

Jay Education Trust
Financial Statements
31 July 2021

HAFFNER HOFF LTD

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

Jay Education Trust

Financial Statements

Year ended 31 July 2021

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

Jay Education Trust

Trustees' Annual Report

Year ended 31 July 2021

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

Reference and administrative details

Registered charity name Jay Education Trust

Charity registration number 1116458

Principal office 16a Oldhill Street
London
N16 6LD

The trustees

E Bindinger
E Schwartz
D Weis
A Nezri (Appointed 7 May 2021)

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

Bankers Barclays Bank Plc
PO Box 5858
1 Argent Court
Southfields Business Park
Basildon
BX3 2BB

Jay Education Trust

Trustees' Annual Report *(continued)*

Year ended 31 July 2021

Structure, governance and management

Jay Education Trust is constituted under a trust deed dated 25 July 2006 as amended on 12 December 2006. It is a registered charity number 1116458.

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 a managing agent 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.

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 relate to whether there is sufficient net investment income to enable grants to be paid out. However, the trustees can reduce grants in the unlikely event of a fall in investment income.

Other 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.

Jay Education Trust

Trustees' Annual Report *(continued)*

Year ended 31 July 2021

Objectives and activities

The objects of the charity are: the relief of poverty in the Jewish Community worldwide; the advancement of religious education according to the beliefs and values of the Jewish Faith worldwide and any charitable purpose at the discretion of the trustees for the benefit of the community.

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 investment income. The charity gives out grants in line with the above objects.

There were no grant payments made to individuals during the year.

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

The application of the funds 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.

Jay Education Trust

Trustees' Annual Report *(continued)*

Year ended 31 July 2021

Achievements and performance

The charity had investment income receivable amounting to £1,185,491 during the year and donations income amounting to £101,500.

The charity paid out £600,164 by way of grants and support costs. These grants were made in line with the stated objects of the charity. The grants were for relief of poverty and educational and religious purposes. Grants made during the year to institutions are as detailed in the accounts.

The charity has investment property management costs amounting to £378,557. This expenditure relates to the investment property and includes interest and charges on the loans charged against the property of the charity.

The charity has governance costs comprising 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.

There were no material fundraising costs during the year.

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

There was net income and net movement in funds for the year amounting to £308,270.

Jay Education Trust

Trustees' Annual Report *(continued)*

Year ended 31 July 2021

Financial review

Investment performance

The trustees are delighted to report that almost all of the property investments are returning market returns. The net return on investments is 6%. 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 trustees feel that the year was excellent in terms of income generated from its investments and the stability in the fair value of the investments. The trustees are delighted to have made valuable contributions to the community as a result of these gains and donations and hope to be able to do so for many years to come.

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 equal to the current assets of the charity. The reserves currently exceed this amount but this is due to the fixed assets and long-term loan creditors that are not part of the free reserves of the charity.

The trustees have considered the fair value of the investment property taking into account the loan to value of the properties. The trustees consider the holding value to be the fair value.

The free reserves stand at £244,703 all of which are unrestricted.

True and fair override

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charities governing document, The Charities Act 2011 and the relevant version of 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).

Plans for future periods

The trustees plan to continue investing to raise funds for projects in line with the trust deed and pursue those objectives and projects with all the resources available to the charity.

Coronavirus

The charity has not been materially affected by the 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.

Jay Education Trust

Trustees' Annual Report *(continued)*

Year ended 31 July 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 17 May 2022 and signed on behalf of the board of trustees by:

D Weis
Trustee

Jay Education Trust

Independent Auditor's Report to the Trustees of Jay Education Trust

Year ended 31 July 2021

Opinion

We have audited the financial statements of Jay Education Trust (the 'Charity') for the year ended 31 July 2021 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 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.

Jay Education Trust

Independent Auditor's Report to the Trustees of Jay Education Trust *(continued)*

Year ended 31 July 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.

Jay Education Trust

Independent Auditor's Report to the Trustees of Jay Education Trust *(continued)*

Year ended 31 July 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

Jay Education Trust

Independent Auditor's Report to the Trustees of Jay Education Trust *(continued)*

Year ended 31 July 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.

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.

Jay Education Trust

Independent Auditor's Report to the Trustees of Jay Education Trust *(continued)*

Year ended 31 July 2021

The firm is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under Section 1212 of The Companies Act 2006.

Use of our report

This report is made solely to the charity's trustees, 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Haffner Hoff Ltd

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

17 May 2022

Jay Education Trust

Statement of Financial Activities

Year ended 31 July 2021

		2021	2020
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	4	101,500	–
Investment income	5	1,185,491	1,025,376
Total income		<u>1,286,991</u>	<u>1,025,376</u>
Expenditure			
Expenditure on raising funds:			
Investment management costs	6	378,557	211,306
Expenditure on charitable activities	7,8	600,164	397,584
Total expenditure		<u>978,721</u>	<u>608,890</u>
Net losses on investments	11	–	(88,350)
Net income and net movement in funds		<u>308,270</u>	<u>328,136</u>
Reconciliation of funds			
Total funds brought forward		5,657,751	5,329,615
Total funds carried forward		<u>5,966,021</u>	<u>5,657,751</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.

Jay Education Trust

Statement of Financial Position

31 July 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	16	11,905,000	11,905,000
Current assets			
Debtors	17	104,984	148,174
Cash at bank and in hand		330,656	325,975
		<u>435,640</u>	<u>474,149</u>
Creditors: amounts falling due within one year	18	<u>190,937</u>	<u>169,743</u>
Net current assets		244,703	304,406
Total assets less current liabilities		12,149,703	12,209,406
Creditors: amounts falling due after more than one year	19	<u>6,183,682</u>	<u>6,551,655</u>
Net assets		<u>5,966,021</u>	<u>5,657,751</u>
Funds of the charity			
Unrestricted funds		<u>5,966,021</u>	<u>5,657,751</u>
Total charity funds	20	<u>5,966,021</u>	<u>5,657,751</u>

These financial statements were approved by the board of trustees and authorised for issue on 17 May 2022, and are signed on behalf of the board by:

D Weis
Trustee

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

Jay Education Trust

Statement of Cash Flows

Year ended 31 July 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	308,270	328,136
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	–	1
Net losses on investments	–	88,350
Dividends, interest and rents from investments	(1,185,491)	(1,025,376)
Accrued expenses/(income)	12,744	(5,832)
<i>Changes in:</i>		
Trade and other debtors	43,190	59,260
Trade and other creditors	(45,766)	600,886
Cash generated from operations	(867,053)	45,425
Net cash (used in)/from operating activities	(867,053)	45,425
Cash flows from investing activities		
Dividends, interest and rents from investments	1,185,491	1,025,376
Purchases of other investments	–	(1,728,350)
Net cash from/(used in) investing activities	1,185,491	(702,974)
Cash flows from financing activities		
Proceeds from borrowings	(313,757)	730,545
Net cash (used in)/from financing activities	(313,757)	730,545
Net increase/(decrease) in cash and cash equivalents	4,681	72,996
Cash and cash equivalents at beginning of year	325,975	252,979
Cash and cash equivalents at end of year	330,656	325,975

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

Jay Education Trust

Notes to the Financial Statements

Year ended 31 July 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 16a Oldhill Street, London, N16 6LD.

2. Statement of compliance

The accounts (financial statements) have been prepared in accordance with the relevant version of 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) and The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and 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 relevant version of 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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. It is therefore appropriate to prepare these accounts on a going concern basis.

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.

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

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.

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

3. Accounting policies *(continued)*

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.

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.

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

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 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	101,500	101,500	—	—

5. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from investment properties	1,185,491	1,185,491	1,025,376	1,025,376

6. Investment management costs

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Loan interest	134,932	134,932	136,575	136,575
Property expenses & maintenance	214,328	214,328	74,731	74,731
Property legal fees	29,297	29,297	—	—
	378,557	378,557	211,306	211,306

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Charitable grants	584,590	584,590	350,605	350,605
Support costs	15,574	15,574	46,979	46,979
	<u>600,164</u>	<u>600,164</u>	<u>397,584</u>	<u>397,584</u>

8. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable grants	584,590	3,992	588,582	386,743
Governance costs	—	11,582	11,582	10,841
	<u>584,590</u>	<u>15,574</u>	<u>600,164</u>	<u>397,584</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2021 £	Total 2020 £
Staff costs	2,169	2,169	18,560
General office	1,823	1,823	17,580
Governance costs	10,582	10,582	10,839
	<u>14,574</u>	<u>14,574</u>	<u>46,979</u>

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

10. Analysis of grants

	2021 £	2020 £
Grants to institutions		
Beth Feige	14,400	—
Amud Hatzdoka	58,360	32,500
Chevrass Machzikei Mesifta	—	12,000
C M L	200,490	174,000
Bobov	13,500	—
Edupoor Ltd	24,000	—
Yismach Moishe	12,700	—
Ezer Leyoldos	—	7,500
Kehal Munkatch	—	15,000
Synagogue Maharim Dushinsky	—	5,600
Rise & Shine	19,000	—
Tchabe Kollel	3,000	8,000
The A B C Trust	7,500	8,200
TYA	—	5,000
Wlodowa Charity & Rehabilitation Trust	10,000	—
Merkaz Hatorah	7,500	5,000
Other Grants	118,786	77,805
	<u>489,236</u>	<u>350,605</u>
Grants to individuals		
Religious grants	95,354	—
Total grants	<u>584,590</u>	<u>350,605</u>

11. Net losses on investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on other investment assets	—	—	(88,350)	(88,350)

12. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	—	1

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

13. Auditors' remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	<u>5,500</u>	<u>5,000</u>
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	<u>5,520</u>	<u>5,300</u>

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	<u>2,169</u>	<u>18,560</u>

The average head count of employees during the year was 1 (2020: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Number of administrative staff	<u>1</u>	<u>2</u>

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

15. Trustee remuneration and expenses

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

16. Investments

	Investment properties £
Cost or valuation At 1 August 2020 and 31 July 2021	<u>11,905,000</u>
Impairment At 1 August 2020 and 31 July 2021	
Carrying amount At 31 July 2021	<u>11,905,000</u>
At 31 July 2020	<u>11,905,000</u>

All investments shown above are held at valuation.

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

16. Investments *(continued)*

Investment properties

Investments comprise investments made in various properties in the UK.

Valuation of the investment property is at fair value in the opinion of the trustees upon advice from external valuers with appropriate experience or qualifications as applicable for the value at the year-end.

The method and assumptions adopted are based on open market value with emphasis on the rental income yield less any impairment applicable.

17. Debtors

	2021 £	2020 £
Trade debtors	97,284	146,279
Other debtors	7,700	1,895
	<u>104,984</u>	<u>148,174</u>

18. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	39,883	51,613
Accruals and deferred income	23,044	10,300
Social security and other taxes	41,996	18,837
Other creditors	26,380	26,380
Other creditors	59,634	62,613
	<u>190,937</u>	<u>169,743</u>

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

	2021 £	2020 £
Bank loans and overdrafts	3,865,844	4,179,601
Other creditors	2,269,505	2,322,054
Bounce Back Loan (Covid)	48,333	50,000
	<u>6,183,682</u>	<u>6,551,655</u>

Both the bank loans and any overdrafts are secured on the investment property of the charity.

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

20. Analysis of charitable funds

Unrestricted funds

	At 01 Aug 2020 £	Income £	Expenditure £	Gains and losses £	At 31 Jul 2021 £
General funds	<u>5,657,751</u>	<u>1,286,991</u>	<u>(978,721)</u>	<u>—</u>	<u>5,966,021</u>
	At 01 Aug 2019 £	Income £	Expenditure £	Gains and losses £	At 31 Jul 2020 £
General funds	<u>5,329,615</u>	<u>1,025,376</u>	<u>(608,890)</u>	<u>(88,350)</u>	<u>5,657,751</u>

21. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Investments	11,905,000	11,905,000
Current assets	435,640	435,640
Creditors less than 1 year	(190,937)	(190,937)
Creditors greater than 1 year	<u>(6,183,682)</u>	<u>(6,183,682)</u>
Net assets	<u>5,966,021</u>	<u>5,966,021</u>
	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	—	—
Investments	11,904,999	11,904,999
Current assets	474,150	474,150
Creditors less than 1 year	(169,743)	(169,743)
Creditors greater than 1 year	<u>(6,551,655)</u>	<u>(6,551,655)</u>
Net assets	<u>5,657,751</u>	<u>5,657,751</u>

22. Analysis of changes in net debt

	At 1 Aug 2020 £	Cash flows £	At 31 Jul 2021 £
Cash at bank and in hand	325,975	4,681	330,656
Debt due after one year	<u>(4,179,601)</u>	<u>313,757</u>	<u>(3,865,844)</u>
	<u>(3,853,626)</u>	<u>318,438</u>	<u>(3,535,188)</u>

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

23. Related parties

Mr D Weis, trustee of Jay Education Trust, is owed interest free from various companies under his control £2,269,505 at the year-end. This is an accumulation of amounts paid out and repaid over a number of years. Mr D Weis has confirmed that he will not call in this loan to the detriment of the cash flow of the charity.

24. Taxation

Jay Education 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.