

**Charity number: 1073371**

**The Quitak Foundation**  
**Trustees' report and financial statements**  
**for the year ended 5 April 2022**

# **The Quitak Foundation**

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## **The Quitak Foundation**

### **Legal and administrative information**

<b>Charity number</b>	1073371
<b>Business address</b>	19 Windsor Avenue, Edgware, HA8 8SR
<b>Registered office</b>	Northside House, Mount Pleasant, Barnet, Herts EN4 9EE
<b>Trustees</b>	Alex Portnoy JP FCCA Gary Quitak James A.C. Meston Cert PFS MIFP Ruth Portnoy Michelle Ginno
<b>Auditors</b>	Davis Bonley Chartered Certified Accountants Northside House, Mount Pleasant, Barnet, Herts. EN4 9EE
<b>Bankers</b>	TSB Bank Plc PO Box 373, Leeds, LS14 9GQ
<b>Investment Advisors</b>	JPM Asset Management 400 Thames Valley Park Drive, Thames Valley Park, Reading, RG6 1PT
<b>Solicitors</b>	Parkes Wilshire Johnson 59 Church Hill Road, East Barnet,, EN4 8SY

## **The Quitak Foundation**

### **Report of the trustees for the year ended 5 April 2022**

The trustees present their report and the financial statements for the year ended 5 April 2022. The trustees who served during the year and up to the date of this report are set out on page 1.

It is with great regret that the death of Mrs Marguerite Quitak, the remaining Settlor, on 28th August 2021, is reported.

#### **Structure, governance and management**

The Trust is a registered charity established under a Deed dated 17th December 1997, subsequently amended by a Deed of variation dated 23rd December 1998. The Trust was established by gifts from Mr & Mrs Edgar Quitak. Further assets were received by the Trust from the Estates of the late Mr & Mrs Quitak. The Trust does not actively fundraise and seeks to continue the charitable work desired by the Settlers through careful stewardship of existing resources.

Under the terms of the Trust Deed there may not be more than five Trustees. The appointment of new Trustees is now vested with the continuing Trustees.

The Trustees carry out all the management functions with the assistance of professional advisors, where necessary. The Trustees have power under the terms of the Trust Deed to make any investment they see fit.

#### **Objectives and activities**

The Trust was established by the late Mr & Mrs Simon Quitak to provide, inter alia, funds for the advancement of:

- a) Jewish education*
- b) medical research*
- c) medical support services*
- d) welfare, sport and social and cultural activities*

##### *Public benefit*

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities and setting the Grant making policy.

The Trust furthers its charitable purposes for the public benefit through its Grant making policy which aims to fund the advancement of Jewish education, medical research (including ancillary support services) welfare, social and cultural activities by providing support to organisations and projects which further these goals.

The beneficiaries of the Grant making policy are ultimately (a) the students who receive scholarships (b) the general public who benefit from the work of the medical establishments that are supported by the Trust and (c) the people who benefit from the activities of the students supported by the Trust, once they take up work positions in the community, having completed their education (d) The students attending the establishments supported by the Trust. (e) The people who receive the welfare, social and cultural support provided by the organisations to whom the Trust makes Grants.

##### *Risks*

The Trustees consider that there are no major risks to which the Charity is exposed.

#### **Achievements and performance**

The Trustees may in their absolute discretion distribute the Trust's funds for such charitable purposes as they so determine.

The Trustees make grants to organisations that fall within the main objectives established by the settlors. They are constantly looking for new major projects to support.

## **The Quitak Foundation**

### **Report of the trustees for the year ended 5 April 2022**

The Trust has been supporting the Forgotten People Fund which assists the Ethiopian Jewish minority group living in Israel to finish their studies achieving professional qualifications. All students using the programme are regularly monitored by the FPF who report back to the Trustees. The success of this project is measured by the fact that most students receive a higher education and most complete their training and go on to successfully work in the community.

The Trust has also supported 'Out for Change' [an organisation that assists people from the very religious Jewish communities improve their educational outcome], World ORT, Magen David Adom and various other medical organisations in the UK, France and Israel. Additionally, the Trust has been active in sending funds to the Ukraine through the auspices of Tikva UK to provide medical equipment and services in the war torn country.

The Trustees have two major projects under review which it is hoped will come to fruition in the summer of 2022. These relate to two separate schools, one in Odessa and the other in Israel. The Odessa project is currently on hold whilst the conflict in that part of the world continues. The Trustees will reconsider making Grants through the auspices of Tikva UK when the position in the Ukraine has stabilised. The Trustees concluded an Agreement in June 2022 to provide funds to Hand in Hand Center for Jewish-Arab Education in Israel for the creation of recreation facilities at the Bridge over the Wadi School in Kfar Qara. It is hoped that these new facilities will attract more children, both Arab and Jewish, to attend the school. The Trustees have committed to a Grant of 603,338 Israeli Shekel.

### **Financial review**

The Trustees have, with the guidance of their investment advisors, placed the Trust's assets into investments to provide an income stream to fund grants and administration costs.

The reporting period was mixed for investments. A year of huge contrast. The spectre of inflation had loomed over markets and investments for the year. As countries and economies opened up after pandemic restrictions eased a number of issues came to the fore. There were huge supply chain constraints, leading to massive hikes in shipping costs. Fuel costs surged and costs of goods and services started to rise as labour markets were very tight.

Despite this, markets reached new highs towards the end of 2021 although in hindsight there were signs of what might have been a "wobble" ahead. However, on the 24th February 2022 the Russian invasion of Ukraine, changed the global landscape for the foreseeable future and injected a huge amount of volatility into the market as all asset classes bar commodities and natural resources were on the end of severe markdowns in price.

Initial thoughts that the conflict might be short lived saw asset prices recover some poise in March towards the end of the financial year, but this was a false dawn. Global energy supplies were, and remain, tight. Oil surged to prices not seen for decades and natural gas prices rose by over 1000%. The area of the conflict being one of the most important agricultural regions in the world has meant there has been and will continue to be enormous pressure on food harvests, availability and prices.

All of this eroded what had been a promising first 8 months of the year to set the invested assets back in terms of their end of 2021 values. Even the supposed safe havens of Gilts and government bonds were heavily affected by the inflationary prospects and also impending rise in interest rates. While the yield on bonds improved this was more than offset by the loss in capital value as the global bond market had its worst year since the 1980s.

## **The Quitak Foundation**

### **Report of the trustees for the year ended 5 April 2022**

The "income yield/return" this year is in the order of 1.4%. This, in the low interest rate environment that prevailed over the period in question is an acceptable yield.

In the year the portfolio received an additional £1,250,000 from the estate of the Late Marguerite Quitak. The withdrawals from the investment totalled £50,000. The net loss on the investment was £43,779.

After last year's return of 6.7%, the portfolio return for the year was -2.14%.

In the light of inflationary pressures and movements of interest rates upwards, pure income generation will be more easily achieved however this will be against a backdrop of continuing volatility. There is a large amount of cash still held as to invest new money at the current time would be perilous in the light of volatility. Decisions will be made about the deployment of further capital in the light of emerging economic data. The funding base will allow the grants and commitments of the Foundation to continue without affecting the level of the initial endowment made, and we have seen that some of the fund alterations and investment decisions made have had an improved effect into the new financial year.

The Trustees hold, in immediate accessible form, sufficient funds to cover one year's administrative costs, the amount of grants already committed for the future twelve months, plus a contingency fund equal to the prior six months expenditure.

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

The Trustees continue to seek new projects and welcome applications from organisations that provide services that fall within the Trust's objectives.

#### **Statement as to disclosure of information to auditors**

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **Statement of trustees' responsibilities**

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

## **The Quitak Foundation**

### **Report of the trustees for the year ended 5 April 2022**

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2011. 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.

On behalf of the board      on 22nd August 2022

Alex Portnoy JP FCCA

James A.C. Meston Cert PFS MIFP

## **The Quitak Foundation**

### **Independent auditor's report to the trustees of The Quitak Foundation**

We have audited the financial statements of The Quitak Foundation for the year ended 5 April 2022 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the trustees and auditors**

As explained more fully in the trustees Responsibilities Statement set out on pages 2 - 5, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 2011. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if the charity's financial statements are not in agreement with these accounting records or if we have not received all of the information and explanations we require for our audit.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2022, 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 applicable to Smaller Entities;
- have been prepared in accordance with the requirements of the Charities Act 2011.



## **The Quitak Foundation**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report<sup>4</sup> is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

**Andrew Davis FCA (Senior Statutory Auditor)**

**For and on behalf of Davis Bonley  
Chartered Certified Accountants and  
Registered Auditors  
20 December 2022**

**Northside House,  
Mount Pleasant,  
Barnet, Herts.  
EN4 9EE**

# The Quitak Foundation

## Statement of financial activities

For the year ended 5 April 2022

	Notes	Unrestricted funds £	2022 Total £	2021 Total £
<b>Incoming resources</b>				
Incoming resources from generating funds:				
Voluntary income	2	1,950,000	1,950,000	-
Investment income	3	19,590	19,590	32,685
Other incoming resources	4	91	91	-
<b>Total incoming resources</b>		<u>1,969,681</u>	<u>1,969,681</u>	<u>32,685</u>
<b>Resources expended</b>				
Charitable activities	5	83,925	83,925	53,830
Governance costs	6	16,153	16,153	13,328
<b>Total resources expended</b>		<u>100,078</u>	<u>100,078</u>	<u>67,158</u>
<b>Net incoming/(outgoing) resources for the year</b>		1,869,603	1,869,603	(34,473)
Realised gains on disposal of investment assets		-	-	35,721
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		1,869,603	1,869,603	1,248
<b>Other recognised gains and losses</b>		(62,910)	(62,910)	259,152
Unrealised Gains/(Losses) on investment assets				
<b>Net movement in funds</b>		<u>1,806,693</u>	<u>1,806,693</u>	<u>260,400</u>
Total funds brought forward		1,736,152	1,736,152	1,475,752
<b>Total funds carried forward</b>		<u>3,542,845</u>	<u>3,542,845</u>	<u>1,736,152</u>

The notes on pages 10 to 14 form an integral part of these financial statements.  
All funds are unrestricted

## The Quitak Foundation

### Balance sheet as at 5 April 2022

	Notes	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Investments	8		2,987,749		1,700,525
<b>Current assets</b>					
Debtors	9	100,000		-	
Cash at bank and in hand		456,296		36,527	
		<u>556,296</u>		<u>36,527</u>	
<b>Creditors: amounts falling due within one year</b>	10	(1,200)		(900)	
<b>Net current assets</b>			<u>555,096</u>		<u>35,627</u>
<b>Net assets</b>			<u>3,542,845</u>		<u>1,736,152</u>
<b>Funds</b>	11				
Unrestricted income funds:					
Unrestricted income funds			3,485,330		1,615,728
Unrealised investment gains/(losses)			57,515		120,424
Total unrestricted income funds			<u>3,542,845</u>		<u>1,736,152</u>
<b>Total funds</b>			<u>3,542,845</u>		<u>1,736,152</u>

The financial statements were approved by the trustees on 22 August 2022 and signed on its behalf by

**Alex Portnoy JP FCCA**  
Trustee

**James A.C. Meston Cert PFS MIFP**  
Trustee

The notes on pages 10 to 14 form an integral part of these financial statements.  
All funds are unrestricted

# **The Quitak Foundation**

## **Notes to financial statements for the year ended 5 April 2022**

### **1. Accounting policies**

#### **1.1. Basis of preparation and assessment of going concern**

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s). The financial statements have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their Accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015, and the Charities Act 2011.

- 1.2.** The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

#### **1.3. Fund structure**

All the Trust's funds are unrestricted which the Trustees are free to use for any purpose in furtherance of the charitable objects.

#### **1.4. Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income, where received, is by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities, where received, are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Income from investments is included in the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

#### **1.5. Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

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.

#### **1.6. Investments**

Investments held as fixed assets are revalued at achievable market price at the balance sheet date and the gain or loss taken to the statement of financial activities.

## The Quitak Foundation

### Notes to financial statements for the year ended 5 April 2022

#### 2. Voluntary income

	Unrestricted funds £	2022 Total £	2021 Total £
Legacies	1,950,000	1,950,000	-
	<u>1,950,000</u>	<u>1,950,000</u>	<u>-</u>

The above represents a legacy from the Estate of the late Mrs Marguerite Quitak

#### 3. Investment income

	Unrestricted funds £	2022 Total £	2021 Total £
Income from UK listed investments	19,590	19,590	32,686
	<u>19,590</u>	<u>19,590</u>	<u>32,686</u>

#### 4. Other incoming resources

	Unrestricted funds £	2022 Total £	2021 Total £
Other income	91	91	-
	<u>91</u>	<u>91</u>	<u>-</u>

#### 5. Costs of charitable activities - by activity

	Grant funding activities £	2022 Total £	2021 Total £
Grants made to organisations for educational and medical activities, including ancillary services.	83,925	83,925	53,830
	<u>83,925</u>	<u>83,925</u>	<u>53,830</u>

The Charity does not make Grants directly to individuals.

## The Quitak Foundation

### Notes to financial statements for the year ended 5 April 2022

#### 6. Governance costs

	Unrestricted funds £	2022 Total £	2021 Total £
Investment platform fees	2,945	2,945	3,523
Investment manager's fees	7,458	7,458	6,405
Professional fees	4,000	4,000	2,500
Legal Fees	550	550	-
Audit fee	1,200	1,200	-
Independent examiner's fee	-	-	900
	<u>16,153</u>	<u>16,153</u>	<u>13,328</u>

In addition to the investment fees set out above there are also costs associated with the investments that have always been reflected in the quoted unit prices and therefore ultimately in the fund value. In recent years, the Financial Conduct Authority has required, in the interests of transparency, that these costs be shown on an annual basis so that investors can make comparisons. The Fund Advisors have aggregated these implicit costs within the holdings and calculated them as below.

For the current holdings the implicit costs reported as a percentage are

Slater Growth - 0.76%

Baillie Gifford Sterling Bond - 0.52%

Artemis Global Select - 0.89%

Baillie Gifford Positive Change - 0.53%

Fundsmith Equity - 0.94%

Polar Capital Global Technology - 1.12%

Rathbones Global Opportunities - 0.77%

Royal London Sustainable World - 0.77%

Vanuard Lifestrategy "60" - 0.22%

The Fund Advisors have aggregated these implicit costs within the holdings and calculated them as below.

For the year to 5 January 2022 Standard Life reported costs amounting to £7,493.

# The Quitak Foundation

## Notes to financial statements for the year ended 5 April 2022

### 7. Payments to Trustees

Professional fees paid to Trustees	2022 £	2021 £
Investment manager's fees	7,458	6,405
Professional fees	4,000	2,500
	<u>11,458</u>	<u>8,905</u>

The professional fees were paid to Mr A Portnoy and the Investment Manager's fees were paid to JPM Asset Management Limited of which Mr J Meston is a director.

Other than providing the professional services mentioned above the Trustees give freely of their time and expertise without any form of remuneration or benefit.

### Number of employees

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full time equivalents, was as follows:

2022 Number	2021 Number
<u>1</u>	<u>1</u>

### 8. Fixed asset investments

	Listed investments £	Total £
<b>Valuation</b>		
At 6 April 2021	1,700,525	1,700,525
Additions	1,400,000	1,400,000
Disposals	(50,000)	(50,000)
Revaluations	(62,776)	(62,776)
At 5 April 2022	<u>2,987,749</u>	<u>2,987,749</u>
Historical cost as at 5 April 2022	<u>2,930,233</u>	<u>2,930,233</u>

All fixed asset investments are held within United Kingdom Platforms.

# The Quitak Foundation

## Notes to financial statements for the year ended 5 April 2022

### 9. Debtors

	2022 £	2021 £
Legacy money unpaid at year end	<u>100,000</u>	<u>-</u>

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

	2022 £	2021 £
Accruals and deferred income	<u>1,200</u>	<u>900</u>

### 11. Analysis of net assets between funds

	Unrestricted funds £	Total funds £
Fund balances at 5 April 2022 as represented by:		
Investment assets	2,987,749	2,987,749
Current assets	556,296	556,296
Current liabilities	(1,200)	(1,200)
	<u>3,542,845</u>	<u>3,542,845</u>

### 12. Unrestricted funds

	At 6 April 2021 £	Incoming resources £	Outgoing resources £	Gains and losses £	At 5 April 2022 £
General unrestricted income fund	1,615,727	1,969,681	100,078	-	3,485,330
Revaluation reserve	120,425	-	-	(62,910)	57,515
	<u>1,736,152</u>	<u>1,969,681</u>	<u>100,078</u>	<u>(62,910)</u>	<u>3,542,845</u>