

United Institutions Charitable Trust
Unaudited Financial Statements
31 March 2021

HAFFNER HOFF LTD

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

United Institutions Charitable Trust

Financial Statements

Year ended 31 March 2021

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	7
Statement of financial activities	8
Statement of financial position	9
Notes to the financial statements	10

United Institutions Charitable Trust

Trustees' Annual Report

Year ended 31 March 2021

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

Reference and administrative details

Registered charity name United Institutions Charitable Trust

Charity registration number 1119871

Principal office 6 Dellcot Close
Prestwich
Manchester
M25 0GX

The trustees

M E Fuerst
R Masar
O Toporowitch

Independent examiner Howard Schwalbe ACA
2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

United Institutions Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Structure, governance and management

United Institutions Charitable Trust is constituted under a trust deed dated 07 June 2007. It is a registered charity with a charity number being 1119871.

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

There is no chief executive officer. The day to day affairs are undertaken by Mr M E Fuerst 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.

Risk management

The Trustees are responsible for the management of the risks faced by the Charity. A formal review of the charity's risk management processes is undertaken on an annual basis.

The key controls used by the charity include:

- Comprehensive strategic planning and budgeting;
- Established organisational structure and lines of reporting;
- Clear authorisation and approval levels.

Through the risk management processes established for the Charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

United Institutions Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Objectives and activities

The objects of the charity are:

- (i) the advancement and furtherance of the orthodox Jewish religion and Jewish education and the alleviation of poverty among the Jewish community throughout the world.
- (ii) The furtherance of such other objects that are exclusively charitable under the Law of England and Wales as the trustees may from time to time determine.

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 has established its grant making policy to achieve its objects for the public benefit. The charity invites applications for funding through contacting local philanthropists to contribute towards projects that both the trustees and the philanthropists feel are appropriate for the charities objects.

The policy is to assist in the furtherance of Jewish education and religion, relieve poverty, and to alleviate hardship wherever possible. Each application and request is considered on its own merit.

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

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.

United Institutions Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Achievements and performance

The charity received £4,078 in donations during the year and paid out £155,852 by way of grants and support costs that are in line with the objects of the charity.

The charity received £198,494 by way of investment income from investment properties. There is a further £24,000 of income relating to a lease taken out by the charity to enable a Synagogue to operate from those premises. The charity was able to sublet the upstairs part of the property to help the Synagogue with the expenses of the rent.

The charity also had investment management costs of £199,009 during the year that mainly related to loan interest, utilities, insurance and other costs associated with the management of the investments.

The charity has low 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 an overall net expenditure and net movement of funds for the year amounting to £128,289.

United Institutions Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Financial review

Investment performance

The charity's property investments have not performed as well as they have done in previous years, due mainly to loss of tenants. The trustees have said that the situation created by Covid has made it more difficult to find new tenants, however, they are now experiencing significant interest. Therefore, the trustees do not consider this to be a going concern issue and expect the charity's investments to return to performing well in line with previous years.

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 financial obligations of the charity, the trustees have resolved to maintain a minimum reserve, being the current assets of the charity.

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

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

The free reserves, being net current liabilities, amounted to (£229,030), all of which are unrestricted. The amount of the revaluation reserve and the unrestricted income fund can only be realised by the disposal of the investment properties.

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).

Coronavirus

As was mentioned above, the Covid pandemic has made it more difficult for the trustees to find tenants for the vacant units that the charity owns. In addition to this, the overall depressed economic climate that Covid has created might explain why the charity received significantly less voluntary donations in this year.

The charity took out a £50,000 bounce back loan during the period, this helped to maintain a steady cashflow. The trustees are confident that the charity will be able to pay back the bounce back loan when it becomes due. Furthermore, the trustees are working hard to ensure that the charity will be able to overcome all of the issues brought about by the pandemic and they are confident that it will be able to do so.

United Institutions Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

The trustees' annual report was approved on 29 March 2022 and signed on behalf of the board of trustees by:

M E Fuerst
Trustee

United Institutions Charitable Trust

Independent Examiner's Report to the Trustees of United Institutions Charitable Trust

Year ended 31 March 2021

I report to the trustees on my examination of the financial statements of United Institutions Charitable Trust ('the charity') for the year ended 31 March 2021.

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

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.

Howard Schwalbe ACA

Independent Examiner

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

29 March 2022

United Institutions Charitable Trust

Statement of Financial Activities

Year ended 31 March 2021

		2021	2020
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	4	4,078	36,751
Charitable activities	5	24,000	23,865
Investment income	6	198,494	841,124
Total income		<u>226,572</u>	<u>901,740</u>
Expenditure			
Expenditure on raising funds:			
Investment management costs	7	199,009	302,661
Expenditure on charitable activities	8,9	155,852	143,719
Total expenditure		<u>354,861</u>	<u>446,380</u>
Net (expenditure)/income and net movement in funds		<u>(128,289)</u>	<u>455,360</u>
Reconciliation of funds			
Total funds brought forward		899,659	444,299
Total funds carried forward		<u>771,370</u>	<u>899,659</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 10 to 18 form part of these financial statements.

United Institutions Charitable Trust

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	16	4,786,000	4,786,000
Current assets			
Cash at bank and in hand		19,645	426,560
Creditors: amounts falling due within one year	17	248,675	184,793
Net current liabilities		(229,030)	241,767
Total assets less current liabilities		4,556,970	5,027,767
Creditors: amounts falling due after more than one year	18	3,785,600	4,128,108
Net assets		771,370	899,659
Funds of the charity			
Unrestricted funds:			
Revaluation reserve		184,358	184,358
Other unrestricted income funds		587,012	715,301
Total unrestricted funds		771,370	899,659
Total charity funds	19	771,370	899,659

These financial statements were approved by the board of trustees and authorised for issue on 29 March 2022, and are signed on behalf of the board by:

M E Fuerst
Trustee

The notes on pages 10 to 18 form part of these financial statements.

United Institutions Charitable Trust

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 6 Dellcot Close, Prestwich, Manchester, M25 0GX.

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 for the foreseeable future. The net current liabilities on the balance sheet do not compromise this position as the charity has received a letter of support from the trustees as well as confirmation from some of the other creditors that they will not call in their loans to the detriment of the cash flow of the charity.

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

Fair value

Debtors and creditors are stated at fair value.

Judgements and key sources of estimation uncertainty

The main judgements, estimates or assumptions that affect the amounts reported are the valuation of the investment property. These are updated to fair value based on information supplied by independent valuers.

United Institutions Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Fund accounting

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

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations, grants or rents are 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.

United Institutions Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Investments

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

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.

United Institutions Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	4,078	4,078	36,751	36,751

5. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Rent receivable	24,000	24,000	23,865	23,865

6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from investment properties	198,494	198,494	841,124	841,124

United Institutions Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

7. Investment management costs

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Rent collection	77,815	77,815	152,413	152,413
Other investment management costs	121,194	121,194	150,248	150,248
	<u>199,009</u>	<u>199,009</u>	<u>302,661</u>	<u>302,661</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Charitable grants	145,900	145,900	140,435	140,435
Support costs	9,952	9,952	3,284	3,284
	<u>155,852</u>	<u>155,852</u>	<u>143,719</u>	<u>143,719</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable grants	23,650	122,250	8,201	154,101	140,719
Governance costs	—	—	1,751	1,751	3,000
	<u>23,650</u>	<u>122,250</u>	<u>9,952</u>	<u>155,852</u>	<u>143,719</u>

10. Analysis of support costs

	Analysis of support costs £	Total 2021 £	Total 2020 £
General office	8,201	8,201	284
Governance costs	1,751	1,751	3,000
	<u>9,952</u>	<u>9,952</u>	<u>3,284</u>

United Institutions Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

11. Analysis of grants

	2021 £	2020 £
Grants to institutions		
Amutat Mishna Tora	–	15,394
British Friends of Iggud Hakollelim	–	22,000
British Friends of Rinat Aharon	8,000	–
Chanichei Yeshivas Slabodka	–	17,000
Dorshei Tzion Betar	–	10,000
Grants Under £5000	34,250	40,481
Meohr Beis Yaakov	–	6,560
Mosdos Torah Veyira	24,000	–
Ponevez Institution	20,000	–
Sayser Developments	36,000	–
Shuvu Elai	–	5,000
	<u>122,250</u>	<u>116,435</u>
Total grants	<u>122,250</u>	<u>116,435</u>

12. Auditors' remuneration

	2021 £	2020 £
Fees payable for the audit of the financial statements	<u>–</u>	<u>3,000</u>
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	<u>–</u>	<u>750</u>

13. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,750</u>	<u>–</u>

14. Staff costs

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

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

15. Trustee remuneration and expenses

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

United Institutions Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

16. Investments

	Investment properties £
Cost or valuation At 1 April 2020 and 31 March 2021	4,786,000
Impairment At 1 April 2020 and 31 March 2021	
Carrying amount At 31 March 2021	4,786,000
At 31 March 2020	4,786,000

All investments shown above are held at valuation.

Investment properties

UK investment property represents two properties purchased by the charity on 24 March 2016.

The investment property has been revalued professionally by Chartered Surveyors on 22 January 2020 at the behest of the trustees. The trustees consider the current carrying value to be the fair value.

17. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	98,456	88,983
Accruals and deferred income	5,500	32,088
Social security and other taxes	11,198	25,749
Other creditors	133,521	37,973
	<u>248,675</u>	<u>184,793</u>

The bank loan is secured on the investment properties of the charity.

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

	2021 £	2020 £
Bank loans and overdrafts	2,670,216	2,728,145
Other loan	1,115,384	1,399,963
	<u>3,785,600</u>	<u>4,128,108</u>

The bank loan is secured on the investment properties of the charity.

United Institutions Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

19. Analysis of charitable funds

Unrestricted funds

	At 01 Apr 2020 £	Income £	Expenditure £	At 31 Mar 2021 £
General funds	715,301	226,572	(354,861)	587,012
Revaluation reserve	184,358	—	—	184,358
	<u>899,659</u>	<u>226,572</u>	<u>(354,861)</u>	<u>771,370</u>
	At 01 Apr 2019 £	Income £	Expenditure £	At 31 Mar 2020 £
General funds	259,941	901,740	(446,380)	715,301
Revaluation reserve	184,358	—	—	184,358
	<u>444,299</u>	<u>901,740</u>	<u>(446,380)</u>	<u>899,659</u>

20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Investments	4,786,000	4,786,000
Current assets	19,645	19,645
Creditors less than 1 year	(248,675)	(248,675)
Creditors greater than 1 year	(3,785,600)	(3,785,600)
Net assets	<u>771,370</u>	<u>771,370</u>
	Unrestricted Funds £	Total Funds 2020 £
Investments	4,786,000	4,786,000
Current assets	426,560	426,560
Creditors less than 1 year	(184,793)	(184,793)
Creditors greater than 1 year	(4,128,108)	(4,128,108)
Net assets	<u>899,659</u>	<u>899,659</u>

21. Related parties

Mr J Masar, a brother of Mr R Masar (Trustee), was owed £1,115,384 at the year end. This was due to various repayments during the year as well as interest charged at a rate of 3.5% on the loan.

United Institutions Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

22. Taxation

United Institutions Charitable Trust is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.