	-	-	-
Actuarial gains on defined benefit pension schemes	16	-	-	-	566,130	-	566,130
Net movement in funds		(1,943,051)	30,720	(1,912,331)	(5,818,739)	-	(5,818,739)
Fund balances at 1 January 2023		13,124,735	200	13,124,935	18,943,474	200	18,943,674
Fund balances at 31 December 2023		11,181,684	30,920	11,212,604	13,124,735	200	13,124,935

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	\$	\$	\$	\$
Fixed assets					
Tangible assets	13	10,801,426		11,246,594	
Current assets					
Debtors	14	291,675		376,923	
Cash at bank and in hand		361,676		2,450,453	
		653,351		2,827,376	
Creditors: amounts falling due within one year	15	(274,665)		(984,014)	
Net current assets		378,686		1,843,362	
Total assets less current liabilities		11,180,112		13,089,956	
Net assets excluding pension surplus		11,180,112		13,089,956	
Defined benefit pension surplus	16	32,492		34,979	
Total net assets		11,212,604		13,124,935	
The funds of the charity					
<u>Restricted funds</u>	17				
Restricted income funds		30,920		200	
<u>Unrestricted funds</u>	18				
Unrestricted funds		6,147,819		6,353,264	
Revaluation reserve		5,033,865		6,771,471	
		11,212,604		13,124,935	

The financial statements were approved by the trustees on 9 November 2024

Mr S J Alberga
Trustee

Company registration number 02967916 (England and Wales)

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 \$	\$	2022 \$	\$
Cash flows from operating activities					
Cash absorbed by operations	23	(776,518)		(5,818,451)	
Investing activities					
Purchase of tangible fixed assets		(1,313,515)		(2,357,978)	
Investment income received		1,256		27,435	
Net cash used in investing activities		(1,312,259)		(2,330,543)	
Net cash used in financing activities		-		-	
Net decrease in cash and cash equivalents		(2,088,777)		(8,148,994)	
Cash and cash equivalents at beginning of year		2,450,453		10,599,447	
Cash and cash equivalents at end of year		361,676		2,450,453	

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

World ORT Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is ORT House, 147 Arlington Road, London, NW1 7ET, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The functional currency of the charity is sterling. The financial statements are prepared in US Dollars, which is the presentation currency of the charity because this is the operating currency of World ORT group. 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. 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.

1.3 Charitable funds

Unrestricted funds, excluding the revaluation reserve, 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.

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.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Revenue includes rental income, service charges and other recoveries from tenants of the charity's property. Rental income is recognised on an accruals basis in the period in which it is earned, in accordance with the terms of the lease.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

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:

Freehold building	2% per annum on cost
Building improvements	10% per annum on cost
Fixtures, fittings and equipment	20% per annum on cost
Computer equipment	20% per annum on cost

Freehold land is not depreciated.

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 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).

1.8 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.

1.9 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.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

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.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of fixed assets.

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.12 Foreign exchange

Transactions in currencies other than US Dollar are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in the Statement of Financial Activities.

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.

Key sources of estimation uncertainty:

Retirement benefit schemes

Accounting for a defined benefit pension scheme and the value of liabilities is dependent on significant assumptions, including an assessment of the discount rate, price inflation and key demographic figures including life expectancy and mortality rates.

These accounting judgements are inherently complex and require a high level of management judgement and specialist input by an actuary in the calculation of the value of the liabilities.

The key assumptions are detailed in Note 16.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

(Continued)

Freehold property valuations

The fair value of the freehold property recognised in freehold land and buildings is appraised regularly by management.

These accounting judgements are inherently complex and require a high level of management judgement and specialist input by external surveyors of the value of the property.

The underlying assumptions are explained in more detail in the accounting policies on tangible fixed assets and in note 13.

3 Income from donations and legacies

	Unrestricted funds 2023 \$	Restricted funds 2023 \$	Total 2023 \$	Unrestricted funds 2022 \$	Restricted funds 2022 \$	Total 2022 \$
Donations and gifts	2,594	1,280,720	1,283,314	207,485	139,474	346,959

4 Income from charitable activities

	Unrestricted funds 2023 \$	Unrestricted funds 2022 \$
Income from letting and serviced office activity	59,918	914

5 Income from investments

	Unrestricted funds 2023 \$	Unrestricted funds 2022 \$
Interest receivable	1,256	27,435

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

6 Charitable activities	Unrestricted Charitable Expenditure		Restricted Charitable Expenditure		Unrestricted Letting and Serviced Office Activities		Total		Unrestricted Charitable Expenditure		Restricted Charitable Expenditure		Unrestricted Letting and Serviced Office Activities		Total	
	2023	2023	2023	2023	2023	2023	2023	2023	2022	2022	2022	2022	2022	2022	2022	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Staff costs	28,487	-	-	-	-	-	28,487	416,127	-	-	-	-	-	-	416,127	-
Depreciation and impairment	-	-	-	21,076	-	-	21,076	-	-	-	-	-	218,115	-	218,115	-
Building maintenance	-	-	-	172,926	-	-	172,926	-	-	-	-	-	(14,251)	-	(14,251)	-
Foreign exchange gain	-	-	-	(25,674)	-	-	(25,674)	-	-	-	-	-	(32,003)	-	(32,003)	-
Governance audit fees	14,185	-	-	-	-	-	14,185	44,367	-	-	-	-	-	-	44,367	-
Legal and professional	28,773	-	-	-	-	-	28,773	116,496	-	-	-	-	-	-	116,496	-
Sundry	4	-	-	-	-	-	4	157	-	-	-	-	-	-	157	-
Office and travel	29,436	-	-	-	-	-	29,436	31,351	-	-	-	-	-	-	31,351	-
Foreign exchange loss	-	-	-	-	-	-	-	-	-	-	-	-	1,183,360	-	1,183,360	-
	100,885	-	-	168,328	-	-	269,213	608,498	-	-	-	-	1,355,221	-	1,963,719	-
Grant funding of activities (see note 7)	-	1,250,000	-	-	-	-	1,250,000	4,659,391	137,067	137,067	-	-	-	-	4,796,458	-
	100,885	1,250,000	-	168,328	-	-	1,519,213	5,267,889	137,067	137,067	-	-	1,355,221	-	6,760,177	-
Analysis by fund																
Unrestricted funds	100,885	-	-	168,328	-	-	269,213	5,267,889	-	-	-	-	1,355,221	-	6,623,110	-
Restricted funds	-	1,250,000	-	-	-	-	1,250,000	-	137,067	137,067	-	-	-	-	137,067	-
	100,885	1,250,000	-	168,328	-	-	1,519,213	5,267,889	137,067	137,067	-	-	1,355,221	-	6,760,177	-

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

7 Grants payable

	Restricted Charitable Expenditure 2023 \$	Total 2023 \$	Unrestricted Charitable Expenditure 2022 \$	Restricted Charitable Expenditure 2022 \$	Total 2022 \$
Grants to institutions (1 grant):					
World ORT	1,250,000	1,250,000	4,659,391	137,067	4,796,458

8 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2023 \$	2022 \$
For audit services		
Audit of the financial statements of the charity	17,816	21,534

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year, nor were any expenses reimbursed to them (2022: \$nil).

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Administration	1	1
Employment costs	2023 \$	2022 \$
Wages and salaries	23,333	29,989
Other pension costs	5,154	386,138
	28,487	416,127

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

11 Taxation

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

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

12 Transfers

During the year, no restricted funds were transferred to unrestricted funds (2022: \$2,407). The transfer made in the prior year related to a foreign exchange gain after all objectives of the restricted funding had been satisfied. As there was to be no clawback of this surplus, it was transferred to unrestricted funds.

13 Tangible fixed assets

	Freehold building	Fixtures, fittings and equipment	Computer equipment	Total
	\$	\$	\$	\$
Cost or valuation				
At 1 January 2023	11,469,862	47,364	-	11,517,226
Additions	1,217,870	83,182	12,463	1,313,515
Revaluation	(2,005,050)	-	-	(2,005,050)
At 31 December 2023	10,682,682	130,546	12,463	10,825,691
Depreciation and impairment				
At 1 January 2023	267,444	3,189	-	270,633
Depreciation charged in the year	-	18,475	2,601	21,076
Revaluation	(267,444)	-	-	(267,444)
At 31 December 2023	-	21,664	2,601	24,265
Carrying amount				
At 31 December 2023	10,682,682	108,882	9,862	10,801,426
At 31 December 2022	11,202,419	44,175	-	11,246,594

Discussions were held between the trustees and external property valuers and it was deemed that there was a decrease in the fair value of the property during the year due to higher interest rates resulting in lower sales values and lower rents being achieved. The charity's external property valuers estimated that the fair value of the building has reduced by approximately 17.5%, which has been reflected in the financial statements.

At 31 December 2023, had the revalued assets been carried at historic cost less accumulated depreciation, their carrying amount would have been approximately \$5,648,817 (2022: \$4,430,948).

14 Debtors

	2023	2022
	\$	\$
Amounts falling due within one year:		
Trade debtors	5,877	-
Other debtors	178,982	363,079
Prepayments and accrued income	106,816	13,844
	291,675	376,923

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

15 Creditors: amounts falling due within one year

	2023	2022
	\$	\$
Other taxation and social security	63,101	51,821
Trade creditors	37,880	334,938
Amounts owed to fellow group undertakings	105,084	496,294
Other creditors	46,777	44,279
Accruals and deferred income	21,823	56,682
	<u>274,665</u>	<u>984,014</u>

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to the Statement of Financial Activities in respect of defined contribution schemes was \$2,668 (2022: \$3,613).

Defined benefit schemes

World ORT Trust operate a defined benefit scheme known as the ORT Retirement Benefit Plan which is administered by a third party. The scheme was established on 14 February 1974 and was closed to new members with effect from 1 November 1999. The assets of the scheme are held separately to those of the Charity.

In the current accounting year there were no active members. The valuation used has been based on the most recent actuarial valuation at 1 January 2018 and was updated by the actuary, ISIO Group Limited, to take account of the requirements of FRS102 in order to assess the liabilities of the scheme at December 2020, December 2021, December 2022 and December 2023. Scheme assets are stated at their Market value at the respective balance sheet dates and overall expected rates of return are established by applying published brokers' forecasts to each category of scheme assets.

In May 2022, the pension scheme insured all remaining uninsured benefits in the scheme with an insurer, through a 'buy-in' transaction where annuity contracts were bought in the name of the pension scheme trustees which remain as assets of the pension scheme, resulting in a nil defined benefit obligation. As the DBO as at 31 December 2022 and 31 December 2023 was nil, the actuaries (ISIO) have not derived any assumptions as at 31 December 2023 other than the discount rate which is to be used if disclosures are required next year.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

Key assumptions

	2023	2022
	%	%
Discount rate	4.50	3.35
Inflation assumption	-	3.40
CPI pension escalation	-	3.00
Allowance for commutation for cash at retirement	-	10
	<u> </u>	<u> </u>

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

16 Retirement benefit schemes

(Continued)

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2023	2022
	Years	Years
Retiring today		
- Males	-	21.3
- Females	-	23.9
Retiring in 20 years		
- Males	-	22.5
- Females	-	25.3

Amounts recognised in the Statement of Financial Activities

	2023	2022
	\$	\$
Net interest on defined benefit liability/(asset)	(1,244)	2,474
The effect of any curtailment or settlement	-	378,580
Other costs and income	3,731	-
Total costs	2,487	381,054

Amounts taken to other comprehensive income:

	2023	2022
	\$	\$
Actual return on scheme assets	(1,244)	(95,263)
Less: calculated interest element	1,244	12,372
Return on scheme assets excluding interest income	-	(82,891)
Actuarial changes related to obligations	-	(461,471)
IFRS ONLY Exchange differences	-	(21,768)
Total costs/(income)	-	(566,130)

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2023	2022
	\$	\$
Fair value of plan assets	(32,492)	(34,979)
Surplus in scheme	(32,492)	(34,979)

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

16 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

	2023
	\$
Fair value of assets at 1 January 2023	34,979
Interest income	1,244
Other	(3,731)
At 31 December 2023	<u>32,492</u>

The fair value of plan assets at the reporting period end was as follows:

	2023	2022
	\$	\$
Aviva - Deferred Allocation Funding With-Profits policy	-	4,825
Cash and Cash equivalents	32,492	30,154
	<u>32,492</u>	<u>34,979</u>

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

Current year:	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	\$	\$	\$	\$	\$
Restricted funds	200	1,280,720	(1,250,000)	-	30,920
	<u>200</u>	<u>1,280,720</u>	<u>(1,250,000)</u>	<u>-</u>	<u>30,920</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	At 31 December 2022
	\$	\$	\$	\$	\$
Restricted funds	200	139,474	(137,067)	(2,407)	200
	<u>200</u>	<u>139,474</u>	<u>(137,067)</u>	<u>(2,407)</u>	<u>200</u>

Restricted reserves comprise funds relating to specific donations made by donors which are held for the purpose of being transferred to World ORT to fulfil the charitable purposes requested by the donor.

During the year, the charity received restricted donations of \$1,280,720, of which \$1,250,000 was remitted to World ORT for the Kfar Silver School infrastructure project. The restricted funds carried forward are to be remitted to World ORT for charitable purposes in the subsequent financial year.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

18 Unrestricted funds

The income funds of the charity include unrestricted funds:

	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	\$	\$	\$	\$	\$	\$
General unrestricted funds	6,353,264	63,768	(269,213)	-	-	6,147,819
Revaluation reserve	6,771,471	-	-	-	(1,737,606)	5,033,865
	<u>13,124,735</u>	<u>63,768</u>	<u>(269,213)</u>	<u>-</u>	<u>(1,737,606)</u>	<u>11,181,684</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2022
	\$	\$	\$	\$	\$	\$
General unrestricted funds	12,172,003	235,834	(6,623,110)	2,407	566,130	6,353,264
Revaluation reserve	6,771,471	-	-	-	-	6,771,471
	<u>18,943,474</u>	<u>235,834</u>	<u>(6,623,110)</u>	<u>2,407</u>	<u>566,130</u>	<u>13,124,735</u>

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

19 Analysis of net assets between funds

	Unrestricted funds 2023 \$	Restricted funds 2023 \$	Total 2023 \$
Fund balances at 31 December 2023 are represented by:			
Tangible assets	10,801,426	-	10,801,426
Current assets/(liabilities)	347,766	30,920	378,686
Provisions and pensions	32,492	-	32,492
	<u>11,181,684</u>	<u>30,920</u>	<u>11,212,604</u>
	Unrestricted funds 2022 \$	Restricted funds 2022 \$	Total 2022 \$
Fund balances at 31 December 2022 are represented by:			
Tangible assets	11,246,594	-	11,246,594
Current assets/(liabilities)	1,843,162	200	1,843,362
Provisions and pensions	34,979	-	34,979
	<u>13,124,735</u>	<u>200</u>	<u>13,124,935</u>

20 Members' liability

The company is limited by guarantee and does not have share capital. Each member of the company undertakes to contribute such amount as may be required (not exceeding £10) to the company's assets if it should be wound up while they are a member or within one year after they cease to be a member, for payment of the company's debts and liabilities contracted before they cease to be a member.

21 Related party transactions

As at 31 December 2023, \$105,084 was due to World ORT (2022: \$496,294). During the year, serviced office charges amounting to \$52,578 were made to World ORT for the use of shared facilities. World ORT Trust is a wholly owned subsidiary of World ORT.

As at 31 December 2023, \$109,637 was due from ORT UK (2022: \$25,792). During the year, serviced office charges amounting to \$7,340 were made to ORT UK for the use of shared facilities. ORT UK is related by virtue of having a common trustee.

Restricted donations of \$1,250,000 (2022: \$nil) were received from The Maurice Hatter Foundation and were remitted in full to World ORT in the year for the Kfar Silver School project. The Maurice Hatter Foundation is related by virtue of having a common trustee.

A total of \$11,855 (2022: \$36,815) was paid to Epsilon Real Estate Partners Limited for project management in relation to the development and refurbishment of the new ORT House. Epsilon Real Estate Partners Limited is related by virtue of having a trustee of the charity as a director and shareholder.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

22 Ultimate parent undertaking

The ultimate parent undertaking and controlling party is World ORT which is a charity registered in Switzerland and its registration number is CH-6600148971-1.

The consolidated financial statements of World ORT, which include the results of World ORT Trust, are available to the public at www.ort.org.

23 Cash generated from operations	2023	2022
	\$	\$
Deficit for the year	(174,725)	(6,384,869)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,256)	(27,435)
Depreciation and impairment of tangible fixed assets	21,076	218,115
Difference between pension charge and cash contributions	2,487	138,562
Movements in working capital:		
Decrease in debtors	85,248	51,848
(Decrease)/increase in creditors	(709,348)	185,328
Cash absorbed by operations	(776,518)	(5,818,451)

24 Analysis of changes in net funds

The charity had no material debt during the year.

WORLD ORT TRUST

England & Wales - Charity number 1042541

Accounts

Charity registration number 1042541

Company registration number 02967916 (England and Wales)

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R M Hatter Mr S L Bernstein Mr S J Alberga	(Appointed 10 August 2022) (Appointed 10 August 2022)
Secretary	Mrs R Weston	
Charity number	1042541	
Company number	02967916	
Principal address	ORT House 147 Arlington Road London England NW1 7ET	
Registered office	ORT House 147 Arlington Road London England NW1 7ET	
Auditor	RDP Newmans LLP Lynwood House 373-375 Station Road Harrow Middlesex HA1 2AW	

WORLD ORT TRUST

(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Trustees' report	1 - 7
Statement of trustees' responsibilities	8
Independent auditor's report	9 - 11
Statement of financial activities	12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15 - 31

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report and financial statements for the year ended 31 December 2022.

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 Memorandum and Articles of Association, the Companies Act 2006 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 2022).

Principal aims and objectives

The charitable objects of World Ort Trust are given below and are taken from the Memorandum and Articles of Association, as follows:

- (1) to promote the advancement of education and vocational training for the public benefit, in particular but not exclusively amongst persons practising or adhering to the Jewish religion.
- (2) to promote the advancement of education for the public benefit concerning Jewish culture, history, traditions, religion and language in particular but not exclusively amongst persons practising or adhering to the Jewish religion.
- (3) to relieve poverty and sickness and to preserve and protect health through the provision of mother and childcare facilities and health education.

To meet these objectives, World Ort Trust makes grants to World ORT, so that it can carry out education and training projects worldwide.

Activities for raising funds: World Ort Trust owns and part occupies the freehold of 147 Arlington Road London NW1 7ET. The Trustees have invested in this freehold land and building which is part-occupied by World ORT, the Charity's head office. World Ort Trust lets out office space which is surplus to operational requirements. The rental stream from tenants covers the overheads on those elements of the building not occupied by World ORT. During 2022, the charity carried out major refurbishment works rendering the building out of use for the public. The charity expects the building to re open and new tenants to move in during the latter half of 2023.

Management agrees with the Trustees the excess space available for renting. Individual tenant contracts are sought by Metrus, the managing agents, to be authorised by the Trustees prior to letting.

Funds raised by World ORT Trust not required for the running of the charity are donated to World ORT. The nature of grants, whether restricted or unrestricted, is determined by the donors.

The Charity also accepts donations from UK donors in co-operation with and also from ORT UK. There has been no change in these activities during the year.

To assess whether these objectives have been achieved, the Trustees review the amount of monies received for charitable purposes and amount of monies remitted to World ORT.

In this context the Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission in relation to the activities being for the public benefit, as well as, the Equalities Act 2010 when reviewing the Charity's aims and objectives and in planning future activities.

Social investments

The Charity has a policy of not making social investments either in individuals or in schools.

Grant making policy

The Charity grants surplus funds to World ORT so that it can carry out education and training projects worldwide.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

The results for the year are set out in the Statement of Financial Activities on page 12.

During the year the total income of the Charity was \$375,308 (2021: \$9,647,667).

Income from donations was \$346,959 (2021: \$384,538) of which \$139,474 (2021: \$120,983) was for restricted purposes. From the total donations received, \$158,156 (2021: \$272,949) was donated by ORT UK. From these donations the Charity was able to make restricted charitable grants totalling \$137,067 (2021: \$120,983) to World ORT.

Income from letting activity was \$914 (2021: \$206,928). A part of the freehold property was disposed of during 2021. The Charity carried out major refurbishment works, hence income from letting activity ceased during 2022. The Charity is expecting the building to be opened and tenants to move in during the latter half of 2023.

Investment income was \$27,435 (2021: \$8,165), of which \$27,258 was in relation to interest on the deferred consideration (£250,000) related to the sale of 126 Albert Road in 2021.

All restricted funds received were granted to World ORT in the year. As an illustration, the following were the restricted funds received and granted. The activities change from year to year, therefore direct comparison is not always possible.

In the past year, beneficiary charities achieved the following:

Activity	Region	2022	2021
		\$	\$
Gunzberg Book Project	Germany	5,676	
Ukraine Emergency Campaign	Ukraine	61,644	
Kfar Silver Infrastructure	Israel	72,154	34,722
Wingate Seminar Students Worldwide	Worldwide		23,333
Maker Space and Project Base	Russia		62,928
		139,474	120,983

World ORT combines the funds raised in the United Kingdom with funds raised elsewhere in the world. Where possible World ORT involves the local state authorities and also local individuals.

Much of 2022 has been spent responding to the Ukraine/Russia conflicts. The ORT community in Ukraine is considerable, with 6 schools, 3,500 students and 400 teachers. A worldwide emergency campaign raised around \$2.5m in 2022 to support our beneficiaries deal with the hardship at home that the war had brought on as well as supporting those who chose to leave their homes for safer parts of the country or indeed abroad. Additional support was provided to ORT schools around Europe who have taken in Ukrainian refugees, providing them with funding to house and educate those displaced by the war. Due to the uncertainty in the region it is generally accepted that prioritising needs in the region will continue to be a factor for many months, if not years to come.

Funding priorities continue in Israel, notably in the Kfar Silver Youth Village which continues its extensive renovation project to the general infrastructure of the campus.

Funding in 2022 has been largely driven by contributions from ORT America's donor base, as well as from ORT UK, ORT Switzerland and ORT Canada.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Financial review

World Ort Trust has maintained its healthy financial position, with closing fund balances before actuarial gains amounting to \$13,124,935 (2021: \$18,943,674) of which \$200 (2021: \$200) relate to restricted funds for this financial year.

The Charity made a deficit of \$6,384,869 (2021: \$9,136,812 gain). This is due to a grant of \$4,659,391 to World ORT parent charity to be used for their charitable activities. Furthermore, there have been foreign exchange losses totalling \$1,183,360 relating to the translation of the bank balance, as well as the balances owed to suppliers at the year end.

The valuation of the defined benefit pension scheme at 31 December 2022 has a gain of \$34,979 (2021: deficit of \$392,589).

The Charity has two types of reserves, restricted and unrestricted.

Restricted funds: the Charity transfers the restricted funds received to World ORT according to the instructions from the donor. Restricted reserves comprise revenue and expenditure relating to specific donations made by individuals which are then transferred to World ORT to fulfil programmes.

Unrestricted funds: the Charity grants these funds to World ORT in line with the grants policy. Unrestricted reserves comprise net income generated from letting of the Charity's building and donations made for general charitable purposes.

World ORT Trust owns the freehold to its head office, New ORT House. Movements on fixed assets are set out in note 14 to the financial statements. The Trustees are of the opinion that the market value of freehold land and buildings at the year end was at least equal to the value shown in these financial statements. A revaluation of the freehold land and buildings dated 31 March 2022 had resulted in a revaluation reserve of \$6,771,471. The value of the land and buildings as at 31 December 2022 stands at \$11,202,419 and this proportion of the fund can only be realised by disposing of the freehold land and buildings.

Subsequent to the year end, property values have decreased because of the increases in interest rates resulting in lower sales values and lower rents being achieved. The Charity's external property valuers estimate that the fair value of the building would have reduced by approximately 17.5% as of the date of this report, as set out in note 22.

The year's reserves have reduced by \$5,818,739 and the unrestricted funds have reduced to \$13,124,735. It is the policy of the Charity to donate the net surplus generated from the letting activity to World ORT to fund its projects worldwide. The plans for the funds are to reinvest part of the proceeds into the newly refurbished modern office building, 147 Arlington Road, part for its own occupation and part to generate an annuity income for the Charity. The surplus proceeds realised, over and above the cost of the refurbishment of the retained 147 Arlington Road building, were planned to be used first to the settlement of the outstanding pension liabilities of the Charity and then assist World ORT with its finances, towards their aligned aims and objectives.

Reserves policy and going concern

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between six and twelve month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The financial statements for the year ended 31 December 2022 show general unrestricted reserves of \$13,124,735. The lower level of reserves is due to the unrestricted grants totalling \$4,659,391 paid out to World ORT parent charity.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Risk management

The Trustees examine the major risks that the Charity faces each financial year when preparing and updating the strategic plan. The major risks identified are (1) Not being able to let the excess space in ORT House, (2) risks surrounding the major construction works during the year, (3) the reliance on ORT UK for a large proportion of the voluntary income and (4) the defined benefit pension scheme.

(1) The risk of not letting space in ORT House is managed by:

- Maintaining the building to a commercially attractive standard.
- Dividing the rest of the excess space into smaller units to achieve a diversity of tenants.

Rental and licence fee revenue:

	2022	2021
Number of tenants		
Under \$50,000 per annum	-	11
Over \$100,000 per annum	-	1

(2) During the years 2022 and 2023, major construction and refurbishment work was undertaken at ORT House, with the major risk being delays in the project and cost overruns.

The construction risk is being managed as follows:

- Project plans are used to help clarify deadlines and expectations as well as updates given on various stages in the project. Continuous monitoring and reporting against this plan is integral.
- Contingency plans are also in place in case the work does not go as expected.
- Professional advisers have been used to manage the project budgets, timetables and performance of the main contractor.

(3) ORT UK contributed 46% of donations in 2022 and the Trustees expect it to remain a significant donor in 2023 and 2024.

The risk posed by having a concentration of voluntary income from ORT UK is managed as follows

- World ORT Trust has direct access to certain UK donors in agreement with ORT UK.
- ORT UK has a diverse fundraising base from major individuals and family trusts to many individual small donors.

(4) The defined benefit pension scheme has a funding gain of \$34,979. The Trustees have passed a resolution to settle any deficit from the proceeds of the property sale.

The Trustees closed the scheme to new members in 1999. It had no active members at the end of 2021. The last member is due to retire in 2028.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods

Delays in the redevelopment project of ORT House has meant that the building was not completed in 2022. It is now planned for opening in the latter half of 2023 and discussions have already begun with prospective new tenants to ensure rental income is received as quickly as possible. Notwithstanding timetable delays, the project has remained within budget.

The focus on maximising funds for designated and undesignated purposes from ORT UK will continue, as ORT UK is the main provider of funds from individual donors and philanthropic foundations to World Ort Trust in the UK. The close working relationship between World ORT staff and ORT UK staff mean they are provided with all necessary resources to carry out their fundraising endeavours.

Regarding the liability of the pension scheme, there have been negotiations of a buy-out with Aviva, which should be completed within 2023.

Structure, governance and management

The Charity is constituted under a Memorandum And Articles Of Association incorporated on 14 September 1994 as amended by Special Resolution on 17 October 1994 and 30 October 2000 and is a registered charity (number 1042541). The Charity is a charitable company limited by guarantee and registered in England and Wales with company number 2967916.

History

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr R M Hatter	
Lady I Hatter	(Resigned 4 August 2022)
Mr S L Bernstein	(Appointed 10 August 2022)
Mr S J Alberga	(Appointed 10 August 2022)

The directors of the charitable company are its Trustees for the purpose of charity law, and throughout this report are collectively referred to as the Trustees.

Lady I Hatter and Mr R M Hatter are related by marriage.

Mr S J Alberga is also a Trustee of World ORT and ORT UK.

Recruitment, appointment and terms of office of Trustees

The Memorandum and Articles of Association states that the number of Trustees shall not be less than three but shall not be subject to any maximum.

Additional or replacement Trustees can be appointed by the existing Trustees. New Trustees are given an induction by other Trustees, an outline of their responsibilities and a list of the information they will receive in order to fulfil those responsibilities.

The methods used to appoint Trustees are mainly utilising the contacts of existing Trustees and, occasionally by advertising in UK Jewish media. A third party indemnity provision is in force for the benefit of each of the Trustees and the officers.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

The day-to-day decisions of the Charity are taken by the management of the charity, with financial decisions being made by the Chief Financial Officer, Mrs H Grumet. Strategic decisions are taken by the Trustees, which involves maintenance of ORT House and matters in connection with the Defined Benefit Pension Scheme.

Arrangements for setting the pay and remuneration for the key management personnel

The Chief Financial Officer of World ORT Trust is also the Chief Financial Officer of World ORT and does not receive any remuneration for her duties in relation to World ORT Trust.

The one employee referred to in note 11 is primarily concerned with the general administrative activities of the Charity. Staff pay is reviewed per staff contracts. In view of the nature of the Charity, the Trustees will normally benchmark against pay levels in other charities of similar size.

Affiliate organisations and related parties

The ultimate parent undertaking and controlling party is World ORT which is a charity registered in Switzerland and its registration number is CH-6600148971-1. The financial statements for World ORT are in US Dollar and accordingly the Trustees believe that presenting its accounts in US Dollar is beneficial in accounting for the Charity's finances and obligations, given the global nature of World ORT's activities, the Charity's contributions to these activities, and the Charity's position within the World ORT's group of charities.

The charity is linked to ORT UK and World ORT through common aims and objectives. ORT UK is an autonomous charity registered in England and Wales. ORT UK raises funds from a variety of sources. ORT UK's office staff are based in ORT House for which it pays rent to World ORT Trust. World ORT Trust is also a major beneficiary of ORT UK's fundraising.

Trustees of World ORT Trust may also be Trustees of ORT UK. Where this is the case, this is noted on the list of Trustees on page 5. No trustee receives any remuneration for their duties in either organisation. There is no shared management between the two charities.

Further details of the work of World ORT can be obtained by going to the World ORT website: <http://www.ort.org>.

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

During the year, no amounts (2021: \$145,000) were charged to World ORT parent charity in relation to rental income from the letting of ORT House. As at 31 December 2022, \$496,294 was due to World ORT (2021: \$213,810). World Or Trust is a wholly owned subsidiary of World ORT.

During the year, \$36,815 (2021: \$165,746) was paid to Epsilon Real Estate Partners Limited, a company that is related by virtue of the Trustee Mr R M Hatter also being one of directors and a shareholder. This is for project management in relation to the development and refurbishment of the new Ort House. As at 31 December 2022, no amounts (2021: \$7,392) were due to Epsilon Real Estate Partners Limited.

Auditor

In accordance with the company's articles, a resolution proposing that RDP Newmans LLP be reappointed as auditor of the company will be put at a General Meeting.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

Mr R M Hatter

Trustee

28 September 2023

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees, who are also the directors of World Ort Trust for the purpose of company law, 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).

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees must prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 UK 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 adequate 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 Companies Act 2006. 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.

WORLD ORT TRUST

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WORLD ORT TRUST

Opinion

We have audited the financial statements of World Ort Trust (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 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 requirements of the Companies Act 2006.

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, except to the extent otherwise explicitly stated in our report, 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

WORLD ORT TRUST

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WORLD ORT TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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, who are also the directors of the charity for the purpose of company law, 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 liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the Trustees, who are also the directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charity Commission Regulations, Charities Act 2011, Statement of recommended practice (SORP FRS102), taxation legislation and data protection, anti-bribery and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF WORLD ORT TRUST

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed and tested journal entries to identify unusual transactions and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reviewing and agreeing financial statement disclosures and testing to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and bankers.
- reviewing minutes of board meetings.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paresh Radia FCA (Senior Statutory Auditor)
for and on behalf of RDP Newmans LLP

28 September 2023

Chartered Accountants
Statutory Auditor

Lynwood House
373-375 Station Road
Harrow
Middlesex
HA1 2AW

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 \$	Restricted funds 2022 \$	Total 2022 \$	Unrestricted funds 2021 \$	Restricted funds 2021 \$	Total 2021 \$
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	207,485	139,474	346,959	263,555	120,983	384,538
<u>Charitable activities</u>							
Income from letting activity	4	914	-	914	206,928	-	206,928
Investments	5	27,435	-	27,435	8,165	-	8,165
Other income	6	-	-	-	9,048,036	-	9,048,036
Total income		235,834	139,474	375,308	9,526,684	120,983	9,647,667
<u>Expenditure on:</u>							
Charitable activities	7	6,623,110	137,067	6,760,177	384,992	120,983	505,975
Other	12	-	-	-	4,880	-	4,880
Total expenditure		6,623,110	137,067	6,760,177	389,872	120,983	510,855
Net (outgoing)/incoming resources before transfers		(6,387,276)	2,407	(6,384,869)	9,136,812	-	9,136,812
Gross transfers between funds	13	2,407	(2,407)	-	-	-	-
Net (outgoing)/incoming resources		(6,384,869)	-	(6,384,869)	9,136,812	-	9,136,812
<u>Other recognised gains and losses</u>							
Revaluation of tangible fixed assets		-	-	-	(7,376,959)	-	(7,376,959)
Actuarial gain on defined benefit pension schemes		566,130	-	566,130	238,890	-	238,890
Net movement in funds		(5,818,739)	-	(5,818,739)	1,998,743	-	1,998,743
Fund balances at 1 January 2022		18,943,474	200	18,943,674	16,944,731	200	16,944,931
Fund balances at 31 December 2022		13,124,735	200	13,124,935	18,943,474	200	18,943,674

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 DECEMBER 2022

	Notes	2022 \$	\$	2021 \$	\$
Fixed assets					
Tangible assets	14	11,246,594		9,106,731	
Current assets					
Debtors	16	376,923		428,771	
Cash at bank and in hand		2,450,453		10,599,447	
		<u>2,827,376</u>		<u>11,028,218</u>	
Creditors: amounts falling due within one year	17	<u>(984,014)</u>		<u>(798,686)</u>	
Net current assets		1,843,362		10,229,532	
Total assets less current liabilities		<u>13,089,956</u>		<u>19,336,263</u>	
Net assets excluding pension surplus/(deficit)		13,089,956		19,336,263	
Defined benefit pension surplus/(deficit)	18	<u>34,979</u>		<u>(392,589)</u>	
Net assets		<u><u>13,124,935</u></u>		<u><u>18,943,674</u></u>	
Income funds					
Restricted funds	19	200		200	
<u>Unrestricted funds</u>					
General unrestricted funds	20	6,353,264		12,172,003	
Revaluation reserve		<u>6,771,471</u>		<u>6,771,471</u>	
		<u>13,124,735</u>		<u>18,943,474</u>	
		<u><u>13,124,935</u></u>		<u><u>18,943,674</u></u>	

The financial statements were approved by the Trustees on 28 September 2023

Mr R M Hatter
Trustee

Company registration number 02967916

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 \$	\$	2021 \$	\$
Cash flows from operating activities					
Cash absorbed by operations	25	(5,818,451)		(681,179)	
Investing activities					
Purchase of tangible fixed assets		(2,357,978)		(1,296,095)	
Proceeds from disposal of tangible fixed assets		-		11,630,909	
Investment income received		27,435		8,165	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from investing activities		(2,330,543)		10,342,979	
Net cash used in financing activities		<u> </u>	-	<u> </u>	-
Net (decrease)/increase in cash and cash equivalents		(8,148,994)		9,661,800	
Cash and cash equivalents at beginning of year		10,599,447		937,647	
Cash and cash equivalents at end of year		<u>2,450,453</u>		<u>10,599,447</u>	

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

World Ort Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is ORT House, 147 Arlington Road, London, NW1 7ET, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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)" (effective 1 January 2022). The charity is a Public Benefit Entity as defined by FRS 102.

The functional currency of the Charity is sterling. The financial statements are prepared in US Dollars, which is the presentation currency of the charity because this is the operating currency of World ORT group. 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. 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.

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 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.

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.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Revenue includes rental income, service charges and other recoveries from tenants of the charity's property. Rental income is recognised on an accruals basis in the period in which it is earned, in accordance with the terms of the lease.

Investment income, which is bank interest, is recognised on an accruals basis.

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:

Freehold land and buildings	2% per annum on cost
Building improvements	10% per annum on cost
Fixtures, fittings and equipment	20% per annum on cost

Freehold land is not depreciated.

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 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).

1.8 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.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.9 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.

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.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of fixed assets.

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.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.12 Foreign exchange

Transactions in currencies other than US Dollar are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in the Statement of Financial Activities.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred.

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.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

Retirement benefit schemes

Accounting for a defined benefit pension scheme and the value of liabilities is dependent on significant assumptions, including an assessment of the discount rate, price inflation and key demographic figures including life expectancy and mortality rates.

These accounting judgements are inherently complex and require a high level of management judgement and specialist input by an actuary in the calculation of the value of the liabilities.

The key assumptions are detailed in Note 18.

Freehold property valuations

The fair value of the freehold property recognised in freehold land and buildings is appraised regularly by management.

These accounting judgements are inherently complex and require a high level of management judgement and specialist input by external surveyors of the value of the property.

The underlying assumptions are explained in more detail in the accounting policies on tangible fixed assets and in note 14.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	\$	\$	\$	\$	\$	\$
Donations and gifts	207,485	139,474	346,959	238,808	120,983	359,791
Coronavirus Job Retention Scheme grant	-	-	-	24,747	-	24,747
	<u>207,485</u>	<u>139,474</u>	<u>346,959</u>	<u>263,555</u>	<u>120,983</u>	<u>384,538</u>

4 Charitable activities

	Income from letting activity 2022 \$	Income from letting activity 2021 \$
Charitable rental income	<u>914</u>	<u>206,928</u>

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	\$	\$
Interest receivable	27,435	8,165
	<u> </u>	<u> </u>

6 Other income

	Total	Unrestricted funds
	2022	2021
	\$	\$
Net gain on disposal of tangible fixed assets	-	9,048,036
	<u> </u>	<u> </u>

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

7 Charitable activities

	Unrestricted Charitable Expenditure 2022 \$	Restricted Charitable Expenditure 2022 \$	Unrestricted Letting activities 2022 \$	Total 2022 \$	Unrestricted Charitable Expenditure 2021 \$	Restricted Charitable Expenditure 2021 \$	Unrestricted Letting activities 2021 \$	Total 2021 \$
Staff costs	386,138	-	29,989	416,127	35,067	-	88,029	123,096
Depreciation and impairment	-	-	218,115	218,115	-	-	41,042	41,042
Building maintenance	-	-	(14,251)	(14,251)	-	-	259,644	259,644
Foreign exchange gain	-	-	(32,003)	(32,003)	-	-	(175,810)	(175,810)
Governance audit fees	44,367	-	-	44,367	32,161	-	-	32,161
Legal and professional	116,496	-	-	116,496	71,167	-	-	71,167
Sundry	157	-	-	157	194	-	-	194
Office and travel	31,351	-	-	31,351	27,260	-	-	27,260
Foreign exchange loss	-	-	1,183,360	1,183,360	-	-	2,029	2,029
Bad debts	-	-	-	-	-	-	4,209	4,209
	578,509	-	1,385,210	1,963,719	165,849	-	219,143	384,992
Grant funding of activities (see note 8)	4,659,391	137,067	-	4,796,458	-	120,983	-	120,983
	5,237,900	137,067	1,385,210	6,760,177	165,849	120,983	219,143	505,975
Analysis by fund								
Unrestricted funds	5,237,900	-	1,385,210	6,623,110	165,849	-	219,143	384,992
Restricted funds	-	137,067	-	137,067	-	120,983	-	120,983
	5,237,900	137,067	1,385,210	6,760,177	165,849	120,983	219,143	505,975

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

8 Grants payable

	Unrestricted Charitable Expenditure 2022 \$	Restricted Charitable Expenditure 2022 \$	Total 2022 \$	Restricted Charitable Expenditure 2021 \$	Total 2021 \$
Grants to institutions (1 grant):					
World ORT	4,659,391	137,067	4,796,458	120,983	120,983

9 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2022 \$	2021 \$
Audit of the charity's annual accounts	21,534	22,666

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year, nor were any expenses reimbursed to them (2021: \$nil).

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administration	1	1
Tenant and building support	-	1
Total	1	2

Employment costs	2022 \$	2021 \$
Wages and salaries	27,519	80,752
Social security costs	2,470	7,277
Other pension costs	386,138	35,067
	416,127	123,096

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

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

12 Other

	Total	Unrestricted funds
	\$	\$
	2022	2021
Net loss on disposal of tangible fixed assets	-	4,880

13 Transfers

During the year, restricted funds amounting to \$2,407 were transferred to unrestricted funds. This was a foreign exchange gain after all objectives of the restricted funding had been satisfied. As there was to be no clawback of this surplus, this was transferred to Unrestricted Funds.

The underlying transfer is explained in more detail in notes 19 and 20.

14 Tangible fixed assets

	Freehold land and buildings	Fixtures, fittings and equipment	Total
	\$	\$	\$
Cost or valuation			
At 1 January 2022	9,159,248	-	9,159,248
Additions	2,310,614	47,364	2,357,978
At 31 December 2022	11,469,862	47,364	11,517,226
Depreciation and impairment			
At 1 January 2022	52,517	-	52,517
Depreciation charged in the year	214,926	3,189	218,115
At 31 December 2022	267,443	3,189	270,632
Carrying amount			
At 31 December 2022	11,202,419	44,175	11,246,594
At 31 December 2021	9,106,731	-	9,106,731

Land and buildings were revalued at 31 March 2022 by Colliers International Valuation UK LLP, independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties. This valuation was included in the accounts for the year end 31 December 2022.

Discussions were held between the Trustees and external property valuers and it was deemed that there was impairment of the property value post year end. The underlying note is explained in more detail in note 22.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

15	Financial instruments	2022	2021
		\$	\$
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	335,821	396,338
		<u> </u>	<u> </u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	932,193	741,589
		<u> </u>	<u> </u>
16	Debtors	2022	2021
		\$	\$
	Amounts falling due within one year:		
	Trade debtors	-	6,913
	Amounts owed by associate undertakings	25,792	52,139
	Other debtors	337,287	168,643
	Prepayments and accrued income	13,844	32,433
		<u> </u>	<u> </u>
		376,923	260,128
		<u> </u>	<u> </u>
		2022	2021
	Amounts falling due after more than one year:	\$	\$
	Other debtors	-	168,643
		<u> </u>	<u> </u>
	Total debtors	376,923	428,771
		<u> </u>	<u> </u>
17	Creditors: amounts falling due within one year	2022	2021
		\$	\$
	Other taxation and social security	51,821	57,097
	Trade creditors	334,938	392,050
	Amounts owed to fellow group undertakings	496,294	213,810
	Other creditors	44,279	45,280
	Accruals and deferred income	56,682	90,449
		<u> </u>	<u> </u>
		984,014	798,686
		<u> </u>	<u> </u>

18 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was \$3,613 (2021 - \$831).

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

18 Retirement benefit schemes

(Continued)

Defined benefit schemes

World Ort Trust operate a defined benefit scheme known as the ORT Retirement Benefit Plan which is administered by a third party. The scheme was established on 14 February 1974 and was closed to new members with effect from 1 November 1999. The assets of the scheme are held separately to those of the Charity.

In the current accounting year there were no active members. The valuation used has been based on the most recent actuarial valuation at 1 January 2018 and was updated by the actuary, ISIO Group Limited, to take account of the requirements of FRS102 in order to assess the liabilities of the scheme at December 2020, December 2021 and December 2022. Scheme assets are stated as their Market value at the respective balance sheet dates and overall expected rates of return are established by applying published brokers' forecasts to each category of scheme assets.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages).

Key assumptions

	2022	2021
	%	%
Discount rate	3.35	1.8
Inflation assumption	3.40	3.25
CPI pension escalation	3.00	2.75
Allowance for commutation for cash at retirement	10	10
	<u> </u>	<u> </u>

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2022	2021
	Years	Years
Retiring today		
- Males	21.3	21.6
- Females	23.9	24.1
	<u> </u>	<u> </u>
Retiring in 20 years		
- Males	22.5	22.9
- Females	25.3	25.5
	<u> </u>	<u> </u>

Amounts recognised in the Statement of Financial Activities

	2022	2021
	\$	\$
Net interest on defined benefit liability/(asset)	2,474	9,627
The effect of any curtailment or settlement	378,580	-
Other costs and income	-	19,254
	<u> </u>	<u> </u>
Total costs	381,054	28,881
	<u> </u>	<u> </u>

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

18 Retirement benefit schemes

(Continued)

Amounts taken to other comprehensive income:

	2022	2021
	\$	\$
Actual return on scheme assets	(95,263)	55,012
Less: calculated interest element	12,372	23,380
	<u>(82,891)</u>	<u>78,392</u>
Return on scheme assets excluding interest income	(82,891)	78,392
Actuarial changes related to obligations	(461,471)	(357,578)
Exchange differences	(21,768)	40,296
	<u>(566,130)</u>	<u>(238,890)</u>

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2022	2021
	\$	\$
Present value of defined benefit obligations	-	2,124,833
Fair value of plan assets	(34,979)	(1,732,244)
	<u>(34,979)</u>	<u>392,589</u>

Movements in the present value of defined benefit obligations:

	2022
	\$
Liabilities at 1 January 2022	2,124,833
Plan introductions, changes, curtailments and settlements	(1,501,946)
Actuarial gains and losses	(461,471)
Interest cost	14,846
Exchange differences	(176,262)
	<u>-</u>
At 31 December 2022	<u>-</u>

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

18 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

	2022
	\$
Fair value of assets at 1 January 2022	1,732,244
Interest income	12,372
Return on plan assets (excluding amounts included in net interest)	82,891
Plan introductions, changes, curtailments and settlements	(1,880,526)
Contributions by the employer	242,492
Exchange differences	(154,494)
At 31 December 2022	34,979

The fair value of plan assets at the reporting period end was as follows:

	2022	2021
	\$	\$
Aviva - Deferred Allocation Funding With-Profits policy	4,825	1,462,424
Cash and Cash equivalents	30,154	12,142
Aviva - Value for Guaranteed Annuity Options	-	257,678
	34,979	1,732,244

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds				Balance at 31 December 2022
	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	
	\$	\$	\$	\$	\$	\$	\$	\$
Restricted funds	200	120,983	(120,983)	200	139,474	(137,067)	(2,407)	200

During the year, restricted funds amounting to \$2,407 were transferred to unrestricted funds. This was a foreign exchange gain after all objectives of the restricted funding had been satisfied. As there was to be no clawback of this surplus, this was transferred to Unrestricted Funds.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

20 Unrestricted funds

The income funds of the charity include unrestricted funds:

	Movement in funds					Movement in funds					
	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
General unrestricted funds	2,796,301	9,765,574	(389,872)	-	-	12,172,003	235,834	(6,623,110)	2,407	566,130	6,353,264
Revaluation reserve	14,148,430	-	-	(8,907,829)	1,530,870	6,771,471	-	-	-	-	6,771,471
	16,944,731	9,765,574	(389,872)	(8,907,829)	1,530,870	18,943,474	235,834	(6,623,110)	2,407	566,130	13,124,735

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

21 Analysis of net assets between funds

	Unrestricted funds 2022 \$	Restricted funds 2022 \$	Total 2022 \$	Unrestricted funds 2021 \$	Restricted funds 2021 \$	Total 2021 \$
Fund balances at 31 December 2022 are represented by:						
Tangible assets	11,246,594	-	11,246,594	9,106,731	-	9,106,731
Net current assets/(liabilities)	1,843,162	200	1,843,362	10,229,332	200	10,229,532
Provisions and pensions	34,979	-	34,979	(392,589)	-	(392,589)
	<u>13,124,735</u>	<u>200</u>	<u>13,124,935</u>	<u>18,943,474</u>	<u>200</u>	<u>18,943,674</u>

22 Events after the reporting date

Subsequent to the year end, property values have decreased because of the increases in interest rates resulting in lower sales values and lower rents being achieved. The Charity's external property valuers estimate that the fair value of the building would have reduced by approximately 17.5%.

23 Related party transactions

The Trustees of the Charity are considered to be key management personnel. Total remuneration in respect of these individuals is given in note 10.

During the year, \$Nil (2021: \$145,000) was charged to World ORT parent charity in relation to rental income from the letting of ORT House. As at 31 December 2022, \$496,294 (2021: \$213,810) was due to World ORT. World Ort Trust is a wholly owned subsidiary of World ORT.

During the year, \$36,815 (2021: \$165,746) was paid to Epsilon Real Estate Partners Limited, a company that is related by virtue of the Trustee Mr R M Hatter also being one of directors and shareholder. This is for project management in relation to the development and refurbishment of the new Ort House. As at 31 December 2022, \$Nil (2021: \$7,392) was due to Epsilon Real Estate Partners Limited.

24 Ultimate parent undertaking

The ultimate parent undertaking and controlling party is World ORT which is a charity registered in Switzerland and its registration number is CH-6600148971-1.

The consolidated financial statements of World ORT, which include the results of World ORT Trust, are available to the public on website www.ort.org.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

25	Cash generated from operations	2022	2021
		\$	\$
	(Deficit)/surplus for the year	(6,384,869)	9,136,812
	Adjustments for:		
	Investment income recognised in statement of financial activities	(27,435)	(8,165)
	Gain on disposal of tangible fixed assets	-	(9,043,156)
	Depreciation and impairment of tangible fixed assets	218,115	41,042
	Difference between pension charge and cash contributions	138,562	(93,521)
	Movements in working capital:		
	Decrease/(increase) in debtors	51,848	(325,911)
	Increase/(decrease) in creditors	185,328	(388,280)
	Cash absorbed by operations	(5,818,451)	(681,179)
26	Analysis of changes in net funds		
	The charity had no debt during the year.		

WORLD ORT TRUST

England & Wales - Charity number 1042541

Accounts

Charity Registration No. 1042541

Company Registration No. 02967916 (England and Wales)

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lady I Hatter Mr R M Hatter
Senior management team	Acting Chief Financial Officer: Mr H Grumet
Charity number	1042541
Company number	02967916
Principal address	New ORT House 147 Arlington Road London England NW1 7ET
Registered office	Shield House Harmony Way London England NW4 2BZ
Auditor	RDP Newmans LLP Lynwood House 373-375 Station Road Harrow Middlesex HA1 2AW
Bankers	Lloyds Bank PLC 140 Camden High Street London NW1 0NG

WORLD ORT TRUST

(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Trustees' report	1 - 7
Statement of trustees' responsibilities	8
Independent auditor's report	9 - 12
Statement of financial activities	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 31

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

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 Memorandum and Articles of Association, the Companies Act 2006 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).

Principal aims, objectives and activities

The charitable objects of the World Ort Trust are given below and are taken from the Memorandum and Articles of Association, as follows:

(1) to promote the advancement of education and vocational training for the public benefit, in particular but not exclusively amongst persons practising or adhering to the Jewish religion.

(2) to promote the advancement of education for the public benefit concerning Jewish culture, history, traditions, religion and language in particular but not exclusively amongst persons practising or adhering to the Jewish religion.

(3) to relieve poverty and sickness and to preserve and protect health through the provision of mother and childcare facilities and health education.

To meet these objectives, World Ort Trust makes grants to World ORT, so that it can carry out education and training projects worldwide.

World Ort Trust performs some curriculum development and project co-ordination in the United Kingdom for World ORT.

World ORT collects funds from other organisations with similar educational objectives to World ORT Trust. Being part of a global organisation benefits the Charity by lowering the cost of delivery to its beneficiaries.

The Trustees have invested in the freehold land and building in London which is part-occupied by the Charity's head office. World Ort Trust lets out space in its London office, which is surplus to operational requirements, to not-for-profit organisations. The rental stream from tenants covers the overheads on those elements of the building not occupied by World ORT. World Ort Trust owned and part occupied the freehold of 126 Albert Street NW1 7NE and 147 Arlington Road London NW1 7ET – previously one property. During the year the property was vacated and 126 Albert Street NW1 7NE was sold for £8.75m on 3 December 2021. The sale process was conducted in accordance with the requirements of The Charities Act 2011 Part 7 Section 117 to 119. 147 Arlington Road London NW1 7ET was retained and will be refurbished for part-owner occupation, and accommodation surplus to the Charity's operational requirements will be leased to third party tenants to generate an annuity income for the Charity.

Activities for raising funds: Management agrees with the Trustees the excess space available for renting, for other charitable purposes. Individual tenant contracts are authorised by management prior to letting. No professional fundraisers or third party commercial participators are used.

Funds raised by World ORT Trust not required for the running of the charity are donated to World ORT at the discretion of Management and the Trustees. Grants, whether restricted or unrestricted, is determined by the donors. The proportion of World ORT's revenue donated by World ORT Trust is usually less than 10%.

The Charity also raises donations from certain UK donors in co-operation with, and also from, ORT UK.

There has been no change in these activities during the year.

To assess whether these objectives have been achieved, the Trustees review the amount of monies received for charitable purposes and amount of monies remitted to World ORT.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

In this context the Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission in relation to the activities being for the public benefit, as well as, the Equalities Act 2010 when reviewing the Charity's aims and objectives and in planning future activities.

Social investments

The Charity has a policy of not making social investments either in individuals or in schools.

Grant making policy

Each year Trustees prepare a financial plan. The basis of the plan is the outline agreements with grant making bodies, the pledges already received and estimated income from other sources. The resources to be expended on those activities are budgeted. The Charity then grants funds to World ORT so that it can carry out education and training projects worldwide.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and performance

The results for the year are set out in the Statement of Financial Activities on page 13.

During the year the total income of the Charity was \$9,647,667 (2020: \$1,272,270).

Income from donations was \$384,538 (2020: \$724,421) of which \$120,983 (2020: \$317,365) was for restricted purposes. From the total donations received, ORT UK had donated \$272,949 (2020: \$601,000). From these donations the Charity was able to make charitable grants totalling \$120,983 (2020: \$317,165) to World ORT.

Income from letting activity was \$206,928 (2020: \$547,128). During the year, part of the freehold property was disposed. The charity also commenced refurbishment works, hence income from letting activity ceased.

Investment income was \$8,165 (2020: \$721).

Other income received was \$9,048,036, which relates to the gain on part disposal the freehold property.

All restricted funds received were granted to World ORT in the year. As an illustration, the following were the restricted funds received and granted. The activities change from year to year, therefore straight comparatives are not always possible.

In the past year, beneficiary charities achieved the following:

		2021	2020
Activity	Region	\$	\$
Israel - Network of owned schools	Israel	-	258,997
Latin America programs	Latin America	-	3,289
France development	Western Europe	-	32,352
Wingate Seminar Students worldwide	Students worldwide	23,333	22,727
Maker Space and Project Base	Russia	62,928	-
Kfar Silver Infrastructure	Israel	34,722	-
		120,983	317,365

World ORT combines the funds raised in the United Kingdom with funds raised elsewhere in the world. Where possible World ORT involves the local state authorities and also local individuals.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

As well as focusing on our ongoing needs in Israel and the countries of the Former Soviet Union our donors have supported us in areas relating to the Coronavirus pandemic. As all our schools across our global network moved to virtual learning we campaigned to support the need to ensure that all students had access to technology for remote learning. Our donors also supported our schools as they faced economic difficulties as many families were unable to pay school fees thus jeopardising the schools' operational costs.

Charitable fundraising continued to be impacted in 2021 by the effects of the Coronavirus pandemic where donors and foundations resources were often withdrawn, reduced or directed in other areas. We anticipate this trend will not be continued in 2022 however, the crisis in Ukraine has certainly focussed considerable donations in that area. World ORT has significant operations in the region and in 2022 is working hard to raise funds to support those in need. Certain, other global priorities may indeed take a back seat in 2022 as prominence is rightly given to the tragic situation in Ukraine. The plan to reopen New ORT House at the end of 2022 will be a welcome opportunity to restart rental income within an even more desirable office building in a much sought-after locale. Funds raised from the redevelopment of New ORT House will ultimately be reinvested into World ORT global projects to continue to serve our beneficiaries around the world.

Financial review

World Ort Trust has maintained its healthy financial position, with closing fund balances amounting to \$18,943,674 (2020: \$16,944,931) of which \$200 (2020: \$200) relate to restricted funds.

The Charity made a surplus before other recognised gains and losses of \$9,136,812 (2020: \$442,968)

The total expenditure on charitable activities as a proportion of income (excluding activities for generating funds and the defined benefit scheme) was 5.2%. Upon elimination of the net income received on the part disposal of the property of \$9,048,036 the total expenditure on charitable activities as a proportion of income is 84.4% (2020: 65.2%).

The valuation of the defined benefit pension scheme at 31 December 2021 has a funding deficit of \$392,589 (2020: \$725,000)

The Charity has two types of reserves, restricted and unrestricted.

Restricted funds: the Charity transfers the restricted funds received to World ORT according to the instructions from the donor. Restricted reserves comprise revenue and expenditure relating to specific donations made by individuals which are then passed onto World ORT to fulfil programmes.

Unrestricted funds: the Charity grants these funds to World ORT in line with the annual plan. Unrestricted reserves comprise net income generated from letting of the Charity's building and donations made for general charitable purposes.

Unrestricted funds comprise a land and building revaluation reserve of \$6,771,471, a deficit on the pension fund of \$392,589 and general unrestricted funds of \$12,564,592.

World ORT Trust owns the freehold to its head office, New ORT House. Movements on fixed assets are set out in note 13 to the financial statements. The Trustees are of the opinion that the market value of freehold land and buildings is at least equal to the value shown in these financial statements. A revaluation of the freehold land and buildings was carried out in 2021 which has resulted in a revaluation reserve of \$6,771,471. The value of the land and buildings as at 31 December 2021 stands at \$9,106,731 and this proportion of the fund can only be realised by disposing of the freehold land and buildings.

The year's reserves have increased by \$1,998,743 and the unrestricted funds have increased to \$18,943,474. It is the policy of the Charity to donate the net surplus generated from the letting activity to World ORT to fund its projects worldwide. The plans for the funds are to reinvest part of the proceeds to into the newly refurbished modern office building, 147 Arlington Road, part for its own occupation and part to generate an annuity income for the charity. The surplus proceeds realised, over and above the cost of the refurbishment of the retained 147 Arlington Road building, were planned to be used first to the settlement of the outstanding pension liabilities of the charity and then assist World ORT with its finances, towards their aligned aims and objectives.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Reserves policy and going concern

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between six and twelve month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The accounts for the year ended 31 December 2021 show general unrestricted reserves of \$12,172,003. This higher level of reserves is due to the timing of funds received on the part disposal of the property. Funds were received towards the end of 2021, which will be expended over the upcoming financial year 2022, on our usual charitable activities.

Risk management

The Trustees examine the major risks that the charity faces each financial year when preparing and updating the strategic plan. The major risks identified are (1) Not being able to let the excess space in ORT House, (2) the reliance on ORT UK for a large proportion of the voluntary income and (3) the defined benefit pension scheme.

(1) The risk of not letting space in ORT House is managed by:

- Maintaining the building to a commercially attractive standard.
- Certain areas of the property which are not rented to the tenants are utilised for conferences.
- Dividing the rest of the excess space into smaller units to achieve a diversity of tenants. This will be further mitigated following the redevelopment plans with strong demand for the available space having been received.

Rental and licence fee revenue	Number of tenants	
	2021	2020
under \$50,000 per annum	11	11
\$51,000 - \$100,000 per annum	-	-
over \$100,000 per annum	1	1
	12	12

(2) ORT UK contributed 76% of donations in 2021 and the Trustees expect it to remain a significant donor in 2022 and 2023.

The risk posed by having a concentration of voluntary income from ORT UK is managed as follows

- World ORT Trust has direct access to certain UK donors in agreement with ORT UK.
- ORT UK has a diverse fundraising base from major individuals and family trusts to many individual small donors.

(3) The defined benefit pension scheme has a funding deficit of \$392,589. The Trustees have passed a resolution to settle the deficit from the proceeds of the property sale.

The Trustees closed the scheme to new members in 1999. It had no active members at the end of 2021. The last member is due to retire in 2028.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Plans for future periods

The property New ORT House will remain central to World Ort Trusts future plans as it will welcome back the staff from World ORT at the close of 2022 as well as making available approximately 7,000 sq. ft to be rented out to previous and/or new tenants at a market rate superior to that held prior to the rebuild and renovations.

The focus on maximising funds for designated and undesignated purposes from ORT UK will continue, as ORT UK is the main provider of funds from individual donors and philanthropic foundations to World Ort Trust in the UK. The close working relationship between World ORT staff and ORT UK staff mean they are provided with all necessary resources to carry out their fundraising endeavours.

Regarding the liability of the pension scheme, we have negotiated a buy-out with Aviva, which should be completed within 2023.

Structure, governance and management

The Charity is constituted under a Memorandum And Articles Of Association Incorporated On 14 September 1994 as amended by Special Resolution on 17 October 1994 and 30 October 2000 and is a registered charity (number 1042541). The Charity is a charitable company limited by guarantee and registered in England and Wales with company number 2967916.

History

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Lady I Hatter

Mr R M Hatter

Mr A I Brittan

(Resigned 20 May 2021)

The directors of the charitable company are its Trustees for the purpose of charity law, and throughout this report are collectively referred to as the Trustees.

Lady I Hatter and Mr R M Hatter are related by marriage.

Recruitment, appointment and terms of office of Trustees

The Memorandum and Articles of Association states that the number of Trustees shall not be less than three but shall not be subject to any maximum.

Additional or replacement Trustees can be appointed by the existing Trustees. New Trustees are given an induction by other Trustees, an outline of their responsibilities and a list of the information they will receive in order to fulfil those responsibilities.

The methods used to appoint Trustees are mainly utilising the contacts of existing Trustees and, occasionally to advertise in UK Jewish media. A third party indemnity provision is in force for the benefit of each of the Trustees and the officers.

The Trustees are looking to appoint new trustees in the coming year.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

The day-to-day decisions of the Charity are taken by the Chief Financial Officer, Mr H Grumet. These mainly involve the letting, maintenance and security of ORT House. Strategic decisions are taken by the Trustees. These may involve the relationships with the ORT network, maintenance of ORT House and matters in connection with the Defined Benefit Pension Scheme.

Arrangements for setting the pay and remuneration for the key management personnel

The Chief Financial Officer of World ORT Trust is also the Chief Financial Officer of World ORT and does not receive any remuneration for his duties in relation to World ORT Trust.

The three employees referred to in note 11 are mainly concerned with the letting activity. Staff pay will be reviewed per staff contracts. In view of the nature of the Charity, the Trustees will normally benchmark against pay levels in other charities of similar size.

Affiliate organisations and related parties

The ultimate parent undertaking and controlling party is World ORT which is a charity registered in Switzerland and its registration number is CH-6600148971-1. The financial statements for World ORT are in US Dollar and accordingly the Trustees believe that presenting its accounts in US Dollar is beneficial in accounting for the Charity's finances and obligations, given the global nature of World ORT's activities, the Charity's contributions to these activities, and the Charity's position within the World ORT's group of charities.

The charity is linked to ORT UK and World ORT through common aims and objectives. ORT UK is an autonomous charity registered in England and Wales. ORT UK raises funds from a variety of sources. ORT UK's office staff are based in ORT House for which it pays rent to World ORT Trust. World ORT Trust is also a major beneficiary of ORT UK's fundraising.

Trustees of World ORT Trust may also be Trustees of ORT UK. Where this is the case then this is noted on the list of Trustees on page 5. No trustee receives any remuneration for their duties in either organisation. There is no shared management between the two charities.

Further details of the work of World ORT can be obtained by going to the World ORT website and choosing the option to look at Media and then Reports. The World ORT website is at: <http://www.ort.org>

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

During the year, \$145,000 (2020: \$290,000) was charged to World ORT in relation to rental income from the letting of ORT House. As at 31 December 2021, \$213,810 (2020: \$191,975) was due to World ORT. World Or Trust is a wholly owned subsidiary of World ORT.

During the year, \$165,746 was paid to Epsilon Real Estate Partners Limited, for project management in relation to the development and refurbishment of New Ort House. As at 31 December 2021, \$7,392 was due to Epsilon Real Estate Partners Limited. A company that is related by virtue of the Trustee Mr R M Hatter also being one of directors and shareholder.

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Auditor

RDP Newmans LLP were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

The Trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

Mr R M Hatter

Trustee

17 August 2022

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of World Ort Trust for the purpose of company law, 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).

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees must prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 UK 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 adequate 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 Companies Act 2006. 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.

WORLD ORT TRUST

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF WORLD ORT TRUST

Opinion

We have audited the financial statements of World Ort Trust (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including 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 charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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, except to the extent otherwise explicitly stated in our report, 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

WORLD ORT TRUST

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF WORLD ORT TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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, who are also the directors of the charity for the purpose of company law, 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 liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the Trustees, who are also the directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charity Commission Regulations, Charities Act 2011, Statement of recommended practice (SORP FRS102), taxation legislation and data protection, anti-bribery and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF WORLD ORT TRUST

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed and tested journal entries to identify unusual transactions and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reviewing and agreeing financial statement disclosures and testing to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and bankers.
- reviewing minutes of board meetings.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

**WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF WORLD ORT TRUST**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Paresh Radia FCA (Senior Statutory Auditor)
for and on behalf of RDP Newmans LLP**

17 August 2022

**Chartered Accountants
Statutory Auditor**

Lynwood House
373-375 Station Road
Harrow
Middlesex
HA1 2AW

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 \$	Restricted funds 2021 \$	Total 2021 \$	Unrestricted funds 2020 \$	Restricted funds 2020 \$	Total 2020 \$
Notes							
<u>Income and endowments from:</u>							
Donations and legacies	3	263,555	120,983	384,538	407,056	317,365	724,421
<u>Charitable activities</u>							
Income from letting activity	4	206,928	-	206,928	547,128	-	547,128
Investments	5	8,165	-	8,165	721	-	721
Other income	6	9,048,036	-	9,048,036	-	-	-
Total income		9,526,684	120,983	9,647,667	954,905	317,365	1,272,270
<u>Expenditure on:</u>							
Charitable activities	7	384,992	120,983	505,975	512,137	317,165	829,302
Other	12	4,880	-	4,880	-	-	-
Total resources expended		389,872	120,983	510,855	512,137	317,165	829,302
Net incoming resources		9,136,812	-	9,136,812	442,768	200	442,968
<u>Other recognised gains and losses</u>							
Revaluation of tangible fixed assets		(7,376,959)	-	(7,376,959)	-	-	-
Actuarial gain/(loss) on defined benefit pension schemes		238,890	-	238,890	(147,420)	-	(147,420)
Net movement in funds		1,998,743	-	1,998,743	295,348	200	295,548
Fund balances at 1 January 2021		16,944,731	200	16,944,931	16,649,383	-	16,649,383
Fund balances at 31 December 2021		18,943,474	200	18,943,674	16,944,731	200	16,944,931

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 DECEMBER 2021

	Notes	2021 \$	\$	2020 \$	\$
Fixed assets					
Tangible assets	13	9,106,731		17,816,390	
Current assets					
Debtors	15	428,771		102,860	
Cash at bank and in hand		10,599,447		937,647	
		<u>11,028,218</u>		<u>1,040,507</u>	
Creditors: amounts falling due within one year	16	<u>(798,686)</u>		<u>(1,186,966)</u>	
Net current assets/(liabilities)		10,229,532		(146,459)	
Total assets less current liabilities		<u>19,336,263</u>		<u>17,669,931</u>	
Net assets excluding pension liability		19,336,263		17,669,931	
Defined benefit pension liability	17	(392,589)		(725,000)	
Net assets		<u>18,943,674</u>		<u>16,944,931</u>	
Income funds					
Restricted funds	18	200		200	
<u>Unrestricted funds</u>					
General unrestricted funds	19	12,172,003		2,796,301	
Revaluation reserve		<u>6,771,471</u>		<u>14,148,430</u>	
		18,943,474		16,944,731	
		<u>18,943,674</u>		<u>16,944,931</u>	

The financial statements were approved by the Trustees on 17 August 2022

Mr R M Hatter
Trustee

Company Registration No. 02967916

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021		2020	
	Notes	\$	\$	\$	\$
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	24	(681,179)		614,989	
Investing activities					
Purchase of tangible fixed assets		(1,296,095)		(136,346)	
Proceeds on disposal of tangible fixed assets		11,630,909		-	
Investment income received		8,165		721	
Net cash generated from/(used in) investing activities		10,342,979		(135,625)	
Net cash used in financing activities		-		-	
Net increase in cash and cash equivalents		9,661,800		479,364	
Cash and cash equivalents at beginning of year		937,647		458,283	
Cash and cash equivalents at end of year		10,599,447		937,647	

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

World Ort Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Shield House, Harmony Way, London, NW4 2BZ, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The functional currency of the Charity is sterling. The financial statements are prepared in US Dollar, which is the presentation currency of the charity because this is the operating currency of World ORT group. 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. 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.

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 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.

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.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Revenue includes rental income, service charges and other recoveries from tenants of the charity's property. Rental income is recognised on an accruals basis in the period in which it is earned, in accordance with the terms of the lease.

Investment income, which is bank interest, is recognised on an accruals basis.

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:

Freehold land and buildings - buildings	2% per annum on cost
Freehold land and buildings - building improvements	10% - 20% per annum on cost
Fixtures, fittings and equipment - fixtures and fittings	20% per annum on cost
Fixtures, fittings and equipment - computer equipment	33% per annum on cost

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 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).

1.8 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.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 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.

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.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of fixed assets.

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.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.12 Foreign exchange

Transactions in currencies other than US Dollar are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in the Statement of Financial Activities.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred.

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.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

Retirement benefit schemes

Accounting for a defined benefit pension scheme and the value of liabilities is dependent on significant assumptions, including an assessment of the discount rate, price inflation and key demographic figures including life expectancy and mortality rates.

These accounting judgements are inherently complex and require a high level of management judgement and specialist input by an actuary in the calculation of the value of the liabilities.

The key assumptions are detailed in Note 17.

Freehold property valuations

The fair value of the freehold property recognised in freehold land and buildings is appraised regularly by management.

These accounting judgements are inherently complex and require a high level of management judgement and specialist input by external surveyors of the value of the property.

The underlying assumptions are explained in more detail in the accounting policies on tangible fixed assets and in note 13.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	\$	\$	\$	\$	\$	\$
Donations and gifts	238,808	120,983	359,791	369,498	317,365	686,863
Coronavirus Job Retention Scheme grant	24,747	-	24,747	37,558	-	37,558
	<u>263,555</u>	<u>120,983</u>	<u>384,538</u>	<u>407,056</u>	<u>317,365</u>	<u>724,421</u>

4 Charitable activities

	Income from letting activity 2021 \$	Income from letting activity 2020 \$
Charitable rental income	<u>206,928</u>	<u>547,128</u>

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	\$	\$
Interest receivable	8,165	721
	<u> </u>	<u> </u>

6 Other income

	Unrestricted funds	Total
	2021	2020
	\$	\$
Net gain on disposal of tangible fixed assets	9,048,036	-
	<u> </u>	<u> </u>

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

7 Charitable activities

	Unrestricted Charitable Expenditure 2021 \$	Restricted Charitable Expenditure 2021 \$	Unrestricted Letting activities 2021 \$	Total 2021 \$	Unrestricted Charitable Expenditure 2020 \$	Restricted Charitable Expenditure 2020 \$	Unrestricted Letting activities 2020 \$	Total 2020 \$
Staff costs	35,067	-	88,029	123,096	24,246	-	103,509	127,755
Depreciation	-	-	41,042	41,042	-	-	36,899	36,899
Building maintenance	-	-	259,644	259,644	-	-	239,203	239,203
Foreign exchange gain	-	-	(175,810)	(175,810)	-	-	(19,302)	(19,302)
Governance audit fees	32,161	-	-	32,161	38,591	-	-	38,591
Legal and professional	71,167	-	-	71,167	50,147	-	-	50,147
Sundry	194	-	-	194	74	-	-	74
Office and travel	27,260	-	-	27,260	12,057	-	-	12,057
Foreign exchange loss	-	-	2,029	2,029	-	-	5,399	5,399
Bad debts	-	-	4,209	4,209	-	-	-	-
	<u>165,849</u>	<u>-</u>	<u>219,143</u>	<u>384,992</u>	<u>125,115</u>	<u>-</u>	<u>365,708</u>	<u>490,823</u>
Grant funding of activities (see note 8)	-	120,983	-	120,983	21,314	317,165	-	338,479
	<u>165,849</u>	<u>120,983</u>	<u>219,143</u>	<u>505,975</u>	<u>146,429</u>	<u>317,165</u>	<u>365,708</u>	<u>829,302</u>
Analysis by fund								
Unrestricted funds	165,849	-	219,143	384,992	146,429	-	365,708	512,137
Restricted funds	-	120,983	-	120,983	-	317,165	-	317,165
	<u>165,849</u>	<u>120,983</u>	<u>219,143</u>	<u>505,975</u>	<u>146,429</u>	<u>317,165</u>	<u>365,708</u>	<u>829,302</u>

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

8 Grants payable

	Unrestricted Charitable Expenditure 2021 \$	Restricted Charitable Expenditure 2021 \$	Total 2021 \$	Unrestricted Charitable Expenditure 2020 \$	Restricted Charitable Expenditure 2020 \$	Total 2020 \$
Grants to institutions: World ORT	-	120,983	120,983	21,314	317,165	338,479

9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charity's auditor and associates:	2021 \$	2020 \$
Audit of the charity's annual accounts	22,666	27,273

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year, nor were any expenses reimbursed to them (2020: \$nil).

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration	1	1
Tenant and building support	1	2
Total	2	3

Employment costs	2021 \$	2020 \$
Wages and salaries	80,752	95,100
Social security costs	7,277	8,409
Other pension costs	35,067	24,246
	123,096	127,755

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

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

12 Other

	Unrestricted funds	Total
	\$	\$
	2021	2020
Net loss on disposal of tangible fixed assets	4,880	-
	<u>4,880</u>	<u>-</u>

13 Tangible fixed assets

	Freehold land and buildings - buildings	Fixtures, fittings and equipment - fixtures and fittings	Total
	\$	\$	\$
Cost or valuation			
At 1 January 2021	17,880,135	283,614	18,163,749
Additions	1,296,095	-	1,296,095
Disposals	(2,640,023)	(283,614)	(2,923,637)
Revaluation	(7,376,959)	-	(7,376,959)
At 31 December 2021	<u>9,159,248</u>	<u>-</u>	<u>9,159,248</u>
Depreciation and impairment			
At 1 January 2021	68,625	278,734	347,359
Depreciation charged in the year	41,042	-	41,042
Eliminated in respect of disposals	(57,150)	(278,734)	(335,884)
At 31 December 2021	<u>52,517</u>	<u>-</u>	<u>52,517</u>
Carrying amount			
At 31 December 2021	<u>9,106,731</u>	<u>-</u>	<u>9,106,731</u>
At 31 December 2020	<u>17,811,510</u>	<u>4,880</u>	<u>17,816,390</u>

Land and buildings were revalued at 31 December 2021 by Colliers International Valuation UK LLP, independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 December 2021, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately \$1,257,522 (2020 - \$3,402,107).

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

14	Financial instruments	2021	2020
		\$	\$
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	396,338	64,898
		<u></u>	<u></u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	741,589	1,064,138
		<u></u>	<u></u>
15	Debtors	2021	2020
		\$	\$
	Amounts falling due within one year:		
	Trade debtors	6,913	38,333
	Amounts owed by participating interests	52,139	25,329
	Other debtors	168,643	1,236
	Prepayments and accrued income	32,433	37,962
		<u></u>	<u></u>
		260,128	102,860
		<u></u>	<u></u>
	Amounts falling due after more than one year:	2021	2020
		\$	\$
	Other debtors	168,643	-
		<u></u>	<u></u>
	Total debtors	428,771	102,860
		<u></u>	<u></u>
16	Creditors: amounts falling due within one year	2021	2020
		\$	\$
	Other taxation and social security	57,097	122,828
	Trade creditors	392,050	62,910
	Amounts owed to fellow group undertakings	213,810	191,975
	Other creditors	45,280	629,435
	Accruals and deferred income	90,449	179,818
		<u></u>	<u></u>
		798,686	1,186,966
		<u></u>	<u></u>

17 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was \$831 (2020 - \$5,136).

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

17 Retirement benefit schemes

(Continued)

Defined benefit schemes

World Ort Trust operate a defined benefit scheme known as the ORT Retirement Benefit Plan which is administered by a third party. The scheme was established on 14 February 1974 and was closed to new members with effect from 1 November 1999. The assets of the scheme are held separately to those of the Charity.

In the current accounting year there were no active members. The valuation used has been based on the most recent actuarial valuation at 1 January 2018 and was updated by the actuary, ISIO Group Limited, to take account of the requirements of FRS102 in order to assess the liabilities of the scheme at December 2020 and December 2021. Scheme assets are stated as their Market value at the respective balance sheet dates and overall expected rates of return are established by applying published brokers' forecasts to each category of scheme assets.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages).

Key assumptions

	2021	2020
	%	%
Discount rate	1.8	1.3
Expected rate of salary increases	0	0
Inflation assumption	3.25	2.90
CPI pension escalation	2.75	2.40
Allowance for commutation for cash at retirement	10	10
	<u> </u>	<u> </u>

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2021	2020
	Years	Years
Retiring today		
- Males	21.6	22.5
- Females	24.1	24.8
	<u> </u>	<u> </u>
Retiring in 20 years		
- Males	22.9	24.1
- Females	25.5	26.5
	<u> </u>	<u> </u>

Amounts recognised in the Statement of Financial Activities

	2021	2020
	\$	\$
Current service cost	-	1,365
Net interest on defined benefit liability/(asset)	9,627	13,650
Other costs and income	19,254	4,095
	<u> </u>	<u> </u>
Total costs	28,881	19,110
	<u> </u>	<u> </u>

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

17 Retirement benefit schemes

(Continued)

Amounts taken to other comprehensive income:

	2021	2020
	\$	\$
Actual return on scheme assets	55,012	(176,085)
Less: calculated interest element	23,380	28,665
	<u>78,392</u>	<u>(204,750)</u>
Return on scheme assets excluding interest income	(357,578)	352,170
Actuarial changes related to obligations	40,296	-
Exchange differences	<u>(238,890)</u>	<u>147,420</u>

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2021	2020
	\$	\$
Present value of defined benefit obligations	2,124,833	2,357,000
Fair value of plan assets	(1,732,244)	(1,632,000)
	<u>392,589</u>	<u>725,000</u>

Movements in the present value of defined benefit obligations:

	2021
	\$
Liabilities at 1 January 2021	2,357,000
Benefits paid	(22,005)
Actuarial gains and losses	(357,578)
Interest cost	33,007
Exchange differences	114,409
	<u>2,124,833</u>
At 31 December 2021	<u>2,124,833</u>

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

17 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

	2021
	\$
Fair value of assets at 1 January 2021	1,632,000
Interest income	23,380
Return on plan assets (excluding amounts included in net interest)	(78,392)
Benefits paid	(22,005)
Contributions by the employer	122,402
Exchange differences	74,113
Other	(19,254)
	<u>1,732,244</u>
At 31 December 2021	<u>1,732,244</u>

The fair value of plan assets at the reporting period end was as follows:

	2021	2020
	\$	\$
Aviva - Deferred Allocation Funding With-Profits policy	1,462,424	708,275
Cash and Cash equivalents	12,142	574,103
Aviva - Value for Guaranteed Annuity Options	257,678	349,622
	<u>1,732,244</u>	<u>1,632,000</u>

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	\$	\$	\$	\$	\$	\$
Restricted funds	317,365	(317,165)	200	120,983	(120,983)	200

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

19 Unrestricted funds

The income funds of the charity include unrestricted funds:

	Movement in funds			Movement in funds					
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$
General unrestricted funds	3,197,297	807,485	(512,137)	2,796,301	9,765,574	(389,872)	-	-	12,172,003
Revaluation reserve	14,148,430	-	-	14,148,430	-	-	(8,907,829)	1,530,870	6,771,471
	<u>17,345,727</u>	<u>807,485</u>	<u>(512,137)</u>	<u>16,944,731</u>	<u>9,765,574</u>	<u>(389,872)</u>	<u>(8,907,829)</u>	<u>1,530,870</u>	<u>18,943,474</u>

Revaluation reserve of \$8,907,829 was transferred upon part disposal of the freehold land and building. The remaining part of the land and building was revalued upward by \$1,530,870.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

20 Analysis of net assets between funds

	Unrestricted funds 2021 \$	Restricted funds 2021 \$	Total 2021 \$	Unrestricted funds 2020 \$	Restricted funds 2020 \$	Total 2020 \$
Fund balances at 31 December 2021 are represented by:						
Tangible assets	9,106,731	-	9,106,731	17,816,390	-	17,816,390
Current assets/ (liabilities)	10,229,332	200	10,229,532	(146,459)	-	(146,459)
Provisions and pensions	(392,589)	-	(392,589)	(725,000)	-	(725,000)
	<u>18,943,474</u>	<u>200</u>	<u>18,943,674</u>	<u>16,944,931</u>	<u>-</u>	<u>16,944,931</u>

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 \$	2020 \$
Within one year	<u>26,461</u>	<u>-</u>

The total for operating lease payments recognised as an expense in the year is \$9,624.

22 Related party transactions

The Trustees of the Charity are considered to be key management personnel. Total remuneration in respect of these individuals is given in note 10.

During the year, \$145,000 (2020: \$290,000) was charged to World ORT in relation to rental income from the letting of ORT House. As at 31 December 2021, \$213,810 (2020: \$191,975) was due to World ORT. World Ort Trust is a wholly owned subsidiary of World ORT.

During the year, \$165,746 was paid to Epsilon Real Estate Partners Limited, for project management in relation to the development and refurbishment of New Ort House. As at 31 December 2021 \$7,392 was due to Epsilon Real Estate Partners Limited. A company that is related by virtue of the Trustee Mr R M Hatter also being one of directors and shareholder.

23 Ultimate parent undertaking

The ultimate parent undertaking and controlling party is World ORT which is a charity registered in Switzerland and its registration number is CH-6600148971-1.

The consolidated financial statements of World ORT, which include the results of World ORT Trust, are available to the public on website www.ort.org.

WORLD ORT TRUST
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

24	Cash generated from operations	2021	2020
		\$	\$
	Surplus for the year	9,136,812	442,968
	Adjustments for:		
	Investment income recognised in statement of financial activities	(8,165)	(721)
	Net gain on disposal of tangible fixed assets	(9,043,156)	-
	Depreciation and impairment of tangible fixed assets	41,042	36,899
	Difference between pension charge and cash contributions	(93,521)	(117,779)
	Movements in working capital:		
	(Increase) in debtors	(325,911)	(30,236)
	(Decrease)/increase in creditors	(388,280)	283,858
	Cash (absorbed by)/generated from operations	(681,179)	614,989
25	Analysis of changes in net funds		
	The charity had no debt during the year.		

WORLD ORT TRUST

England & Wales - Charity number 1042541

Accounts

Registered number: 2967916
Charity number: 1042541

WORLD ORT TRUST
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

WORLD ORT TRUST

(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2 - 6
Independent auditor's report on the financial statements	7 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 31

WORLD ORT TRUST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees	Richard Hatter, Trustee Lady Irene Hatter, Trustee
Company registered number	2967916
Charity registered number	1042541
Registered office	ORT House 126 Albert Street London NW1 7NE
Company secretary	Rivka Weston
Senior management team	Acting CFO: Hadas Grumet
Independent auditor	Blick Rothenberg Audit LLP Chartered Accountants 16 Great Queen Street Covent Garden London WC2B 5AH
Bankers	Lloyds Bank PLC 140 Camden High Street London NW1 0NG

WORLD ORT TRUST

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

What we aim to do...

The Charity makes grants to World ORT, a Swiss registered charity and its parent, so that it can carry out education and training projects worldwide.

The Charity performs some curriculum development and project co-ordination in the United Kingdom for World ORT. The Charity lets out space in its London office which is surplus to operational requirements to not-for-profit organisations. The surplus is donated to World ORT.

Charity constitution

The Charity is constituted under a Memorandum of Association dated 14 September 1994 and is a registered charity (number 1042541). The Charity is a charitable company limited by guarantee and registered in England and Wales with company number 2967916.

Charity objects

- (1) to promote the advancement of education and vocational training for the public benefit in particular but not exclusively amongst persons practising or adhering to the Jewish religion.
- (2) to promote the advancement of education for the public benefit concerning Jewish culture, history, traditions, religion and language in particular but not exclusively amongst persons practising or adhering to the Jewish religion.
- (3) to relieve poverty and sickness and to preserve and protect health through the provision of mother and childcare facilities and health education.

The ultimate parent entity is World ORT, a charity registered in Switzerland. World ORT collects funds from other organisations with similar educational objectives to World ORT Trust. Being part of a global organisation benefits the Charity by lowering the cost of delivery to its beneficiaries.

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

Governance

The directors of the charitable company are its Trustees for the purpose of charity law, and throughout this report are collectively referred to as the Trustees.

The Memorandum and Articles of Association states that the number of Trustees shall not be less than three but shall not be subject to any maximum.

Additional or replacement Trustees can be appointed by the existing Trustees. New Trustees are given an induction by other Trustees, an outline of their responsibilities and a list of the information they will receive in order to fulfil those responsibilities.

The methods used to appoint Trustees are mainly utilising the contacts of existing Trustees and, occasionally to advertise in UK Jewish media.

A third party indemnity provision is in force for the benefit of each of the Trustees and the officers. The Charity's other advisers are set out on page 1.

WORLD ORT TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Affiliate Organisations

The charity is linked to ORT UK and World ORT through common aims and objectives. ORT UK is an autonomous charity registered in England and Wales. ORT UK raises funds from a variety of sources. ORT UK's office staff are based in ORT House for which it pays rent to World ORT Trust. World ORT Trust is also a major beneficiary of ORT UK's fundraising.

Trustees of World ORT Trust may also be Trustees of ORT UK. Where this is the case then this is noted on the list of Trustees on page 1. No trustee receives any remuneration for their duties in either organisation.

There is no shared management between the two charities.

Management and organisation

The day-to-day decisions of the Charity are taken by the Chief Financial Officer. These mainly involve the letting, maintenance and security of ORT House. Strategic decisions are taken by the Trustees. These may involve the relationships with the ORT network, maintenance of ORT House and matters in connection with the Defined Benefit Pension Scheme.

The Chief Financial Officer of World ORT Trust is also the Chief Financial Officer of World ORT and does not receive any remuneration for his duties in relation to World ORT Trust.

Each year management prepare a financial plan. The basis of the plan is the outline agreements with grant-making bodies and the pledges already received and estimated income from other sources. The resources to be expended on those activities are budgeted. The Charity then grants funds to World ORT to run the projects in various countries.

Restricted funds: Management transfers these to World ORT according to the instructions from the donor.
Unrestricted funds: Management grants these funds to World ORT in line with the annual plan.

Activities for raising funds: Management agrees with the Trustees the excess space available for renting for other charitable purposes. Individual tenant contracts are authorised by management prior to letting.

The three employees referred to in note 8 are mainly concerned with the letting activity.

Funds raised by World ORT Trust not required for the running of the charity are donated to World ORT. The nature of these grants, whether restricted or unrestricted, is determined by the donors. The proportion of World ORT's revenue donated by World ORT Trust is less than 10%.

The Charity's Trustees have given due consideration to the Charity Commission's guidance on the public benefit requirements under the Charities Act 2011.

The fundraising objectives of the Charity are set out on page 2 and fundraising methods on page 3. The Charity raises donations from certain UK donors in co-operation with, and also from, ORT UK.

Further details of the work of World ORT can be obtained by going to the World ORT website and choosing the option to look at Media and then Reports. The World ORT website is at: <http://www.ort.org>

Social investment

The Charity has a policy of not making social investments either in individuals or in schools.

WORLD ORT TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

During the year the income of the Charity was US\$ 1.3 million (2019 US\$ 1.1 million) of which voluntary giving was US\$ 0.72 million (2019 US\$ 0.43 million).

ORT UK donated US \$ 601,000 (2019 US\$ 337,000). Revenue from trading was US\$ 547,000 (2019 US\$ 672,000).

From this revenue the Charity was able to make charitable grants totalling US\$ 338,000 (2019 US\$ 118,000).

The Charity made a surplus before other recognised gains and losses of US\$ 443,000 in 2020 (2019 US\$ 256,000).

The total expenditure on charitable activities as a proportion of income (excluding activities for generating funds and the defined benefit scheme) was 65.2% (2019 76.7%).

The valuation of the defined benefit pension scheme at 31 December 2020 has a funding deficit of \$725,000. More details are given below, under risks, and in note 18.

The Charity has two types of reserves, restricted and unrestricted.

Restricted reserves comprise revenue and expenditure relating to specific donations made by individuals which are then passed onto World ORT to fulfil programmes. Unrestricted reserves comprise net income generated from letting of the Charity's building and donations made for general charitable purposes.

It is the Trustees' policy to donate the net surplus generated from the letting activity to World ORT to fund its projects worldwide. Unrestricted funds comprise a land and building revaluation reserve of \$14,148,000, a deficit on the pension fund of \$725,000 and unrestricted funds of \$3,522,000.

The Trustees plan to maintain free reserves at a level that ensures that it can meet any shortfall in donations.

The Trustees have unlimited powers of investment. The Trustees have invested in the freehold land and building in London which is part-occupied by the Trust's head office with the remainder let to tenants. The rental stream from tenants covers the overheads on those elements of the building not occupied by World ORT.

All restricted funds received were granted to World ORT in the year. As an illustration, the following were the restricted funds received and granted, with the largest financial support detailed. The activities change from year to year, therefore straight comparatives are not always possible

Activity	Region	2020 US\$	2019 US\$
Israel - Science Journey	Israel	-	26,000
Israel - Network of owned schools	Israel	258,996	7,000
St Petersburg VTC 4 Yesod K	CIS	-	32,000
Hatter Technology seminar	Students worldwide	-	50,000
Others Students worldwide	Students worldwide	-	3000
Latin America programs	Latin America	3,289	-
France development	Western Europe	32,352	-
Wingate Seminar	Students worldwide	22,727	-
		<u>317,365</u>	<u>118,000</u>

WORLD ORT TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

World ORT combines the funds raised in the United Kingdom with funds raised elsewhere in the world. Where possible World ORT involves the local state authorities and also local individuals.

As well as focussing on our ongoing needs in Israel and the countries of the Former Soviet Union our donors have supported us in areas relating to the Covid-19 pandemic. As all our schools across our global network moved to virtual learning we campaigned to support the need to ensure that all students had access to technology for remote learning. Our donors also supported our schools as they faced economic difficulties as many families were unable to pay school fees thus jeopardising the schools' operational costs.

During the year the Charity entered into an agreement to sell part of the freehold property for £8.75 million. The sale was conditional upon the Charity obtaining vacant possession. This was achieved in June 2021 and the sale will be recognised in the financial statements for the year ending 31 December 2021.

The Trustees examine the major risks that the charity faces each financial year when preparing and updating the strategic plan. The major risks identified are (1) Not being able to let the excess space in ORT House, (2) the reliance on ORT UK for a large proportion of the voluntary income and (3) the defined benefit pension scheme.

The risk of not letting space in ORT House is managed by:

- Maintaining the building to a commercially attractive standard.
- Certain areas of the property which are not rented to the tenants are utilised for conferences.
- Dividing the rest of the excess space into smaller units to achieve a diversity of tenants. This will be further mitigated following the redevelopment plans with strong demand for the available space having been received.

	2020	2019
under \$50,000 per annum	11	10
\$51,000 - \$100,000 per annum	0	1
over \$100,000 per annum	1	1
	<u>12</u>	<u>12</u>

ORT UK contributed 87.5% of donations in 2020 and the Trustees expect it to remain a significant donor in 2021.

The risk posed by having a concentration of voluntary income from ORT UK is managed as follows:

- World ORT Trust has direct access to certain UK donors in agreement with ORT UK.
- ORT UK has a diverse fundraising base from major individuals and family trusts to many individual small donors.

The defined benefit pension scheme has a funding deficit of \$725,000. The Trustees intend to settle the deficit from the proceeds of the property sale.

The Trustees closed the scheme to new members in 1999. It had one active member at the end of 2020. The last member is due to retire in 2028.

Fixed assets

World ORT Trust owns the freehold to its head office, ORT House. Movements on fixed assets are set out in note 7 to the financial statements. The Trustees are of the opinion that the market value of freehold land and buildings is at least equal to the value shown in these financial statements. A revaluation of the freehold land and buildings was carried out in 2018 which has resulted in a Revaluation reserve of US\$ 14.14m. The value of the land and buildings as at 31 December 2020 stands at \$17.4m.

WORLD ORT TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees' responsibilities

The Trustees (who are also directors of World ORT Trust for the purposes of company law) 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). Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the profit or loss of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

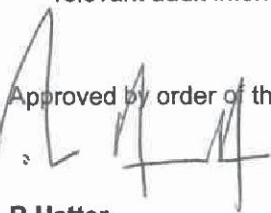
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.



Approved by order of the members of the board of trustees and signed on their behalf by:

R Hatter
Trustee

Date: 13 December 2021

WORLD ORT TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORLD ORT TRUST

Opinion

We have audited the financial statements of World Ort Trust (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 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 requirements of the Charities Act 2011.

Basis for opinion

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

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 charitable company'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.

WORLD ORT TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORLD ORT TRUST (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

WORLD ORT TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORLD ORT TRUST (CONTINUED)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity and property sectors;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental, and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested a sample of journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

WORLD ORT TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORLD ORT TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Blick Rothenberg Audit LLP

Blick Rothenberg Audit LLP

Chartered Accountants
Statutory Auditor
16 Great Queen Street
Covent Garden
London
WC2B 5AH

Date: 13 December 2021

Blick Rothenberg Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

WORLD ORT TRUST

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 \$000	Restricted funds 2020 \$000	Total funds 2020 \$000	Total funds 2019 \$000
Income from:					
Donations and legacies	4	407	317	724	429
Investments		1	-	1	-
Income from letting activity	5	547	-	547	672
Total income		955	317	1,272	1,101
Expenditure on:					
Charitable activities		491	-	491	727
Grants	6	21	317	338	118
Total expenditure		512	317	829	845
Net movement in funds before other recognised gains/(losses)					
		443	-	443	256
Other recognised gains/(losses):					
Actuarial loss on defined benefit pension scheme		(147)	-	(147)	(51)
Net movement in funds		296	-	296	205
Reconciliation of funds:					
Total funds brought forward		16,649	-	16,649	16,444
Net movement in funds		296	-	296	205
Total funds carried forward		16,945	-	16,945	16,649

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

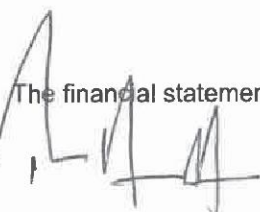
The notes on pages 14 to 31 form part of these financial statements.

WORLD ORT TRUST

(A company limited by guarantee)

BALANCE SHEET FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$000	2019 \$000
Fixed assets			
Tangible assets	10	17,816	17,717
		<u>17,816</u>	<u>17,717</u>
Current assets			
Debtors	11	103	73
Cash at bank and in hand		938	458
		<u>1,041</u>	<u>531</u>
Creditors: amounts falling due within one year	12	(1,187)	(903)
Net current liabilities		<u>(146)</u>	<u>(372)</u>
Total assets less current liabilities		<u>17,670</u>	<u>17,345</u>
Net assets excluding pension liability		<u>17,670</u>	<u>17,345</u>
Defined benefit pension scheme liability	18	(725)	(696)
Total net assets		<u>16,945</u>	<u>16,649</u>
Charity funds			
Restricted funds	13	-	-
Unrestricted funds	13	16,945	16,649
Total funds		<u>16,945</u>	<u>16,649</u>



The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

R Hatter
Trustee

Date:

The notes on pages 14 to 31 form part of these financial statements.

WORLD ORT TRUST

(A company limited by guarantee)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$000	2019 \$000
Cash flows from operating activities			
Net cash used in operating activities	15	616	219
Cash flows from investing activities			
Purchase of tangible fixed assets		(136)	(68)
Net cash used in investing activities		(136)	(68)
Change in cash and cash equivalents in the year		480	151
Cash and cash equivalents at the beginning of the year		458	307
Cash and cash equivalents at the end of the year	16	938	458

The notes on pages 14 to 31 form part of these financial statements

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

The Charity is a company limited by guarantee and is incorporated in England and Wales. The member of the company is World ORT. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The address of the registered office and principal place of business is 126 Albert Street, London, NW1 7NE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

World Ort Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Income

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

Revenue, including donations, is recognised in the period in which World ORT Trust is entitled to receipt and where the revenue can be reliably measured.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Revenue includes rental income, service charges and other recoveries from tenants of the charity's property. Rental income is recognised on an accruals basis in the period in which it is earned, in accordance with the terms of the lease.

Investment income, which is bank interest, is recognised on an accruals basis.

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 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 allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Expenditure is classified under the following activity headings:

- Costs of generating funds comprise the costs associated with letting of the Charity's property.
- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs comprise those costs associated with legal and statutory compliance services.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in Note 7 'Expenditure'.

2.5 Government grants

Government grants are as a result of the covid-19 pandemic. Grants are credited to the statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

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

2.7 Foreign currencies

The functional currency of the Charity is GBP however the presentation currency is the US Dollar, because this is the operating currency of World ORT group.

Foreign currency transactions are translated at the rates ruling at the date of the transaction. Foreign currency monetary assets and liabilities are retranslated at the rates ruling at the balance sheet dates. Any differences are taken to the Statement of Financial Activities.

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 2% per annum on cost
Fixtures and fittings	- 20% per annum on cost

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities

Liabilities and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.12 Financial instruments

The charity has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

The component parts of compound instruments issued by the charity are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. On initial recognition the financial liability component is recorded at its fair value. The fair value of the liability component is estimated using the prevailing market interest rate for a similar instrument without equity features. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised in equity and not subsequently remeasured.

The charity's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, intercompany working capital balances, and intercompany financing are initially recognised at transaction price, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

Financial instruments (continued)

Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

If a transfer does not result in derecognition because the charity has retained significant risks and rewards of ownership of the transferred asset, the charity continues to recognise the transferred asset in its entirety and recognises a financial liability for the consideration received. The asset and liability are not offset. In subsequent periods, the charity recognises any income on the transferred asset and any expense incurred on the financial liability.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.13 Pensions

The charity operates a defined contribution pension scheme. The scheme was started in 2001 and is open to all employees expected to be in the employment of World ORT for a period of at least 3 months. The assets of the scheme are held separately from those of the Charity. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. Differences between contributions payable in the year and contributions actually paid are shown as either prepayments or accruals in the balance sheet.

The charity also operates a defined benefit pension scheme which was established on 14 February 1974 and was closed to new members with effect from 1 November 1999.

Scheme assets are measured at fair value and scheme liabilities are measured on an actuarial basis using the projected unit method and discounted at an interest rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. Full actuarial valuations are obtained at least every three years and are updated at each balance sheet date. The resulting surplus or deficit is presented separately above the total for net assets on the face of the balance sheet.

The amounts charged in resources expended are the current service costs of providing pension benefits to employees for the year and gains and losses on settlements and curtailments. The cost of making improvements to pension benefits is charged to resources expended on a straight-line basis over the period during which the increase in benefits vests. To the extent that the improvement in benefits vests immediately, the cost is recognised immediately.

A charge representing the unwinding of the discount on the scheme liabilities during the year is included in net benefit cost in Note 18. A credit representing the expected return on the scheme assets during the year is also included within net benefit cost. This credit is based on the market value of the scheme assets, and expected rates of return, at the beginning of the year.

Actuarial gains and losses are recognised immediately in the Statement of Financial Activities in other recognised gains and losses

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.14 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 2, the only key estimate made by the Trustees is:

Retirement benefits

Accounting for a defined benefit pension scheme and the value of liabilities is dependent on significant assumptions, including an assessment of the discount rate, price inflation and key demographic figures including life expectancy and mortality rates.

These accounting judgements are inherently complex and require a high level of management judgement and specialist input by an actuary in the calculation of the value of the liabilities.

The key assumptions are detailed in Note 18.

4. Income from donations and legacies

	Unrestricted funds 2020 \$000	Restricted funds 2020 \$000	Total funds 2020 \$000
Donations	369	317	686
Government grants	38	-	38
Total 2020	407	317	724

	Unrestricted funds 2019 \$000	Restricted funds 2019 \$000	Total funds 2019 \$000
Donations	311	118	429

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

5. Other incoming resources

	Unrestricted funds 2020 \$000	Total funds 2020 \$000
Rental income	547	547

	Unrestricted funds 2019 \$000	Total funds 2019 \$000
Rental income	672	672

6. Analysis of expenditure on grants

	Unrestricted funds 2020 \$000	Restricted funds 2020 \$000	Total funds 2020 \$000
Grants	21	317	338

	Restricted funds 2019 \$000	Total funds 2019 \$000
Grants	118	118

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

7. Analysis of other expenditure

	Charitable Activities Unrestricted funds 2020 \$000	Letting Activities Unrestricted funds 2020 \$000	Total funds 2020 \$000
Salaries and related costs	-	103	103
Defined benefit pension scheme net cost	19	-	19
Defined contribution pension scheme costs	5	-	5
Office and travel	12	-	12
Building maintenance	-	239	239
Legal and professional	50	-	50
Governance audit fees	38	-	38
Depreciation	-	37	37
Foreign exchange gain	-	(12)	(12)
Total 2020	124	367	491

	Charitable Activities Unrestricted funds 2019 \$000	Letting Activity Unrestricted funds 2019 \$000	Total funds 2019 \$000
Salaries and related costs	-	111	111
Defined benefit pension scheme net cost	28	2	30
Defined contribution pension scheme costs	10	4	14
Office and travel	19	-	19
Building maintenance	-	363	363
Legal and professional	6	43	49
Governance audit fees	49	-	49
Depreciation	-	34	34
Foreign exchange loss	-	58	58
Total 2019	112	615	727

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. Staff costs

	2020 \$000	2019 \$000
Wages and salaries	95	101
Social security costs	8	10
Defined benefit pension scheme net cost	19	30
Defined contribution pension scheme costs	5	14
	<u>127</u>	<u>155</u>

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

	2020 No.	2019 No.
Administration	1	1
Tenant & building support	2	2
	<u>3</u>	<u>3</u>

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

9. Trustees' remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2019 - \$NIL).

During the year ended 31 December 2020, no trustee expenses have been incurred (2019 - \$NIL).

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

10. Tangible fixed assets

	Freehold property \$000	Fixtures and fittings \$000	Total \$000
Cost or valuation			
At 1 January 2020	17,744	284	18,028
Additions	136	-	136
At 31 December 2020	17,880	284	18,164
Depreciation			
At 1 January 2020	44	267	311
Charge for the year	25	12	37
At 31 December 2020	69	279	348
Net book value			
At 31 December 2020	17,811	5	17,816
At 31 December 2019	17,700	17	17,717

11. Debtors

	2020 \$000	2019 \$000
Due within one year		
Trade debtors	38	33
Amounts owed by participating interests	25	-
Other debtors	1	5
Prepayments and accrued income	39	35
	103	73

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12. Creditors: Amounts falling due within one year

	2020 \$000	2019 \$000
Trade creditors	63	62
Amounts owed to group undertakings	192	237
Amounts owed to other participating interests	-	8
Other taxation and social security	123	135
Other creditors	630	61
Accruals and deferred income	179	400
	<u>1,187</u>	<u>903</u>

13. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 \$000	Income \$000	Expenditure \$000	Gains/ (Losses) \$000	Balance at 31 December 2020 \$000
Unrestricted funds					
Reserves	<u>16,649</u>	<u>955</u>	<u>(512)</u>	<u>(147)</u>	<u>16,945</u>
Restricted funds					
Restricted fund	<u>-</u>	<u>317</u>	<u>(317)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>16,649</u>	<u>1,272</u>	<u>(829)</u>	<u>(147)</u>	<u>16,945</u>

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2019 \$000	Income \$000	Expenditure \$000	Gains/ (Losses) \$000	Balance at 31 December 2019 \$000
Unrestricted funds					
Reserves	16,444	983	(727)	(51)	16,649
Restricted funds					
Restricted fund	-	118	(118)	-	-
Total of funds	16,444	1,101	(845)	(51)	16,649

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 \$000	Total funds 2020 \$000
Tangible fixed assets	17,816	17,816
Current assets	1,041	1,041
Creditors due within one year	(1,187)	(1,187)
Provisions for liabilities and charges	(725)	(725)
Total	16,945	16,945

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 \$000	Total funds 2019 \$000
Tangible fixed assets	17,717	17,717
Current assets	531	531
Creditors due within one year	(903)	(903)
Provisions for liabilities and charges	(696)	(696)
Total	16,649	16,649

15. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 \$000	2019 \$000
Net income for the period (as per Statement of Financial Activities)	443	256
Adjustments for:		
Exchange rate adjustment on pensions obligations	-	1
Defined benefit pension scheme (loss)/gain	(118)	(597)
Depreciation	37	32
(Increase)/decrease in debtors	(30)	81
Increase in creditors	284	446
Net cash provided by operating activities	616	219

16. Analysis of cash and cash equivalents

	2020 \$000	2019 \$000
Cash in hand	938	458
Total cash and cash equivalents	938	458

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

17. Analysis of changes in net debt

	At 1 January 2020 \$000	Cash flows \$000	At 31 December 2020 \$000
Cash at bank and in hand	458	480	938
	<u>458</u>	<u>480</u>	<u>938</u>

18. Pension commitments

World ORT Trust operates the following pension plans:

The Defined Contribution Pension Scheme

Employees not in the defined benefit pension scheme are eligible to join the defined contribution pension scheme after three months service. The assets of the scheme are held separately from those of World ORT Trust in an independently administered fund. World ORT Trust contributes up to 5%.

The Defined Benefit Pension Scheme

World ORT Trust operates a defined benefit scheme known as the ORT Retirement Benefit Plan which is administered by a third party. The scheme closed to new entrants in 1999. The assets of the scheme are held separately to those of the charity.

In the next accounting year World ORT Trust will have no active members. The Valuation used has been based on the most recent actuarial valuation at 1 January 2018 and was updated by the actuary, Aviva, to take account of the requirements of FRS102 in order to assess the liabilities of the scheme at December 2020. Scheme assets are stated at their market value at the respective balance sheet dates and overall expected rates of return are established by applying published brokers' forecasts to each category of scheme assets.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	At 31 December 2020 %	At 31 December 2019 %
Discount rate	1.3	2.0
Future salary increases	1.0	1.0
Inflation assumption	2.90	2.95
CPI pension escalation	2.40	1.95
Allowance for commutation for cash at retirement	1.95	1.95

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18. Pension commitments (continued)

	At 31 December 2020 Years	At 31 December 2019 Years
Mortality rates (in years)		
- for a male aged 65 now	22.5	22.4
- at 65 for a male aged 45 now	24.1	24.0

The charity's share of the assets in the scheme was:

	At 31 December 2020 \$000	At 31 December 2019 \$000
Aviva - Deferred Allocation Funding With-Profits policy	549	401
Aviva - Value for Guaranteed Annuity Options	271	460
Cash and other liquid assets	445	445
Total fair value of assets	1,265	1,306

The actual return on scheme assets was \$[enter amount] (2019 - \$[enter amount]).

The amounts recognised in the Statement of financial activities are as follows:

	2020 \$000	2019 \$000
Current service cost	(1)	(6)
Interest cost	(14)	(46)
Administrative expenses	(4)	-
Expected return on plan assets	-	14
Total amount recognised in the Statement of financial activities	(19)	(38)

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2020 \$000
Opening defined benefit obligation	(1,983)
Current service cost	(1)
Interest cost on benefit obligation	(40)
Actuarial gains and losses	(333)
Closing defined benefit obligation	(2,357)

Movements in the fair value of the charity's share of scheme assets were as follows:

	2020 \$000
Opening fair value of scheme assets	1,298
Interest income	27
Expected return on plan assets	194
Contributions by employer	117
Administration fee paid from scheme assets	(4)
Closing fair value of scheme assets	1,632

19. Related party transactions

The Charity has taken advantage of the exemption contained in FRS102 Section 33 "Related Party disclosures" from disclosing transactions with the entities which are a wholly owned part of the group.

The Trustees of the Charity are considered to be key management personnel. Total remuneration in respect of these individuals is given in note 3.

There were no transactions with related parties during 2020.

20. Post balance sheet events

During the year the Charity entered into an agreement to sell that part of the freehold property not occupied by it or World Ort for £8.75 million. The sale is conditional upon the Charity obtaining vacant possession. This was achieved in June 2021 and the sale will be recognised in the financial statements for the year ending 31 December 2021.

WORLD ORT TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

21. Ultimate parent undertaking

The ultimate parent undertaking and controlling party is World ORT which is a charity registered in Switzerland and its registration number is CH-6600148971-1.

The consolidated financial statements of World ORT, which include the results of World ORT Trust, are available to the public on website www.ort.org.