

THE ERNEST HECHT CHARITABLE FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

THE ERNEST HECHT CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Ms B Jungr
Mr R Ward
Mr B Barkow

Charity number

1095850

Independent examiner

Glazers
843 Finchley Road
London
NW11 8NA

THE ERNEST HECHT CHARITABLE FOUNDATION

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	7 - 14

THE ERNEST HECHT CHARITABLE FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

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

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published in July 2014.

Objectives and activities

The charity's objects are to raise and distribute funds for the following purposes;

The advancement of education, the relief of poverty and the advancement of religion with the primary object of providing help to a variety of disadvantaged people in need of support, including the mentally and physically disabled and the aged, to help them live a full and satisfying life in the community.

The charity carries out these objectives by making grants to charities in the sectors of advancement of education, sports, the arts, and towards the relief of poverty and advancement of religion throughout England and Wales, and there has been no change in these policies during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The trustees have continued to support a wide range of charities by awarding grants that benefit the disadvantaged and promote the advancement of the arts and education.

Achievements and performance

The trustees are confident that their activities as detailed above in 2022 have "made a difference" to the vulnerable, young and elderly.

Financial review

The transactions and financial position of the Charity are as set out in the attached financial statements and in the opinion of the trustees the state of the Charity's affairs is satisfactory.

It is the policy of the trustees to maintain reserves at an adequate level in order to meet the cost of management, to meet agreed commitments for grants and to be able to respond to additional requests for assistance as received.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity was established by a charitable trust deed dated 18 November 2002.

The trustees who served during the year were:

Ms B Jungr

Mr R Ward

Mr B Barkow

Trustees are appointed in accordance with the Charity's trust deed, A new trustee may be appointed by a resolution of the trustees recorded in the minutes and signed by a trustee.

THE ERNEST HECHT CHARITABLE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Applications are made to the Charity using an application form available on its website. The applications are summarised and circulated to the trustees monthly. The trustees meet quarterly to agree which grants should be made.

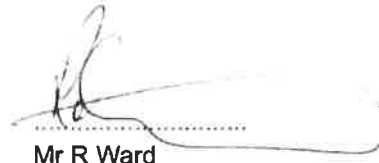
The trustees intend to continue to make grants in the manner described on the Charity Commission's website.

There are no connected charities.

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



Ms B Jung
Trustee



Mr R Ward
Trustee

Date: 17/7/2024

THE ERNEST HECHT CHARITABLE FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ERNEST HECHT CHARITABLE FOUNDATION

I report to the trustees on my examination of the financial statements of The Ernest Hecht Charitable Foundation (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.


Glazers

843 Finchley Road
London
NW11 8NA

Dated: 17 July 2024

THE ERNEST HECHT CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Total 2022 £
	Notes		
Income from:			
Donations and legacies	3	-	200,000
Investments	4	111,619	11,074
Total income		<u>111,619</u>	<u>211,074</u>
Expenditure on:			
Charitable activities	5	<u>894,219</u>	<u>377,720</u>
Net expenditure for the year/ Net movement in funds		(782,600)	(166,646)
Fund balances at 1 January 2023		5,234,310	5,400,956
Fund balances at 31 December 2023		<u>4,451,710</u>	<u>5,234,310</u>

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

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

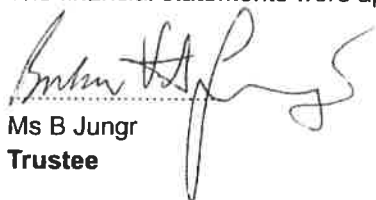
THE ERNEST HECHT CHARITABLE FOUNDATION

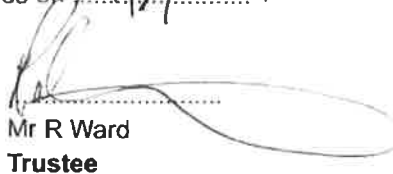
BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investments	11		471,645		612,792
Current assets					
Debtors	12	-		780	
Cash at bank and in hand		3,980,490		4,622,423	
		3,980,490		4,623,203	
Creditors: amounts falling due within one year	13	(1,200)		(1,680)	
Net current assets			3,979,290		4,621,523
Total assets less current liabilities			4,450,935		5,234,315
Creditors: amounts falling due after more than one year	14		(5)		(5)
Net assets excluding pension liability			4,450,930		5,234,310
Net assets			4,450,930		5,234,310
The funds of the charity					
Unrestricted funds			4,450,930		5,234,310
			4,450,930		5,234,310

The financial statements were approved by the trustees on 17/9/2024


Ms B Jungr
Trustee


Mr R Ward
Trustee

THE ERNEST HECHT CHARITABLE FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	18		(894,699)		(177,720)
Investing activities					
Proceeds on disposal of investments		177,339		61,598	
Investment income received		75,427		32,984	
Net cash generated from investing activities			252,766		94,582
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(641,933)		(83,138)
Cash and cash equivalents at beginning of year			4,622,423		4,705,561
Cash and cash equivalents at end of year			3,980,490		4,622,423

THE ERNEST HECHT CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

The Ernest Hecht Charitable Foundation is an unincorporated charity, established by a charitable trust dated 18 November 2002, and with a principal address of 843 Finchley Road, London NW11 8NA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE ERNEST HECHT CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Resources expended are accounted for on an accruals basis.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE ERNEST HECHT CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	2023	2022
	£	£
Legacies receivable	-	200,000

4 Investments

	Unrestricted funds	Total
	2023 £	2022 £
Income from listed investments	36,586	(6,280)
Interest receivable	75,033	17,354
	111,619	11,074

Investment income includes £36,192 (2022 £3,175) gain on disposal and £16,091 unrealised loss (2022 £25,085) on valuation.

THE ERNEST HECHT CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

5 Charitable activities

	2023 £	2022 £
Grant funding of activities (see note 6)	864,447	348,933
Share of support costs (see note 7)	28,452	27,107
Share of governance costs (see note 7)	1,320	1,680
	<u>894,219</u>	<u>377,720</u>
Analysis by fund		
Unrestricted funds	<u>894,219</u>	<u>377,720</u>

THE ERNEST HECHT CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Grants payable

	2023 £	2022 £
Grants to institutions:		
Adur Special Needs Project	25,000	-
Age UK	500	500
Ataxia	1,000	1,000
Astor Community Arts Trust	-	(28,743)
Aylesbury Food Bank	25,000	-
BLESMA	500	500
British Dyslexia UK	1,000	1,000
Cardboard Citizens	1,000	1,000
Centrepont	150,000	-
Chilterns Neuro Centre	63,667	50,000
Cliftonville Cultural Space	-	20,000
Corby Community Arts	50,000	16,780
Crisis UK	30,000	88,396
Cruse Bereavement Care	500	500
Dementia Carers Count	-	8,000
Electric Storm Youth	10,000	-
Gillingham Street Angels	-	25,000
Holocaust Centre North (HSFA)	66,000	60,000
Lindengate	55,000	-
Little Angel Theatre	55,000	50,000
Lucy Cavendish College	125,000	-
Macmillan Cancer Support	2,000	-
Marie Curie Cancer Care	1,000	-
Mid Surrey Dementia Care Trust	500	500
Mildmay Mission Hospital	1,000	1,000
Mylor Sailability	5,000	-
National Dance Company Wales	-	10,000
Nightingale Hammerson	1,000	1,000
Nishkam Swat	48,780	-
Opera Circus	5,000	-
Paths Hardship Fund	25,000	-
Polka Theatre	27,500	25,000
RAF Benevolent Fund	500	500
React	500	500
Royal British Legion	1,000	1,000
Royal Hospital for Neuro-disability	500	500
RNLI	500	500
Ruth Hayman Trust	25,000	-
Salvation Army	1,000	1,000
St John Ambulance	1,000	1,000
St John & Elizabeth	1,000	-
St Mungo's Broadway	11,000	1,000
Salaam Shalom Kitchen	1,000	-
The Fire Fighters Charity	500	500
The Food Chain	500	500
Trinity Hospice	500	500
Wintercomfort for the Homeless	10,000	10,000
Worthing Food Bank	25,000	-

THE ERNEST HECHT CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Grants payable

(Continued)

864,447 348,933

7 Support costs

	Support costs	Governance costs	2023	2022	Basis of allocation
	£	£	£	£	
External administration costs	23,868	-	23,868	22,498	
Investment management fees	3,893	-	3,893	4,082	
Website costs	198	-	198	115	
Bank charges	60	-	60	81	
Sundry expenses	433	-	433	331	
Independent examiners fee	-	1,320	1,320	1,680	Governance
	<u>28,452</u>	<u>1,320</u>	<u>29,772</u>	<u>28,787</u>	
Analysed between					
Charitable activities	<u>28,452</u>	<u>1,320</u>	<u>29,772</u>	<u>28,787</u>	

8 Net movement in funds

2023
£

2022
£

The net movement in funds is stated after charging/(crediting):

Fees payable for the independent examination of the charity's financial statements

1,320

1,680

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. Expenses totalling £10 (2022 £47) were paid to the trustees in the year.

10 Employees

The charity had no employees during this or the previous year.

THE ERNEST HECHT CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

11 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2023 & 31 December 2023	612,792
Carrying amount	
At 31 December 2023	612,792
At 31 December 2022	612,792

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	780	780

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	1,200	1,680

14 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Trustees' capital	5	5

15 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023 £	Incoming resources £	Resources expended £	At 31 December 2023 £
General funds	5,234,310	111,619	(894,219)	4,451,710

THE ERNEST HECHT CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 Unrestricted funds (Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
General funds	5,400,956	211,074	(377,720)	5,234,310

16 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

17 Taxation

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

18 Cash generated from operations	2023 £	2022 £
Deficit for the year	(782,600)	(166,646)
Adjustments for:		
Investment income recognised in statement of financial activities	(111,619)	(11,074)
Movements in working capital:		
(Decrease) in creditors	(480)	-
Cash absorbed by operations	(894,699)	(177,720)