

English Holdings Charitable Trust
Financial Statements
31 March 2021

HAFFNER HOFF LTD

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

English Holdings Charitable Trust

Financial Statements

Year ended 31 March 2021

	Page
Trustees' annual report	1
Independent auditor's report to the trustees	7
Consolidated statement of financial activities	12
Statement of financial position	12a
Consolidated statement of financial position	13
Consolidated statement of cash flows	14
Notes to the financial statements	15

English Holdings Charitable Trust

Trustees' Annual Report

Year ended 31 March 2021

The trustees present their report and the financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name English Holdings Charitable Trust

Charity registration number 1085811

Principal office 18 Ainsdale Avenue
Salford
M7 4LS

The trustees

R Halpern
C Lemberger
Y Mantel

Auditor

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

Bankers

The Royal Bank of Scotland Plc
38 Mosley Street
Manchester
M60 2BE

English Holdings Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Structure, governance and management

English Holdings Charitable Trust is constituted under a trust deed dated 20 September 2000. It is a registered charity with a charity number being 1085811.

Recruitment and appointment of new trustees would be in line with the Trust Deed and with the consent of the trustees. The criteria set for the suitable candidate would be someone who is sensitive to the needs and demands of the organisation.

There is no chief executive officer. The day to day affairs are undertaken by Mr M Lobenstein on behalf of the trustees. All major decisions are taken collectively by the trustees and all the trustees give of their time freely. The trustees are unpaid and details of any related party transactions are disclosed as applicable in the notes to the accounts. The arrangements for setting the pay of the charity's employees are the sole domain of the trustees.

There are no policies for the induction or training of new trustees.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to manage our exposure to the major risks.

The risks faced by the trust are principally operational risks from ineffective grant making. These risks are managed by the trustees researching potential beneficiaries before granting donations.

Report back and review procedures strengthen these safeguards to ensure public benefit is achieved from all grants.

English Holdings Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Objectives and activities

The objects of the charity are: (I) to advance education in the Jewish faith in Great Britain and overseas by promoting the training of young men of the Jewish faith to become Rabbis; (II) to promote research in the Jewish faith and in particular Religious Torah education, teaching skills and communications skills and to disseminate to the general public the results of such research; (III) to carry out such charitable purposes as the trustees in their absolute discretion determine in particular the relief of poverty and sickness.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

The charity is funded by donations and investment income. The charity gives out grants in line with the above objects.

There were no grants paid to individuals during the year.

Grants made during the year to institutions are as detailed in the accounts.

The application of the funds is by way of grants to either institutions or individuals and is almost always to institutions.

The trustees consider they have met the public benefit test and outline these achievements below.

The trustees measure the success of achieving the stated aims by the number and value of grants paid out for each object. The grants paid out in the year are detailed in the notes to the accounts and the trustees consider they have met their aims successfully this year.

The trustees consider the shorter term aims to be similar to the longer term aims and assess the achievement of the charity in the same way.

English Holdings Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Achievements and performance

The charity had donations income amounting to £678,399 during the year and consolidated investment income amounting to £876,332.

The charity paid out £619,490 by way of grants and support costs. These grants were made in line with the stated objects of the charity.

With specific reference to the stated objects of the charity the following is a summary of grants and support costs paid out:-

Grants in favour of the Jewish faith or religious Torah education - £361,836;

Grants in favour of relief of poverty - £245,630;

Governance costs - £12,024;

The charity had investment property management costs amounting to £904,721. This expenditure relates to the investment property and includes interest on the loans charged against the property of the charity as well as the managing agents fees that are on arm's length and below normal market rates.

During the year, the subsidiary of the charity sold three of the investment properties that it wholly owned. The decision was taken owing to downward market pressure as a direct result of Coronavirus. The trustees took the view that it was better to accept any reasonable offers thereby ensuring no further losses to the subsidiary and ultimately to the charity. The combined net loss on the sales amounted to £1,099,650.

The charity incurred governance costs comprising professional fees.

All other office costs are borne by the office of the trustees.

Grants over £1,000 made during the year to institutions are as detailed in the accounts.

There were no material fundraising costs during the year.

Related party transactions in the reporting period are as disclosed in the notes to the accounts.

During the year the trustees revalued upwards one of the investment properties owned by the subsidiary. The resulting unrealised gain amounted to £520,000. This was based on the sale price of the property sold post year end.

There was net loss and net movement of funds in the year, including other revaluation gains, amounting to £549,130.

English Holdings Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Financial review

Investment performance

The investments of the charity comprise the results of the subsidiary for the year.

The net position of investment income against investment management costs is a negative £28,389. Included in donations income is £405,120 from the managing agent of the investment properties. When these two figures are combined, the net investment income can be stated as £376,731. This equates to a net 4% return on investments held at the year end.

The trustees consider this acceptable when compared with returns available on deposits in any of the banking institutions. These investment returns have been consistent for a number of years and are not at the expense of any exposure of loan to value covenants that would put these investments at risk. The investment income of the charity

The trustees are delighted to have also made many valuable contributions to the community from the charity itself and hope to be able to do so for many years to come.

The trustees feel that the activity reflects the profile and standing within the local community. The impact for future year's expenditure is self evident and the trustees would like to record their appreciation for all the financial support received from benefactors during the course of the year.

Reserves policy

The Unrestricted fund represents the unrestricted funds arising from past operating results. The current level of reserves is £469,107 being the free reserves of the charity as shown on the balance sheet as net current assets.

The trustees are satisfied that the balance of the fund is an acceptable level of reserves given the nature of revenue receipts against grants payable and will aim in future to have more reserves in hand for any eventuality.

Coronavirus

The charity has not been materially affected by Coronavirus.

Trustees' responsibilities statement

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

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

English Holdings Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

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

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 8 August 2022 and signed on behalf of the board of trustees by:

R Halpern
Trustee

English Holdings Charitable Trust

Independent Auditor's Report to the Trustees

Year ended 31 March 2021

Opinion

We have audited the financial statements of English Holdings Charitable Trust (the 'charity') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, consolidated 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 March 2021 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 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.

English Holdings Charitable Trust

Independent Auditor's Report to the Trustees *(continued)*

Year ended 31 March 2021

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.

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 Charities Act 2011 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
- adequate 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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.

English Holdings Charitable Trust

Independent Auditor's Report to the Trustees *(continued)*

Year ended 31 March 2021

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 identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

the nature of the industry and sector, control environment and business performance;

results of our enquiries of management about their own identification and assessment of the risks of irregularities;

any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to (a) identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance; (b) detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; (c) the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; (d) the matters identified as to how and where fraud might occur in the financial statements and any potential indicators of fraud.

In common with all audits under ISAS (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Corporate Governance Code, UK tax legislation and UK Charity Act.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

As a result of performing the above, we identified no key audit matters relating to the potential risk of fraud.

Our procedures to respond to risks identified included the following:

reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the

English Holdings Charitable Trust

Independent Auditor's Report to the Trustees *(continued)*

Year ended 31 March 2021

financial statements;

enquiring of management concerning actual and potential litigation and claims;

performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of tax provisions; and

in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

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 Report of the Auditors.

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.

English Holdings Charitable Trust

Independent Auditor's Report to the Trustees *(continued)*

Year ended 31 March 2021

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.

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

Haffner Hoff Ltd
Accountants & statutory auditor

8 August 2022

English Holdings Charitable Trust

Consolidated Statement of Financial Activities

Year ended 31 March 2021

		2021	2020
	Note	Unrestricted funds £	Total funds £
Income and endowments			
Donations and legacies	4	678,399	834,690
Investment income	5	876,332	1,348,132
Total income		<u>1,554,731</u>	<u>2,182,822</u>
Expenditure			
Expenditure on raising funds:			
Investment management costs	6	904,721	1,143,070
Expenditure on charitable activities	7,8	619,490	927,863
Total expenditure		<u>1,524,211</u>	<u>2,070,933</u>
Net losses on investments	11	(1,099,650)	(22,183)
Net (expenditure)/income		<u>(1,069,130)</u>	<u>89,706</u>
Other recognised gains and losses			
Gains from revaluation of fixed assets		520,000	593,629
Net movement in funds		<u>(549,130)</u>	<u>683,335</u>
Reconciliation of funds			
Total funds brought forward		683,801	466
Total funds carried forward		<u>134,671</u>	<u>683,801</u>

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

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

English Holdings Charitable Trust

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	16	5,456,849	19,890,000
Current assets			
Debtors	17	0	513,889
Cash at bank and in hand		201	277,097
		<u>201</u>	<u>790,986</u>
Creditors: amounts falling due within one year	18	<u>34,000</u>	<u>238,596</u>
Net current assets		(33,799)	552,390
Total assets less current liabilities		5,423,051	20,442,390
Creditors: amounts falling due after more than one year	19	5,288,379	19,758,589
Net assets		<u>134,671</u>	<u>683,801</u>
Funds of the charity			
Unrestricted funds:			
Revaluation reserve		748,020	593,629
Other unrestricted income funds		(613,349)	90,172
Total unrestricted funds		134,671	683,801
Total charity funds	20	<u>134,671</u>	<u>683,801</u>

These financial statements were approved by the board of trustees and authorised for issue on 8 August 2022, and are signed on behalf of the board by:

R Halpern
Trustee

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

English Holdings Charitable Trust

Consolidated Statement of Financial Position

31 March 2021

	Note	2021 £	£	2020 £
Fixed assets				
Investments	16		8,153,250	19,890,000
Current assets				
Debtors	17	232,125		513,889
Cash at bank and in hand		377,096		277,097
		609,221		790,986
Creditors: amounts falling due within one year	18	140,114		238,596
Net current assets			469,107	552,390
Total assets less current liabilities			8,622,357	20,442,390
Creditors: amounts falling due after more than one year	19		8,487,686	19,758,589
Net assets			134,671	683,801
Funds of the charity				
Unrestricted funds:				
Revaluation reserve		748,020		593,629
Other unrestricted income funds		(613,349)		90,172
Total unrestricted funds		134,671		683,801
Total charity funds	20		134,671	683,801

These financial statements were approved by the board of trustees and authorised for issue on 8 August 2022, and are signed on behalf of the board by:

R Halpern
Trustee

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

English Holdings Charitable Trust

Consolidated Statement of Cash Flows

Year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Net (expenditure)/income	(1,069,130)	89,706
<i>Adjustments for:</i>		
Net losses on investments	1,099,650	22,183
Dividends, interest and rents from investments	(876,332)	(1,348,132)
Accrued expenses	10,020	12,180
<i>Changes in:</i>		
Trade and other debtors	281,764	(511,889)
Trade and other creditors	(3,370,123)	8,824,616
Cash generated from operations	(3,924,151)	7,088,664
Net cash (used in)/from operating activities	(3,924,151)	7,088,664
Cash flows from investing activities		
Dividends, interest and rents from investments	876,332	1,348,132
Purchases of other investments	–	(19,986,371)
Proceeds from sale of other investments	11,157,100	667,817
Net cash from/(used in) investing activities	12,033,432	(17,970,422)
Cash flows from financing activities		
Proceeds from borrowings	(8,009,282)	11,158,589
Net cash (used in)/from financing activities	(8,009,282)	11,158,589
Net increase in cash and cash equivalents	99,999	276,831
Cash and cash equivalents at beginning of year	277,097	266
Cash and cash equivalents at end of year	377,096	277,097

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

English Holdings Charitable Trust

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 18 Ainsdale Avenue, Salford, M7 4LS.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Consolidation

These financial statements consolidate the results of the charity and its 100% owned subsidiary Bextor Estates Ltd, a foreign resident company. The registered office is Suites 41/42, Victoria House, 26 Main Street, Gibraltar. This is in accordance with SORP FRS 102 Section 9. The year end of Bextor Estates Ltd is 31 March 2020.

The trustees have not produced an individual SOFA. The trustees consider the extra notes attached to the SOFA notes to be sufficient disclosure of the individual charity's SOFA.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue. It is therefore appropriate to prepare these accounts on a going concern basis.

Consolidation

The charity is not required to prepare consolidated accounts in accordance with the Charities Act 2011.

Fair value

Debtors and creditors are stated at fair value.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

English Holdings Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds held by the charity are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

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.

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.

English Holdings Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investment property

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

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

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

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.

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.

English Holdings Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	678,399	678,399	834,690	834,690

Donations receivable are wholly attributable to the charity.

5. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bextor Estates Ltd	876,332	876,332	481,291	481,291
English Holdings Ltd	—	—	866,841	866,841
	<u>876,332</u>	<u>876,332</u>	<u>1,348,132</u>	<u>1,348,132</u>

Investment income related only to the subsidiary.

English Holdings Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

6. Investment management costs

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bextor Estates Ltd management expenses	665,077	665,077	268,874	268,874
English Holdings Ltd management expenses	–	–	521,753	521,753
Bextor Estates Ltd interest payable	188,144	188,144	150,272	150,272
English Holdings Ltd interest payable	–	–	202,171	202,171
Other investment management costs type 3	51,500	51,500	–	–
	<u>904,721</u>	<u>904,721</u>	<u>1,143,070</u>	<u>1,143,070</u>

Investment management costs are wholly attributable to the subsidiary.

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Charitable grants	607,466	607,466	915,399	915,399
Support costs	12,024	12,024	12,464	12,464
	<u>619,490</u>	<u>619,490</u>	<u>927,863</u>	<u>927,863</u>

Charitable activities are wholly attributable to the charity.

8. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable grants	607,466	24	607,490	915,684
Governance costs	–	12,000	12,000	12,179
	<u>607,466</u>	<u>12,024</u>	<u>619,490</u>	<u>927,863</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2021 £	Total 2020 £
General office	24	24	285
Governance costs	12,000	12,000	12,180
	<u>12,024</u>	<u>12,024</u>	<u>12,465</u>

English Holdings Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

10. Analysis of grants

	2021 £	2020 £
Grants to institutions		
Choinein Vochessed	245,630	315,150
Cong Chasdei Ezriel Yehuda	305,896	506,248
Cong Ohev Yisroel	16,866	67,277
Ohr Yoseph	20,349	–
Kahal Beth Dovid	–	10,000
Tzedek Association	–	15,524
United Talmudical Associaion	–	1,200
Adas Yereim	11,396	–
Bait Limud Vchesed	4,000	–
Others	3,329	–
	<u>607,466</u>	<u>915,399</u>
Total grants	<u>607,466</u>	<u>915,399</u>

The grants were in line with the objects of the charity.

11. Net losses on investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on investment property	<u>(1,099,650)</u>	<u>(1,099,650)</u>	<u>(22,183)</u>	<u>(22,183)</u>

12. Auditors remuneration

	2021 £	2020 £
Fees payable for the audit of the financial statements	<u>6,000</u>	<u>6,000</u>
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	<u>6,000</u>	<u>4,000</u>

13. Staff costs

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

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

14. Trustee remuneration and expenses

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

English Holdings Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

15. Group accounts

The results of the subsidiary have been included in the accounts as the group have prepared consolidated accounts.

Extra disclosure in line with SI 2008/629-19 (1)a, Sch 2 (1) 1 (j) for the subsidiary for the period ended 31 March 2021 is as detailed below:-

Bextor Estates Ltd

Gross income	£876,332
Net profit/(loss)	(£1,128,039)
Net assets	£5,456,850

16. Investments

	Investment properties £
Cost or valuation	
At 1 April 2020	19,890,000
Additions	—
Disposals	(12,250,000)
Fair value movements	513,250
At 31 March 2021	8,153,250
Impairment	
At 1 April 2020 and 31 March 2021	
Carrying amount	
At 31 March 2021	8,153,250
At 31 March 2020	19,890,000

All investments shown above are held at valuation.

Investment properties

The investment properties are all attributable to the subsidiary.

17. Debtors

	2021 £	2020 £
Trade debtors	63,327	118,389
Other debtors	168,798	395,500
	232,125	513,889

Debtors are all attributable to the subsidiary.

Other debtors are sums owed from Managestate Ltd.

English Holdings Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

18. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	24,000	13,980
Social security and other taxes	106,114	140,616
Other creditors	10,000	84,000
	<u>140,114</u>	<u>238,596</u>

Creditors falling due within one year include £106,114 attributable to the subsidiary. The remaining amount is attributable to the charity.

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

	2021	2020
	£	£
Bank loans and overdrafts	3,149,307	11,158,589
BBL	50,000	—
Other creditors	5,288,379	8,600,000
	<u>8,487,686</u>	<u>19,758,589</u>

Bank loans and overdrafts are all attributable to the subsidiary. Other creditors are attributable to the charity.

Other creditors is the sum the charity owes for having purchased the subsidiaries.

Bank loans and overdrafts are secured against the property of the subsidiaries.

English Holdings Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

20. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2021 £
General funds	90,172	1,554,731	(1,524,211)	365,609	(1,099,650)	(613,349)
Revaluation reserve	593,629	—	—	(365,609)	520,000	748,020
	<u>683,801</u>	<u>1,554,731</u>	<u>(1,524,211)</u>	<u>—</u>	<u>(579,650)</u>	<u>134,671</u>

	At 1 Apr 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2020 £
General funds	466	2,182,822	(2,070,933)	—	(22,183)	90,172
Revaluation reserve	—	—	—	—	593,629	593,629
	<u>466</u>	<u>2,182,822</u>	<u>(2,070,933)</u>	<u>—</u>	<u>571,446</u>	<u>683,801</u>

21. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Investments	8,153,250	8,153,250
Current assets	609,221	609,221
Creditors less than 1 year	(140,114)	(140,114)
Creditors greater than 1 year	(8,487,686)	(8,487,686)
Net assets	<u>134,671</u>	<u>134,671</u>

	Unrestricted Funds £	Total Funds 2020 £
Investments	19,890,000	19,890,000
Current assets	790,986	790,986
Creditors less than 1 year	(238,596)	(238,596)
Creditors greater than 1 year	(19,758,589)	(19,758,589)
Net assets	<u>683,801</u>	<u>683,801</u>

English Holdings Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

22. Analysis of changes in net debt

	At 1 Apr 2020	Cash flows	At 31 Mar 2021
	£	£	£
Cash at bank and in hand	277,097	99,999	377,096
Debt due after one year	(11,158,589)	8,009,282	(3,149,307)
	<u>(10,881,492)</u>	<u>8,109,281</u>	<u>(2,772,211)</u>

23. Related parties

There were no related party transactions during the year.

24. Taxation

English Holdings Charitable Trust is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. Its subsidiary, Bextor Estates, is a trading subsidiary and is therefore liable to tax under Corporation tax.