

M & M Foundation
Unaudited Financial Statements
31 October 2023

HAFFNER HOFF LTD

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

M & M Foundation

Financial Statements

Year ended 31 October 2023

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M & M Foundation

Trustees' Annual Report

Year ended 31 October 2023

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 October 2023.

Reference and administrative details

Registered charity name	M & M Foundation
Charity registration number	1099721
Principal office	20 New Hall Avenue Salford M7 4HR
The trustees	M Halpern Mrs M Halpern D M Halpern
Independent examiner	Mr Howard Schwalbe ACA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL

M & M Foundation

Trustees' Annual Report *(continued)*

Year ended 31 October 2023

Structure, governance and management

M & M Foundation is constituted under a deed dated 05 December 2002. It is a registered charity number 1099721 and was registered on 29 September 2003.

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 Ms Yeung 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.

M & M Foundation

Trustees' Annual Report *(continued)*

Year ended 31 October 2023

Objectives and activities

The objects of the charity are the relief of poverty amongst the under privileged or persons in conditions of need and hardship in the Jewish Community, the advancement of the Jewish Orthodox Religion and the advancement of education according to the beliefs and values of the Orthodox Jewish Faith.

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 from the trustees and investments.

The application of the funds by way of grants is 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.

Achievements and performance

The charity received £15,000 in donations during the year and paid out £8,249 by way of grants and support costs.

The charity also had investment income receivable during the year amounting to £247,208. The associated costs amounted to £76,302.

The charity has low governance costs that comprise professional fees.

All other office costs are borne by a local benefactor and the trustees wish to record their appreciation to the benefactor for the free use of their offices.

Grants made during the year to institutions are as detailed in the accounts. There were no grants paid out during the year.

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

There were no material fundraising costs during the year.

During the year the trustees revalued one of its investments. This resulted in a reduction of £550,000 to the FV of the property.

There was a net income and movement of funds for the year amounting to £177,657 before the revaluation losses in the year.

M & M Foundation

Trustees' Annual Report *(continued)*

Year ended 31 October 2023

Financial review

Investment performance

The investments of the charity have provided a net return of 8% in the year.

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.

Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results.

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.

In considering the limited financial obligations of the charity, the trustees have resolved to maintain a minimum reserve roughly equal to the net current assets of the charity.

The trustees are delighted to have made many valuable contributions to the community as a result of this income and hope to be able to do so for many years to come.

The free reserves, represented by the net current assets of the charity stand at £656,118, all of which are unrestricted.

The trustees' annual report was approved on 16 August 2024 and signed on behalf of the board of trustees by:

M Halpern
Trustee

M & M Foundation

Independent Examiner's Report to the Trustees of M & M Foundation

Year ended 31 October 2023

I report to the trustees on my examination of the financial statements of M & M Foundation ('the charity') for the year ended 31 October 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 Act').

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 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 accounts to be reached.

Mr Howard Schwalbe ACA
Independent Examiner

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

16 August 2024

M & M Foundation

Statement of Financial Activities

Year ended 31 October 2023

		2023	2022
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	4	15,000	3,159
Investment income	5	247,208	190,128
Total income		<u>262,208</u>	<u>193,287</u>
Expenditure			
Expenditure on raising funds:			
Investment management costs	6	76,302	44,757
Expenditure on charitable activities	7,8	8,249	107,353
Total expenditure		<u>84,551</u>	<u>152,110</u>
Net (losses)/gains on investments	11	(550,000)	93,648
Net (expenditure)/income and net movement in funds		<u>(372,343)</u>	<u>134,825</u>
Reconciliation of funds			
Total funds brought forward		1,904,698	1,769,873
Total funds carried forward		<u>1,532,355</u>	<u>1,904,698</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 8 to 16 form part of these financial statements.

M & M Foundation

Statement of Financial Position

31 October 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	15	2,093,599	2,596,391
Current assets			
Debtors	16	678,400	564,491
Cash at bank and in hand		28,908	35,589
		<u>707,308</u>	<u>600,080</u>
Creditors: amounts falling due within one year	17	<u>51,190</u>	<u>29,826</u>
Net current assets		<u>656,118</u>	<u>570,254</u>
Total assets less current liabilities		<u>2,749,717</u>	<u>3,166,645</u>
Creditors: amounts falling due after more than one year	18	<u>1,217,362</u>	<u>1,261,947</u>
Net assets		<u>1,532,355</u>	<u>1,904,698</u>
Funds of the charity			
Unrestricted funds		<u>1,532,355</u>	<u>1,904,698</u>
Total charity funds	19	<u>1,532,355</u>	<u>1,904,698</u>

These financial statements were approved by the board of trustees and authorised for issue on 16 August 2024, and are signed on behalf of the board by:

M Halpern
Trustee

The notes on pages 8 to 16 form part of these financial statements.

M & M Foundation

Notes to the Financial Statements

Year ended 31 October 2023

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 20 New Hall Avenue, Salford, M7 4HR.

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

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.

Consolidation

The entity has taken advantage of the option not to prepare consolidated financial statements contained in FRS 102 para 9.3e on the basis that the entity and its subsidiary undertakings comprise a small group.

The charity is not required to prepare consolidated accounts in accordance with FRS 102 Appendix 3 paragraph A.11

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 besides the valuation of fixed asset investments at the year end.

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.

M & M Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 October 2023

3. Accounting policies *(continued)*

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.

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.

M & M Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 October 2023

3. Accounting policies *(continued)*

Investment property

Fixed asset investment

Fixed asset investments, including investment property, are included at market value, where appropriate, at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA. No depreciation is provided on these investments in accordance with FRSSE.

This represents a departure from the general requirement of the Companies Act for all tangible assets to be depreciated. In the opinion of the trustees compliance with the standard is necessary for the financial statements to give a true and fair view.

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.

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.

M & M Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 October 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	15,000	15,000	3,159	3,159

5. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Income from investment properties	247,208	247,208	190,128	190,128

6. Investment management costs

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Interest payable	76,302	76,302	44,757	44,757

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Charitable activities	—	—	100,000	100,000
Support costs	8,249	8,249	7,353	7,353
	8,249	8,249	107,353	107,353

M & M Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 October 2023

8. Expenditure on charitable activities by activity type

	Support costs £	Total funds 2023 £	Total fund 2022 £
Charitable activities	6,689	6,689	105,744
Governance costs	1,560	1,560	1,609
	<u>8,249</u>	<u>8,249</u>	<u>107,353</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2023 £	Total 2022 £
General office	6,689	6,689	5,744
Governance costs	1,560	1,560	1,608
	<u>8,249</u>	<u>8,249</u>	<u>7,352</u>

10. Analysis of grants

	2023 £	2022 £
Grants to institutions		
Asser Bishvil Foundation	—	80,000
T T T	—	20,000
	<u>—</u>	<u>100,000</u>
Total grants	<u>—</u>	<u>100,000</u>

11. Net (losses)/gains on investments

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Gains/(losses) on investment property	<u>(550,000)</u>	<u>(550,000)</u>	<u>93,648</u>	<u>93,648</u>

12. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>1,500</u>	<u>1,500</u>

13. Staff costs

The average head count of employees during the year was Nil (2022: Nil).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

M & M Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 October 2023

14. Trustee remuneration and expenses

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

15. Investments

	Investment properties £	Shares in group undertakings £	Total £
Cost or valuation			
At 1 November 2022	2,596,388	3	2,596,391
Additions	47,208	—	47,208
Fair value movements	(550,000)	—	(550,000)
At 31 October 2023	<u>2,093,596</u>	<u>3</u>	<u>2,093,599</u>
Impairment			
At 1 November 2022 and 31 October 2023		—	<u>—</u>
Carrying amount			
At 31 October 2023	<u>2,093,596</u>	<u>3</u>	<u>2,093,599</u>
At 31 October 2022	<u>2,596,388</u>	<u>3</u>	<u>2,596,391</u>

All investments shown above are held at valuation.

M & M Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 October 2023

15. Investments *(continued)*

Investment properties

UK investment property

The UK investment property is an investment property in the UK that the charity owns outright. This includes the Alexandra Gate Business Centre property. The trustees consider the value as stated to be the market value.

UK group undertakings

The wholly owned companies - AG Cardiff Ltd, AG Cardiff (2) Ltd, Alexandra Gate Business Centre Ltd and Alexandra Gate HR Ltd are all incorporated in the United Kingdom.

The entire share capital of Cafe Management Ltd is owned by Alexandra Gate Business Centre Ltd and all the companies intend to pay all of their profits up to the charity by way of gift aid.

Alexandra Gate Business Centre Ltd has a lease with the charity to enable it to manage the business centre and cafe.

The results of all the subsidiaries are not included within the accounts of the charity because the charity is exempt from consolidation as mentioned above. The most recent results (year ended 31 October 2023) and aggregate amounts of the net assets for the subsidiaries are:-

Gross income

AG Cardiff Ltd	£nil
Alexandra Gate Business Centre Ltd	£542,931
Cafe Management Ltd	£39,214
Alexandra Gate HR Ltd	£96,720
AG Cardiff (2) Ltd	£nil

Net profit/loss in year

AG Cardiff Ltd	£nil
Alexandra Gate Business Centre Ltd	£(76,994)
Cafe Management Ltd	£26,489
Alexandra Gate HR Ltd	£(429)
AG Cardiff (2) Ltd	£nil

Net assets

AG Cardiff Ltd	£1
Alexandra Gate Business Centre Ltd	£(175,881)
Cafe Management Ltd	£1,540
Alexandra Gate HR Ltd	£(10,615)
AG Cardiff (2) Ltd	£1

The group turnover after intra group adjustments amounted to £741,073.

M & M Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 October 2023

16. Debtors

	2023 £	2022 £
Trade debtors	195,000	70,000
Prepayments and accrued income	–	3,491
Other debtors	483,400	491,000
	<u>678,400</u>	<u>564,491</u>

17. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	1,500	3,457
Social security and other taxes	39,687	16,366
Other creditors	10,003	10,003
	<u>51,190</u>	<u>29,826</u>

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

	2023 £	2022 £
Bank loans and overdrafts	1,173,000	1,217,765
Other creditors	27,362	27,182
Other creditors	17,000	17,000
	<u>1,217,362</u>	<u>1,261,947</u>

The bank loan is secured on the assets of the charity.

19. Analysis of charitable funds

Unrestricted funds

	At 1 November 2022 £	Income £	Expenditure £	Gains and losses £	At 31 October 2023 £
General funds	1,904,698	262,208	(84,551)	(550,000)	1,532,355

	At 1 November 2021 £	Income £	Expenditure £	Gains and losses £	At 31 October 2022 £
General funds	1,769,873	193,287	(152,110)	93,648	1,904,698

M & M Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 October 2023

20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2023 £
Investments	2,093,600	2,093,600
Current assets	707,308	707,308
Creditors less than 1 year	(51,191)	(51,191)
Creditors greater than 1 year	(1,217,362)	(1,217,362)
Net assets	<u>1,532,355</u>	<u>1,532,355</u>

	Unrestricted Funds £	Total Funds 2022 £
Investments	2,596,391	2,596,391
Current assets	600,080	600,080
Creditors less than 1 year	(29,826)	(29,826)
Creditors greater than 1 year	(1,261,947)	(1,261,947)
Net assets	<u>1,904,698</u>	<u>1,904,698</u>

21. Related parties

Mr M Halpern, a trustee of M & M Foundation, is also a director and shareholder in Hallmark Real Estate Group Ltd.

Mr M Halpern lent M & M Foundation in a previous period. No repayments were made during the year and the balance at the year end remained at £17,000 on an interest free basis.

Alexandra Gate Business Centre Ltd, a wholly owned subsidiary of the M & M Foundation, donated to M & M Foundation during the year investment income amounting to £200,000.

22. Taxation

M & M Foundation 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.