

COMPANY REGISTRATION NUMBER: 03812319

CHARITY REGISTRATION NUMBER: 1081386

Starlow Charities Limited
Company Limited by Guarantee
Financial Statements
31 July 2022

COHEN ARNOLD
Chartered accountants & statutory auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

Starlow Charities Limited
Company Limited by Guarantee
Financial Statements
Year ended 31 July 2022

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Starlow Charities Limited
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 July 2022

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 July 2022.

Reference and administrative details

Registered charity name	Starlow Charities Limited
Charity registration number	1081386
Company registration number	03812319
Principal office and registered office	New Burlington House 1075 Finchley Road London NW11 0PU
The trustees	Mr A Shwarts Mrs E Low Mr A Low
Auditor	Cohen Arnold Chartered accountants & statutory auditor New Burlington House 1075 Finchley Road LONDON NW11 0PU
Bankers	Barclays Bank Plc Leicester LE87 2BB

Structure, governance and management

Governing Document

Starlow Charities Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 15th July 1999.

Appointment, Training and Recruitment of Trustees

Membership shall be open to anyone the Trustees, by a majority vote, agree will further the aims and objectives of the Charity.

It is not currently the intention of the trustees of the Charity to appoint new trustees. Should the situation change in the future, the trustees will apply suitable recruitment and training procedures.

Starlow Charities Limited
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 July 2022

Structure, governance and management *(continued)*

The number of Members of the Company shall be unlimited and the Trustees may from time to time determine such classes of membership as they shall see fit providing that the classification of such membership is designed to further the aims and objects of the Charity.

Employee and Trustee Remuneration

The charity has no staff other than the 5 trustees (2021: 5) all of whom give freely of their time and expertise without any form of remuneration or other benefit in cash or kind.

The charity did not meet any expenses (2021: £nil) incurred by the trustees for services provided to the charity.

Risk Management

The trustees have identified and reviewed the major risks to which the charity is exposed, in particular those related to the operations and finance of the charity, and are satisfied that systems are in place to mitigate those risks.

Financial risk management and policies

The charity holds or issues financial instruments in order to achieve three main objectives being:

- a) to finance its operations
- b) to manage its exposure to interest and currency risks arising from operations and from its sources of finance; and
- c) to generate funds.

In addition various financial instruments (e.g. debtors, creditors, prepayments and accruals) arise directly from the charity's operations.

Credit risk

The charity monitors credit risk closely and considers that its current policies of credit risk checks meets its objectives of managing exposure to credit risk.

The charity has no significant concentrations of credit risk. Amounts shown in the balance sheet represent the maximum anticipated credit risk exposure.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Starlow Charities Limited
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 July 2022

Objectives and activities

The objects of the charity are:

- the relief of poverty amongst persons in conditions of need, hardship and distress in the Orthodox Jewish community.
- the advancement of the Orthodox Jewish religion.
- the advancement of education in accordance with the tenets of the Orthodox Jewish religion.
- to promote any charitable purposes for the benefit of the Orthodox Jewish community.

The trustees have considered the Charity Commission's general guidance on public benefit.

Aims, objectives and activities for public benefit

The aim of the charity is to be self funding from the income from its investment assets, namely the investment properties.

The charity does not engage in fund raising activities, however welcomes donations from other charities and organisations to fund its activities.

The aim of the charity (both short term and long term) is grant making in order to meet its primary objectives as set out above. The charity makes grants to other charities and success is measured by the grants it makes in a year and utilising past reserves in lean times.

Public Benefit

The trustees confirm that they have referred to the guidelines contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policies for the year and complied with its duty to have due regard to the commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

The grant making policy of the charity as stated below helps the charity to fulfill its duty to act for the public benefit in accordance with section 4 of the Charities Act 2011.

Grant making policy

This charity was established to support the activities of Jewish religious organisations, especially in the field of education and to provide philanthropic aid to the needy. Grants are made to charitable institutions and organisations which conform to the objects of the charity after the trustees have satisfied themselves as to the bona fides of the recipients. Donations are made to organisations providing a sound religious education in accordance with doctrines and principles of traditional Judaism and to institutions set up to provide aid to the needy, with a view to achieving the objects of the charity.

In doing so, the charity has complied with its duty to act for the public benefit in accordance with section 4 of The Charities Act 2011.

Starlow Charities Limited regularly supports charitable organisations and institutions both in respect of revenue and capital projects.

Starlow Charities Limited
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 July 2022

Achievements and performance

The main areas of charitable activity are the provision of financial support to Jewish organisations engaging in education, advancement of religion in accordance with the Jewish faith and to give philanthropic aid to the needy. This year Starlow Charities Limited distributed donations of £1.4m (2021: £1.1m).

Financial review

The charity is dependent its investment activities as well as on grants and donations received from other charities and organisations. The rental income that arose from the charity's investment properties this year was £547,594 (2021: £505,424) and income from loan interest was £109,925 (2021: £152,688), and after including the small amount of bank interest received of £3 (2021: £5), total investment income for the year amounted to £657,522 (2021 :£658,117). There was also income received in the year from lease extensions totalling £80,846 (2021: £Nil). Besides this, £527,000 (2021: £79,497) were received as donations from other charities and organisations.

Key performance indicators (KPIs)

The Trustees monitor the Charity's performance progress against its strategic objectives and the financial performance of its operations on a regular basis. Performance is assessed against the strategy and expectations using financial and non financial measures. The most significant KPIs used by the charity are as follows:

	2022	2021
	£	£
Grants and donations received	527,000	79,497
Investment income	657,522	658,117
Grant and donations paid	1,453,666	1,069,010
Invetment property at fair value	10,138,274	10,102,362

Investment Powers and Performance

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit provided any moneys are not immediately required for use in connection with any of its objects. The trustees regularly review the charity's position and needs in respect of the investment policy.

Plans for future periods

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory incoming resources.

Fixed Assets

The charity holds investment property in order to generate funds to finance its grant making activities.

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which the trustees think appropriate after considering the future commitments of the charity and the likely administrative costs of the charity for the next year.

At the year end, the charity had £1,921,174 (2021: £2,573,796) of realised free reserves.

Starlow Charities Limited
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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 July 2022

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 24 May 2023 and signed on behalf of the board of trustees by:

DocuSigned by:

7B9C532B583E4FC...
Mr A Low
Trustee

Starlow Charities Limited
Company Limited by Guarantee
Independent Auditor's Report to the Members of Starlow Charities Limited
Year ended 31 July 2022

Opinion

We have audited the financial statements of Starlow Charities Limited (the 'charity') for the year ended 31 July 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 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 charity's affairs as at 31 July 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;
- have been prepared in accordance with the requirements of the Companies Act 2006 and 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 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.

Starlow Charities Limited
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Independent Auditor's Report to the Members of Starlow Charities Limited *(continued)*
Year ended 31 July 2022

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. 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Starlow Charities Limited
Company Limited by Guarantee

Independent Auditor's Report to the Members of Starlow Charities Limited *(continued)*
Year ended 31 July 2022

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 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 charity or to cease operations, or have no realistic alternative but to do so.

Starlow Charities Limited
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Independent Auditor's Report to the Members of Starlow Charities Limited *(continued)*

Year ended 31 July 2022

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:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity through discussion with the trustees and identified financial reporting legislation, landlord legislation and charity legislation as being most significant to these financial statements.
- We communicated these identified frameworks amongst our audit team and remained alert to any indications of non-compliance throughout the audit. We ensured that the engagement team had sufficient competence and capability to identify or recognise non-compliance with laws and regulations.
- We discussed with the trustees the policies and procedures regarding compliance with these legal and regulatory frameworks.
- We assessed the susceptibility of the charity's financial statements to material misstatement due to non-compliance with legal and regulatory frameworks, including how fraud might occur, by enquiry with the trustees during the planning and finalisation stages of our audit and by using proprietary disclosure checklists. The susceptibility to such material misstatement was determined to be low.
- Based on this understanding, we designed our audit procedures to identify non-compliance with the identified legal and regulatory frameworks, which were part of our procedures on the related financial statement items.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Starlow Charities Limited
Company Limited by Guarantee

Independent Auditor's Report to the Members of Starlow Charities Limited *(continued)*
Year ended 31 July 2022

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

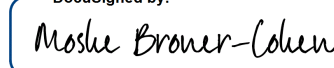
Starlow Charities Limited
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Independent Auditor's Report to the Members of Starlow Charities Limited *(continued)*
Year ended 31 July 2022

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Moshe Broner-Cohen (Senior Statutory Auditor)

24 May 2023
Date

For and on behalf of
Cohen Arnold
Chartered accountants & statutory auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

Starlow Charities Limited
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 July 2022

		2022	2021
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	5	527,000	79,497
Investment income	6	657,522	658,117
Total income		<u>1,184,522</u>	<u>737,614</u>
Expenditure			
Expenditure on raising funds:			
Investment management costs	7	(292,695)	(299,506)
Expenditure on charitable activities	8,9	(1,460,486)	(1,116,922)
Total expenditure		<u>(1,753,181)</u>	<u>(1,416,428)</u>
Net gains on investments	12	80,846	–
Net expenditure and net movement in funds		<u>(487,813)</u>	<u>(678,814)</u>
Reconciliation of funds			
Total funds brought forward		8,173,161	8,851,975
Total funds carried forward		<u>7,685,348</u>	<u>8,173,161</u>

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

Starlow Charities Limited
Company Limited by Guarantee
Statement of Financial Position
31 July 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	15	10,138,274	10,102,362
Current assets			
Debtors	16	2,137,197	2,820,646
Cash at bank and in hand		74,891	55,284
		<u>2,212,088</u>	<u>2,875,930</u>
Creditors: amounts falling due within one year	17	<u>(290,914)</u>	<u>(302,134)</u>
Net current assets		<u>1,921,174</u>	<u>2,573,796</u>
Total assets less current liabilities		12,059,448	12,676,158
Creditors: amounts falling due after more than one year	18	<u>(4,374,100)</u>	<u>(4,502,997)</u>
Net assets		<u>7,685,348</u>	<u>8,173,161</u>
Funds of the charity			
Unrestricted funds		<u>7,685,348</u>	<u>8,173,161</u>
Total charity funds	19	<u>7,685,348</u>	<u>8,173,161</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 24 May 2023, and are signed on behalf of the board by:

Mr A Low
Trustee

Starlow Charities Limited
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 July 2022

	2022 £	2021 £
Cash flows from operating activities		
Net expenditure	(487,813)	(678,814)
<i>Adjustments for:</i>		
Net gains on investments	(80,846)	—
Dividends, interest and rents from investments	(547,594)	(505,424)
Other interest receivable and similar income	(109,928)	(152,693)
Interest payable and similar charges	409	36,922
Accrued (income)/expenses	(13,560)	6,600
<i>Changes in:</i>		
Trade and other debtors	684,375	803,347
Trade and other creditors	10,523	43,526
Cash generated from operations	(544,434)	(446,536)
Interest paid	4,908	(37,312)
Interest received	109,002	152,693
Net cash used in operating activities	<u>(430,524)</u>	<u>(331,155)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	547,594	505,424
Purchase of tangible assets	(35,912)	—
Proceeds from sale of other investments	80,846	—
Net cash from investing activities	<u>592,528</u>	<u>505,424</u>
Cash flows from financing activities		
Proceeds from borrowings	(142,397)	(151,408)
Net cash used in financing activities	<u>(142,397)</u>	<u>(151,408)</u>
Net increase in cash and cash equivalents	19,607	22,861
Cash and cash equivalents at beginning of year	55,284	32,423
Cash and cash equivalents at end of year	<u>74,891</u>	<u>55,284</u>

The notes on pages 15 to 24 form part of these financial statements.

Starlow Charities Limited
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 July 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is New Burlington House, 1075 Finchley Road, London, NW11 0PU.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

Incoming Resources

All donations are recognised in the Statement of Financial Activities (SOFA) of the charity when received. All other income is recognised on a receivable basis.

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Charitable Activities

Charitable activities are only recognised in the accounts when paid.

Governance Costs

Governance costs include the cost of the preparation and audit of the financial statements and the cost of any legal advice to the trustees on governance or constitutional matters.

Fund Accounting

General unrestricted funds comprise the accumulated surplus or deficit on the statement of financial activities. They are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

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

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

Non-charitable commercial funds are funds which have been accumulated in the subsidiaries.

Taxation

The Charity is not liable to direct taxation (Corporation Tax) on its income which falls within the various exemptions available to registered charities. The Charity is not registered for valued added tax (VAT) and is therefore unable to reclaim any input tax it suffers on its purchases. Expenditure in the accounts is therefore shown inclusive of VAT where appropriate.

Starlow Charities Limited
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 July 2022

3. Accounting policies *(continued)*

Going concern

There are no material uncertainties that cast significant doubt on the charity's ability to continue as a going concern.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

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

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

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

Incoming resources

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

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

Starlow Charities Limited
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 July 2022

3. Accounting policies *(continued)*

Resources expended

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

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

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

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Impairment of fixed assets

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

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

Starlow Charities Limited
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Notes to the Financial Statements *(continued)*
Year ended 31 July 2022

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

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

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

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

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

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

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

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

4. Limited by guarantee

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Starlow Charities Limited
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 July 2022

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donations received	<u>527,000</u>	<u>527,000</u>	<u>79,497</u>	<u>79,497</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Income from investment properties	547,594	547,594	505,424	505,424
Bank interest receivable	3	3	5	5
Loan interest receivable	<u>109,925</u>	<u>109,925</u>	<u>152,688</u>	<u>152,688</u>
	<u>657,522</u>	<u>657,522</u>	<u>658,117</u>	<u>658,117</u>

Loan interest receivable during the year was received from companies connected with the trustees or their family members.

7. Investment management costs

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Property repair and maintenance	55,896	55,896	46,696	46,696
Insurance	26,963	26,963	26,922	26,922
Rates, light and heat	7,946	7,946	7,251	7,251
Management, lettings and lease fees	12,418	12,418	27,978	27,978
Cleaning and caretaking	23,474	23,474	20,411	20,411
Legal and professional	6,988	6,988	25,956	25,956
Mortgage interest	<u>159,010</u>	<u>159,010</u>	<u>144,292</u>	<u>144,292</u>
	<u>292,695</u>	<u>292,695</u>	<u>299,506</u>	<u>299,506</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations Paid	1,453,666	1,453,666	1,069,010	1,069,010
Support costs	<u>6,820</u>	<u>6,820</u>	<u>47,912</u>	<u>47,912</u>
	<u>1,460,486</u>	<u>1,460,486</u>	<u>1,116,922</u>	<u>1,116,922</u>

Starlow Charities Limited
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 July 2022

9. Expenditure on charitable activities by activity type

	Grant funding of activities	Support costs	Total funds 2022	Total fund 2021
	£	£	£	£
Donations Paid	1,453,666	—	1,453,666	1,069,010
Governance costs	—	6,820	6,820	47,912
	<u>1,453,666</u>	<u>6,820</u>	<u>1,460,486</u>	<u>1,116,922</u>

10. Analysis of support costs

	Administration costs	Total 2022	Total 2021
	£	£	£
Governance costs	<u>6,820</u>	<u>6,820</u>	<u>192,204</u>

11. Analysis of grants

	2022	2021
	£	£
Grants to institutions		
United Talmudical Associates Ltd	75,700	37,500
Ezer Bekovoid Limited	243,140	154,240
Chevrass Mo'oz Ladol	184,610	219,000
Amud Hatzdokoh Trust	204,050	26,800
Keren Ezra Mimitzika	104,000	132,000
Choimel Dalim	36,000	150
Rookwood Foundation Ltd	100,000	—
Tchabe Kollel Limited	33,100	52,700
Yeitev Lev Eretz Israel Ltd	20,000	38,000
Less than £35,000	453,066	408,620
	<u>1,453,666</u>	<u>1,069,010</u>
Total grants	<u>1,453,666</u>	<u>1,069,010</u>

The charity has during the year made charitable donations to various institutions and individuals and the donations have been made for general charitable purposes.

Analysis of Grants to Institutions:

Advancement of the Jewish Religion	256,867	150,770
Advancement of Education	287,611	214,529
Relief of Poverty	674,654	530,096
Other general charitable purposes	234,534	173,615
Total	<u>1,453,666</u>	<u>1,069,010</u>

Starlow Charities Limited
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Notes to the Financial Statements *(continued)*
Year ended 31 July 2022

12. Net gains on investments

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Gains/(losses) on investment property	<u>80,846</u>	<u>80,846</u>	<u>—</u>	<u>—</u>

13. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	<u>5,520</u>	<u>10,990</u>

14. Trustee remuneration and expenses

The Charity has no staff other than the 5 trustees, all of whom give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2021: £nil).

The charity did not meet any expenses (2021: £nil) incurred by the trustees for services provided to the charity.

15. Tangible fixed assets

	Land and buildings £
Cost	
At 1 August 2021	10,102,362
Additions	35,912
At 31 July 2022	<u>10,138,274</u>
Depreciation	
At 1 August 2021 and 31 July 2022	<u>—</u>
Carrying amount	
At 31 July 2022	<u>10,138,274</u>
At 31 July 2021	<u>10,102,362</u>

16. Debtors

	2022 £	2021 £
Trade debtors	178,600	142,447
Prepayments and accrued income	11,858	11,759
Other debtors	<u>1,946,739</u>	<u>2,666,440</u>
	<u>2,137,197</u>	<u>2,820,646</u>

Starlow Charities Limited
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Notes to the Financial Statements *(continued)*
Year ended 31 July 2022

16. Debtors *(continued)*

The analysis of Other debtors due within one year is as follows:

	2022 £	2021 £
Paldon Investments Limited	—	206,296
Prostar Holdings Ltd	1,939,739	2,453,144
Starlow Holdings Ltd	7,000	7,000
	<u>1,946,739</u>	<u>2,666,440</u>

The above loans were made to companies connected with the trustees or their families and loans are secured against properties of the companies.

Interest on the loan with Paldon Investments Limited was charged at 5% per annum. Trustees, Mr A Low and Mrs E Low, are directors of this company.

Interest on the loan with Prostar Holdings Ltd is charged at 5% per annum and the loan is due for repayment on 12 July 2023. Trustee, Mr A Shwartz, is a director of this company.

Interest on the loan with Starlow Holdings Ltd is charged at 5% per annum and the loan is due for repayment on 31 July 2023. Trustee, Mr A Shwartz, was a former director of this company and a family member of Trustee, Mr A Low, is a current director of this company.

17. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	140,000	153,500
Trade creditors	113,287	102,764
Accruals and deferred income	22,627	30,870
Other creditors	15,000	15,000
	<u>290,914</u>	<u>302,134</u>

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

	2022 £	2021 £
Bank loans and overdrafts	<u>4,374,100</u>	<u>4,502,997</u>

Starlow Charities Limited
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 July 2022

18. Creditors: amounts falling due after more than one year *(continued)*

Loan Maturity Analysis

	2022	2021
	£	£
Due in less than 1 Year	140,000	153,500
Due between 2 to 5 Years	520,000	615,000
Due in more than 5 Years	3,854,100	3,887,997
Total Due	4,514,100	4,656,497
Amount due in less than 1 year	(140,000)	(153,500)
Total due in more than 1 Year	4,374,100	4,502,997

19. Analysis of charitable funds

Unrestricted funds

	At 1 August 2021	Income £	Expenditure £	Gains and losses £	At 31 July 2022
	£	£	£	£	£
General funds	8,082,311	1,184,522	(1,753,181)	80,846	7,594,498
Fair value reserve	90,850	—	—	—	90,850
	<u>8,173,161</u>	<u>1,184,522</u>	<u>(1,753,181)</u>	<u>80,846</u>	<u>7,685,348</u>

	At 1 August 2020	Income £	Expenditure £	Gains and losses £	At 31 July 2021
	£	£	£	£	£
General funds	8,761,125	737,614	(1,416,428)	—	8,082,311
Fair value reserve	90,850	—	—	—	90,850
	<u>8,851,975</u>	<u>737,614</u>	<u>(1,416,428)</u>	<u>—</u>	<u>8,173,161</u>

Starlow Charities Limited
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Notes to the Financial Statements *(continued)*
Year ended 31 July 2022

20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2022 £
Tangible fixed assets	10,138,274	10,138,274
Current assets	2,212,088	2,212,088
Creditors less than 1 year	(290,914)	(290,914)
Creditors greater than 1 year	(4,374,100)	(4,374,100)
Net assets	<u>7,685,348</u>	<u>7,685,348</u>

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	10,102,362	10,102,362
Current assets	2,875,930	2,875,930
Creditors less than 1 year	(302,134)	(302,134)
Creditors greater than 1 year	(4,502,997)	(4,502,997)
Net assets	<u>8,173,161</u>	<u>8,173,161</u>

21. Analysis of changes in net debt

	At 1 Aug 2021 £	Cash flows £	At 31 Jul 2022 £
Cash at bank and in hand	55,284	19,607	74,891
Debt due within one year	(153,500)	13,500	(140,000)
Debt due after one year	(4,502,997)	128,897	(4,374,100)
	<u>(4,601,213)</u>	<u>162,004</u>	<u>(4,439,209)</u>

22. Related parties

Donations received includes amounts aggregating £522,000 (2021: £44,600) from companies connected to Trustees.

Of the £1,453,666 (2021: £1,069,010) of donations and grants made, £13,800 (2021: £7,000) were made to charities which have Trustees who are family members with one of the Trustees in this charity.