

Jay Education Trust
Financial Statements
31 July 2023

HAFFNER HOFF LTD

Accountants & statutory auditor
2nd Floor - Parkgates
Bury New Road
Prestwich
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Jay Education Trust

Financial Statements

Year ended 31 July 2023

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Jay Education Trust

Trustees' Annual Report

Year ended 31 July 2023

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

Reference and administrative details

Registered charity name	Jay Education Trust
Charity registration number	1116458
Principal office	21 Grosvenor Way London E5 9ND
The trustees	E Bindinger E Schwartz D Weis A Nezri (Retired 1 April 2023)
Auditor	Haffner Hoff Ltd Accountants & statutory auditor 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP Unity Trust Bank Plc 4 Brindley Place Birmingham B1 2JB

Jay Education Trust

Trustees' Annual Report *(continued)*

Year ended 31 July 2023

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 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 2023

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.

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

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

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

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

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

Jay Education Trust

Trustees' Annual Report *(continued)*

Year ended 31 July 2023

Achievements and performance

The charity had investment income receivable during the year amounting to £1,329,570 (2022: £1,346,939) and donations income amounting to £115,000 (2022: £47,000).

The charity paid out £1,215,017 (2022: £520,633) 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 £570,380 (2022: £459,511). 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.

During the year the trustees revalued downwards one of the investment properties. The resulting unrealised loss amounted to £515,000. This was based on professional valuations undertaken on the properties.

There was a net loss and net movement in funds for the year amounting to £855,827 (2022: gain of £2,545,295).

Jay Education Trust

Trustees' Annual Report *(continued)*

Year ended 31 July 2023

Financial review

Investment performance

The trustees are delighted to report that the property investments are returning market returns. The net return on investments is 9.5%. 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 £(65,574) (2022: £89,666) all of which are unrestricted. Notwithstanding that there are net current liabilities the trustees do not consider there to be a risk of going concern. Most of the liability is the short term element of the bank loans for which the charity has sufficient funds to cover month on month. Additionally the trustees can reduce grants paid out to ensure funds are sufficient for any loans falling due.

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.

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 2023

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 5 August 2024 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 2023

Opinion

We have audited the financial statements of Jay Education Trust (the 'charity') for the year ended 31 July 2023 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 2023 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.

Emphasis of matter

We have identified that there are net current liabilities. However we do not consider there to be a risk of going concern as the charity receives regular rental income and grants paid out can be reduced to ensure funds are available for any loans falling due.

Jay Education Trust

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

Year ended 31 July 2023

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.

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

Year ended 31 July 2023

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 2023

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 2023

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 members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

5 August 2024

Jay Education Trust

Statement of Financial Activities

Year ended 31 July 2023

		2023	2022
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	4	115,000	47,000
Investment income	5	1,329,570	1,346,939
Total income		<u>1,444,570</u>	<u>1,393,939</u>
Expenditure			
Expenditure on raising funds:			
Investment management costs	6	570,380	459,511
Expenditure on charitable activities	7,8	1,215,017	520,633
Total expenditure		<u>1,785,397</u>	<u>980,144</u>
Net (expenditure)/income		<u>(340,827)</u>	<u>413,795</u>
Other recognised gains and losses			
(Losses)/gains from revaluation of fixed assets		(515,000)	2,131,500
Net movement in funds		<u>(855,827)</u>	<u>2,545,295</u>
Reconciliation of funds			
Total funds brought forward		8,511,316	5,966,021
Total funds carried forward		<u>7,655,489</u>	<u>8,511,316</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 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	14	13,820,500	14,636,500
Current assets			
Debtors	15	117,201	129,369
Cash at bank and in hand		294,601	493,190
		<u>411,802</u>	<u>622,559</u>
Creditors: amounts falling due within one year	16	<u>477,376</u>	<u>532,893</u>
Net current liabilities		(65,574)	89,666
Total assets less current liabilities		13,754,926	14,726,166
Creditors: amounts falling due after more than one year	17	<u>6,099,437</u>	<u>6,214,850</u>
Net assets		<u>7,655,489</u>	<u>8,511,316</u>
Funds of the charity			
Unrestricted funds:			
Revaluation reserve		1,616,500	2,131,500
Other unrestricted income funds		6,038,989	6,379,816
Total unrestricted funds		<u>7,655,489</u>	<u>8,511,316</u>
Total charity funds	18	<u>7,655,489</u>	<u>8,511,316</u>

These financial statements were approved by the board of trustees and authorised for issue on 5 August 2024, 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 2023

	2023 £	2022 £
Cash flows from operating activities		
Net (expenditure)/income	(340,827)	413,795
<i>Adjustments for:</i>		
Dividends, interest and rents from investments	(1,329,570)	(1,346,939)
Accrued expenses	2,450	8,502
<i>Changes in:</i>		
Trade and other debtors	12,168	(24,385)
Trade and other creditors	(467,237)	681,522
Cash generated from operations	(2,123,016)	(267,505)
Net cash used in operating activities	(2,123,016)	(267,505)
Cash flows from investing activities		
Dividends, interest and rents from investments	1,329,570	1,346,939
Purchases of other investments	–	(600,000)
Proceeds from sale of other investments	301,000	–
Net cash from investing activities	1,630,570	746,939
Cash flows from financing activities		
Proceeds from borrowings	293,857	(316,900)
Net cash from/(used in) financing activities	293,857	(316,900)
Net (decrease)/increase in cash and cash equivalents	(198,589)	162,534
Cash and cash equivalents at beginning of year	493,190	330,656
Cash and cash equivalents at end of year	294,601	493,190

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 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 21 Grosvenor Way, London, E5 9ND.

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. It is therefore appropriate to prepare these accounts on a going concern basis. During the year expenditure exceeded income. This was due to increased grants from available cash reserves which could be reduced if necessary. Notwithstanding that there are net current liabilities the trustees do not consider there to be a risk of going concern as the trustees can reduce grants paid out to ensure funds are sufficient for any loans falling due.

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 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.

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2023

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 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	115,000	115,000	47,000	47,000

5. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Income from investment properties	1,329,570	1,329,570	1,346,939	1,346,939

6. Investment management costs

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Loan interest	237,704	237,704	134,863	134,863
Property expenses & maintenance	256,281	256,281	300,688	300,688
Property legal fees	76,395	76,395	23,960	23,960
	<u>570,380</u>	<u>570,380</u>	<u>459,511</u>	<u>459,511</u>

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2023

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Charitable grants	1,190,582	1,190,582	492,543	492,543
Support costs	24,435	24,435	28,090	28,090
	<u>1,215,017</u>	<u>1,215,017</u>	<u>520,633</u>	<u>520,633</u>

8. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2023 £	Total fund 2022 £
Charitable grants	1,190,582	11,354	1,201,936	501,968
Governance costs	—	13,081	13,081	18,665
	<u>1,190,582</u>	<u>24,435</u>	<u>1,215,017</u>	<u>520,633</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2023 £	Total 2022 £
Staff costs	8,423	8,423	8,418
General office	2,931	2,931	1,007
Governance costs	13,081	13,081	18,665
	<u>24,435</u>	<u>24,435</u>	<u>28,090</u>

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2023

10. Analysis of grants

	2023 £	2022 £
Grants to institutions		
Gateshead Talmudical College	9,900	8,000
Amud Hatzdoka	50,190	25,200
Chasdei Sorele	40,500	17,500
Chevrass Mo'oz Ladol	226,200	44,500
Higher Talmudical Education	–	8,000
EduPoor Ltd	86,530	10,000
Slobodka Yeshiva	8,500	4,800
Care All Ltd	91,000	20,000
Chasdei Aharon Ltd	–	18,000
College for Higher Rabbinical Studies	–	49,600
Friends of Be'er Avrohom Slonim	15,000	15,000
Keren Chochmas Shloma Trust	–	15,000
Support the Charitable organisation	56,800	16,000
Tchabe Kollel	25,000	20,500
The A B C Trust	59,000	5,050
Start Upright	–	34,350
Orach Chaim Foundation	100,000	–
YLT	50,500	–
Support for All	10,000	15,000
Other grants	339,923	72,402
	<u>1,169,043</u>	<u>398,902</u>
Grants to individuals		
Religious grants	–	93,641
Relief of poverty grants	21,539	–
	<u>21,539</u>	<u>93,641</u>
Total grants	<u>1,190,582</u>	<u>492,543</u>

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

11. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	<u>6,000</u>	<u>10,300</u>
Fees payable to the charity's auditor and its associates for other services:		
Other non-audit services	<u>6,000</u>	<u>7,500</u>

12. Staff costs

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

	2023 £	2022 £
Wages and salaries	<u>8,423</u>	<u>8,418</u>

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2023

12. Staff costs *(continued)*

The average head count of employees during the year was 1 (2022: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Number of administrative staff	<u>1</u>	<u>1</u>

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

13. Trustee remuneration and expenses

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

14. Investments

	Investment properties £
Cost or valuation	
At 1 August 2022	14,636,500
Additions	–
Disposals	(301,000)
Fair value movements	(515,000)
At 31 July 2023	<u>13,820,500</u>
Impairment	
At 1 August 2022 and 31 July 2023	
Carrying amount	
At 31 July 2023	<u>13,820,500</u>
At 31 July 2022	<u>14,636,500</u>

All investments shown above are held at valuation.

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 RICS qualifications 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.

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2023

15. Debtors

	2023 £	2022 £
Trade debtors	109,202	112,336
Prepayments and accrued income	2,000	9,780
Other debtors	5,999	7,253
	<u>117,201</u>	<u>129,369</u>

16. Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans	260,638	326,899
Trade creditors	4,562	42,236
Accruals	33,996	31,546
Social security and other taxes	123,923	37,746
Tenant deposits	33,407	33,407
Other creditors	20,850	61,059
	<u>477,376</u>	<u>532,893</u>

Bank loans are secured against the investment properties of the charity.

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

	2023 £	2022 £
Bank loans	3,592,163	3,232,045
Other creditors	2,488,941	2,954,472
Bounce Back Loan (Covid)	18,333	28,333
	<u>6,099,437</u>	<u>6,214,850</u>

Bank loans are secured against the investment properties of the charity.

Re Other creditors see Note 21 Related parties

Jay Education Trust

Notes to the Financial Statements (continued)

Year ended 31 July 2023

18. Analysis of charitable funds

Unrestricted funds

	At 1 August 2022	Income	Expenditure	Gains and losses	At 31 July 2023
	£	£	£	£	£
General funds	6,379,816	1,444,570	(1,785,397)	—	6,038,989
Revaluation reserve	2,131,500	—	—	(515,000)	1,616,500
	<u>8,511,316</u>	<u>1,444,570</u>	<u>(1,785,397)</u>	<u>(515,000)</u>	<u>7,655,489</u>

	At 1 August 2022	Income	Expenditure	Gains and losses	At 31 July 2022
	£	£	£	£	£
General funds	5,966,021	1,393,939	(980,144)	—	6,379,816
Revaluation reserve	—	—	—	2,131,500	2,131,500
	<u>5,966,021</u>	<u>1,393,939</u>	<u>(980,144)</u>	<u>2,131,500</u>	<u>8,511,316</u>

19. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2023 £
Investments	13,820,500	13,820,500
Current assets	411,802	411,802
Creditors less than 1 year	(477,376)	(477,376)
Creditors greater than 1 year	(6,099,437)	(6,099,437)
Net assets	<u>7,655,489</u>	<u>7,655,489</u>

	Unrestricted Funds £	Total Funds 2022 £
Investments	14,636,500	14,636,500
Current assets	622,559	622,559
Creditors less than 1 year	(532,893)	(532,893)
Creditors greater than 1 year	(6,214,850)	(6,214,850)
Net assets	<u>8,511,316</u>	<u>8,511,316</u>

20. Analysis of changes in net debt

	At 1 Aug 2022 £	Cash flows £	At 31 Jul 2023 £
Cash at bank and in hand	493,190	(198,589)	294,601
Debt due within one year	(326,899)	66,261	(260,638)
Debt due after one year	(3,232,045)	(360,118)	(3,592,163)
	<u>(3,065,754)</u>	<u>(492,446)</u>	<u>(3,558,200)</u>

Jay Education Trust

Notes to the Financial Statements *(continued)*

Year ended 31 July 2023

21. Related parties

During the year, Mr D Weis, trustee of Jay Education Trust, made a number of donations from various companies under his control. These were; Red Birch Ltd - £21,000 and Green Elm Ltd - £94,000. As well during the year a total of £551,000 was repaid to D Weis as repayment of loans made by him and companies under his control in previous years. At the year end the total outstanding balance owing to Mr D Weis and companies under his control amounted to £2,488,941. 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 these loans to the detriment of the cash flow of the charity.

22. 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.