

COMPANY REGISTRATION NUMBER: 06767931
CHARITY REGISTRATION NUMBER: 1127178

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020

COHEN ARNOLD
Chartered Accountants & Statutory Auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020**

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**GOLDHEART CHARITY LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
YEAR ENDED 31 DECEMBER 2020**

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Goldheart Charity Limited
Charity registration number	1127178
Company registration number	06767931
Principal office and registered office	162 Osbaldeston Road London N16 6NJ
The trustees	Mr A Oestreicher Mrs C Oestreicher
Company secretary	Mrs C Oestreicher
Auditor	Cohen Arnold Chartered Accountants & Statutory Auditor New Burlington House 1075 Finchley Road LONDON NW11 0PU

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is constituted as a Company limited by guarantee, and is therefore governed by its Memorandum and Articles of Association.

The Charity has a subsidiary undertaking, Shoestone Limited, an investment company and holds a 50% share in Bellview Land Limited, a property development company.

The Trustees administer the day-to-day affairs of the Charity. None of the Trustees have any beneficial interest in the Charity.

The Trustees were appointed based on personal competence, specialist skills, availability and knowledge of and contact with institutions professing and teaching the principles of traditional Judaism and the advancement of religion in accordance with the Jewish faith and the relief of poverty, sickness and infirmity.

Suitable recruitment training and induction procedures are undertaken upon appointment of new Trustees when the current Trustees believe the Charity can benefit from additional expertise.

OBJECTIVES AND ACTIVITIES

The Charity is established to advance religion in accordance with the Orthodox Jewish Faith, the relief of poverty, sickness and infirmity, and for such purposes as are recognised by English Law as Charitable and in furtherance of the aforementioned objects.

The Charity receives income mainly from its property investments and charitable receipts under Gift Aid, which it utilises in the provision and distribution of grants and donations.

The Trustees confirm their compliance with the duty to have due regard to the Public Benefit guidance published by the Charity Commission when reviewing the Charity's aims and objectives in planning future activities.

GOLDHEART CHARITY LIMITED
(COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
(continued)

YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE

During the year the Charity continued its philanthropic activities in support of religious education and other charitable institutions and aggregate donations of £400,442 (2019: £973,440) were paid.

The benefits that these charities provide include:

Financial support to the poor

Provisions of basic necessities for the poor

Relief of sickness and disabilities

Jewish education and support for places of worship for the Jewish community

The financial results of the Charity's activities for the year to 31 December 2020 are fully reflected in the attached Financial Statements together with the notes thereon.

FINANCIAL REVIEW

Financial position

The financial position of the charity and its subsidiary undertaking and joint venture are satisfactory. The charity's consolidated statement of financial activities shows net income of £1,596,994 (2019: net loss £254,020) and total reserves of £4,648,611 (2019: £3,051,617).

Reserve policy

It is the policy of the Charity to maintain unrestricted funds, which are the free reserve of the Charity, at a level which the Trustees think appropriate after considering the future commitments of the Charity and the likely costs of the Charity for the next year.

As at 31 December 2020 the Charity has total funds of £4,654,456 of which £3,275,374 are free reserves.

Grant making policy

Grants are made to charitable institutions and organisations which accord with the objects of the Charity.

The Trustees are approached for donations by a wide variety of charitable institutions operating all over England. The trustees consider all requests which they receive and make donations based on the level of funds available.

Investment powers and policy and objectives

Under the memorandum and articles of association, the charity has the power to make any investment, which the Trustees see fit. The Trustees regularly review the Charity's position and needs in respect of the investment policy.

Risk management

The Trustees have identified and reviewed the major risks to which the Charity is exposed, in particular those related to the operations and finance of the Charity, and are satisfied that systems are in place to manage those risks.

PLANS FOR FUTURE PERIODS

The Trustees plan to continue to make distributions in accordance with their grant making policy and to ensure that an appropriate level of reserves are maintained.

GOLDHEART CHARITY LIMITED
(COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
(continued)

YEAR ENDED 31 DECEMBER 2020

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees, who are also directors for the purposes of company law, 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).

Company law 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 charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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;
- 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 Companies Act 2006. 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.

AUDITOR

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 21 October 2021 and signed on behalf of the board of trustees by:



Mr A Oestreicher
Trustee

GOLDHEART CHARITY LIMITED
(COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GOLDHEART CHARITY LIMITED *(continued)*
YEAR ENDED 31 DECEMBER 2020

OPINION

We have audited the financial statements of Goldheart Charity Limited for the year ended 31 December 2020 which comprise the consolidated statement of financial activities (including income and expenditure account), the consolidated and parent charity balance sheets, the consolidated statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group and charity's affairs as at 31 December 2020 and of the group's 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 Companies Act 2006.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**GOLDHEART CHARITY LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GOLDHEART CHARITY LIMITED *(continued)***

YEAR ENDED 31 DECEMBER 2020

OTHER INFORMATION

The other information comprises the information included in the trustees' 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

GOLDHEART CHARITY LIMITED
(COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GOLDHEART CHARITY LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2020

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) 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.

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 obtained an understanding of the legal and regulatory frameworks that are applicable to the group through discussion with the directors and identified financial reporting legislation, landlord legislation and charity legislation as being most significant to these financial statements.
- We communicated these identified frameworks amongst our audit team and remained alert to any indications of non-compliance throughout the audit. We ensured that the engagement team had sufficient competence and capability to identify or recognise non-compliance with the laws and regulations.
- We discussed with the directors the policies and procedures regarding compliance with these legal and regulatory frameworks.
- We assessed the susceptibility of the group's financial statements to material misstatement due to non-compliance with legal and regulatory frameworks, including how fraud might occur, by enquiry with the directors during the planning and finalisation phases stages of our audit and by using proprietary disclosure checklists. The susceptibility to such material misstatement was determined to be low.
- Based on this understanding, we designed our audit procedures to identify non-compliance with the identified legal and regulatory frameworks, which were part of our procedures on the related financial statement items.

GOLDHEART CHARITY LIMITED
(COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GOLDHEART CHARITY LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2020

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS
(continued)

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

**GOLDHEART CHARITY LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GOLDHEART CHARITY LIMITED *(continued)***

YEAR ENDED 31 DECEMBER 2020

USE OF OUR REPORT

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



Mr Barry Leigh (Senior Statutory Auditor)

For and on behalf of
Cohen Arnold
Chartered Accountants & Statutory Auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

Our audit was completed on 21 October 2021 and our opinion was expressed at that date.

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)**

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020		2019	
		Unrestricted Funds		Unrestricted Funds	
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5		1,356,725		527,735
Investment income	6		366,606		214,050
Total income			1,723,331		741,785
Expenditure					
Expenditure on raising funds:					
Investment management costs	7	(57,764)		(35,968)	
Expenditure on charitable activities	8,9	(418,087)		(986,266)	
Total expenditure			(475,851)		(1,022,234)
Net gains on investments:					
Gain on revaluation of investment property	12	360,000		27,291	
Share of associate loss	12	(10,486)		(862)	
			349,514		26,429
Net income and net movement in funds			1,596,994		(254,020)
Reconciliation of funds:					
Total funds brought forward			3,051,617		3,305,637
Total funds carried forward	20		4,648,611		3,051,617

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 13 to 23 form part of these financial statements.

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Investments	16	5,571,257	2,279,823
CURRENT ASSETS			
Debtors	17	100,336	694,868
Cash at bank and in hand		324,169	659,192
		<u>424,505</u>	<u>1,354,060</u>
CREDITORS: amounts falling due within one year	18	<u>(152,053)</u>	<u>(148,808)</u>
NET CURRENT ASSETS		<u>272,452</u>	<u>1,205,252</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,843,709	3,485,075
CREDITORS: amounts falling due after more than one year	19	<u>(1,195,098)</u>	<u>(433,458)</u>
NET ASSETS		<u>4,648,611</u>	<u>3,051,617</u>
FUNDS OF THE CHARITY			
Unrestricted funds	20	<u>4,648,611</u>	<u>3,051,617</u>
Total charity funds		<u>4,648,611</u>	<u>3,051,617</u>

These financial statements were approved by the board of trustees and authorised for issue on 21 October 2021, and are signed on behalf of the board by:



Mr A Oestreicher
Trustee

Company Registration Number: 06767931

Charity Registration Number: 1127178

The notes on 13 to 23 form part of these financial statements.

GOLDHEART CHARITY LIMITED
(COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET AS AT 31 DECEMBER 2020

	2020		2019
	£	£	£
FIXED ASSETS			
Investments	5,598,257		2,359,920
CURRENT ASSETS			
Debtors'	49,387		684,264
Cash at bank and in hand	320,050		646,091
	<u>369,437</u>		<u>1,330,355</u>
CREDITORS: amounts falling due within one year	<u>(118,140)</u>		<u>(115,076)</u>
NET CURRENT LIABILITIES	<u>251,297</u>		<u>1,215,279</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	5,849,554		3,575,199
CREDITORS: amounts falling due after more than one year	<u>(1,195,098)</u>		<u>(433,458)</u>
NET ASSETS	<u>4,654,456</u>		<u>3,141,741</u>
FUNDS OF THE CHARITY			
Unrestricted funds	<u>4,654,456</u>		<u>3,141,741</u>
Total charity funds	<u>4,654,456</u>		<u>3,141,741</u>

These financial statements were approved by the board of trustees and authorised for issue on 21 October 2021, and are signed on behalf of the board by:



Mr A Oestreich
Trustee

Company Registration Number: 06767931

Charity Registration Number: 1127178

The notes on pages 13 to 23 form part of these financial statements.

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income		1,596,994	(254,020)
Adjustments for:			
Non-cash donation in kind		35,839	-
Profit on revaluation of investments		(360,000)	(27,291)
Dividends, interest and rents from investments		(365,606)	(214,050)
Accrued expenses/(income)		12,472	(26,664)
Payments for expenditure on investment properties		36,761	35,173
Interest payable and similar charges		7,574	-
Profit from joint venture		10,486	862
Cash generated/(used) from operations		974,520	(485,990)
Changes in:			
Other debtors		12,847	369,182
Other creditors		(2,035)	20,002
Net cash generated/(used) in operating activities		985,332	(96,806)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interest and rents from investments		363,260	216,189
Cash payments on loan advances		125,000	(125,000)
Cash receipts from the repayment of loans		413,000	407,000
Purchase of investment property		(2,941,920)	(502,920)
Proceeds on the sale of investment property		-	577,291
Payments for expenditure on investment properties		(36,761)	(35,173)
Net cash generated/(used) in investing activities		(2,077,421)	537,387
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		792,211	-
Repayments of borrowings		(27,571)	(25,520)
Interest paid		(7,574)	-
Net cash generated/(used) in financing activities		757,066	(25,520)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		(335,023)	415,061
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		659,192	244,131
CASH AND CASH EQUIVALENTS AT END OF YEAR		324,169	659,192

The notes on pages 13 to 23 form part of these financial statements.

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 162 Osbaldeston Road, London, N16 6NT.

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

3.1 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.

The charity meets the definition of a public benefit entity under FRS 102.

3.2 Going concern

The financial statements have been prepared in accordance with the accounting principles appropriate to a going concern, as the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due, based on the net current asset position of the charity and available sources of finance.

The outbreak of Covid-19 has presented the charity with challenges regarding investment income. These risks are beyond the control of the charity and represent uncertainty to the revenue of the charity in the next 12 months and the valuation of its assets which cannot presently be quantified. However, the charity has modest overheads and the trustees have the ability to exercise control over the charity's grant making charitable activities and to call on support from benefactors, such that the trustees believe the charity will continue as a going concern.

Based on this, the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis.

3.3 Consolidation

The financial statements consolidate the results of the charity and its subsidiary undertaking. For participating interests, the group's share of the profit and loss and its interest in their net assets is recorded in the financial statements using the equity method. The financial statements are adjusted, where appropriate, to conform to group accounting policies. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented in accordance with section 408 of the Companies Act 2006.

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2020

3. ACCOUNTING POLICIES *(continued)*

3.4 Judgements and key sources of estimation uncertainty

Judgements made by the directors in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are as follows:

(i) Property valuation

The valuation of the charity's investment property is inherently subjective, depending on many factors including the nature of the property, its location and expected future net rental values, market yields and comparable market transactions. Therefore the valuation is subject to a degree of uncertainty and is made on the basis of assumptions which may not prove to be accurate, particularly in periods of difficult market or economic conditions.

(ii) Trade and other debtors

Management uses details of the age of trade and other debtors and the status of any disputes together with external evidence of the credit status of the counterparty in making judgements concerning any need to impair the carrying value.

3.5 Fund accounting

General unrestricted funds comprise the accumulated surplus or deficit on income and expenditure account. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds are funds subject to the specific restricted conditions imposed by donors. There are no restricted funds as at the Balance Sheet date.

Designated funds are funds which have been set aside at the discretion of the Trustees for specific purposes. There are no designated funds as at the Balance Sheet date.

3.6 Incoming resources

All income is 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.

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.

3.7 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 the appropriate headings in the statement of financial activities.

3.8 Taxation

The charity is not liable to current tax on its income as it falls within the various exemptions available to registered charities. Accordingly, the charity does not recognise any deferred tax liability on property revaluations as it will apply all funds for qualifying charitable purposes and be eligible for tax exemptions available to registered charities.

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2020

3. ACCOUNTING POLICIES *(continued)*

3.9 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.

3.10 Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost, which includes the purchase price and directly attributable expenditure.

Subsequent to initial recognition

- Investment properties are held at fair value. Any gains or losses arising from changes in the fair value are recognised in the profit and loss account in the period that they arise; and
- No depreciation is provided in respect of investment properties applying the fair value model.

Investment property fair value is determined by the trustees based on their understanding of property market conditions and the specific property concerned, using a sales valuation approach, derived from recent comparable transactions on the market, adjusted by applying discounts to reflect status of occupation and condition.

3.11 Acquisitions and disposals

Acquisitions and disposals of properties are considered to take place at the date of legal completion and are included in the financial statements accordingly.

3.12 Grants payable

These are only recognised in the account when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 DECEMBER 2020

3. ACCOUNTING POLICIES (continued)

3.13 Financial instruments

A financial asset or a financial liability is recognised only when the entity 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, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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.

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.

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. LIMITED BY GUARANTEE

The Charity is a Company Limited by Guarantee and has no share capital. The liability of each Member in the event of winding up is limited to £1.

5. DONATIONS AND LEGACIES

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
DONATIONS				
Donations received	1,356,725	1,356,725	527,735	527,735

Donations received includes amounts received from the following companies, the Directors of which are related to or include Trustees of the Charity: City Properties Limited (£39,000) and Tellington Limited (£30,000). Donations of £72,000 were also received from members of the Oestreicher family, £500,000 from the Estate of the late Mrs E Oestreicher and £695,074 from Bellview Land Limited, a company in which the Charity has a participating interest.

6. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Rent and other charges receivable	214,646	214,646	116,126	116,126
Income from other investments	22,876	22,876	—	—
Interest receivable	129,084	129,084	97,924	97,924
	<u>366,606</u>	<u>366,606</u>	<u>214,050</u>	<u>214,050</u>

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 DECEMBER 2020

7. INVESTMENT MANAGEMENT COSTS

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Property outgoings	36,761	36,761	35,173	35,173
Interest payable and similar charges	7,574	7,574	—	—
Administrative expenses	13,429	13,429	795	795
	<u>57,764</u>	<u>57,764</u>	<u>35,968</u>	<u>35,968</u>

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Donations paid	400,442	400,442	973,440	973,440
Support costs	17,645	17,645	12,826	12,826
	<u>418,087</u>	<u>418,087</u>	<u>986,266</u>	<u>986,266</u>

9. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Grant funding of activities	Support costs	Total funds 2020	Total fund 2019
	£	£	£	£
Donations paid	400,442	-	400,442	973,440
Governance costs	-	17,645	17,645	12,826
	<u>400,442</u>	<u>17,645</u>	<u>418,087</u>	<u>986,266</u>

10. ANALYSIS OF SUPPORT COSTS

	Support costs	Total 2020	Total 2019
	£	£	£
Governance costs	<u>17,645</u>	<u>17,645</u>	<u>12,826</u>

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2020

11. ANALYSIS OF GRANTS

	2020 £	2019 £
GRANTS TO INSTITUTIONS		
Advancement of education and relief of poverty	400,442	973,440
Total grants	400,442	973,440

All grants and donations were paid to charitable institutions for the purposes of either the advancement of education or the alleviation of poverty, or to charities which make grants for use in relation to the aforementioned purposes.

The composition of donations is shown below.

	£
The Knightland Foundation	80,912
Forty Ltd	50,000
The Machzikei Hadass Communities	50,000
Get Set Girls	25,000
Tevini Limited	15,000
Misgov Ladoch	10,300
Friends of Boyan Trust	10,000
Friends of Beis Soroh Schneirer	10,000
Friends of Mercaz Hatorah Belz Macnivka	10,000
Tchernobel Foundation Limited	10,000
The Rehabilitation Trust	10,000
Yeshivo Horomo	10,000
Yeitev Lev Eretz Israel Ltd	10,000
Donations less than £10,000	99,230
	400,442

12. NET GAINS ON INVESTMENTS

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Gains/(losses) on investment property	360,000	360,000	27,291	27,291
Gains/(losses) on investments in group undertakings and participating interests	(10,486)	(10,486)	(862)	(862)
	349,514	349,514	26,429	26,429

13. AUDITORS REMUNERATION

	2020 £	2019 £
Fees payable for the audit of the financial statements	12,600	9,480

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2020

14. STAFF COSTS AND TRUSTEES REMUNERATIONS AND EXPENSES

The average head count of employees, including trustees, during the year was 2 (2019: 2).

No salaries or wages have been paid to employees during the year.

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

No Trustee expenses have been incurred.

15. NET MOVEMENT IN FUNDS

Of the net movement in funds of the group, a surplus of £1,512,715 (2019: deficit of £269,368) has been dealt with in the statement of financial activities of the charity itself.

Turnover of the charity aggregated £1,691,110 (2019: £737,780) and comprised £115,766 (2019: £20,000) of donations received from subsidiary undertakings, £695,074 (2019: nil) of donations received from participating interests and £641,000 (2019: £508,500) from related entities and individuals.

16. INVESTMENTS

Group	Investment properties	Investment in participating interest	Other investments	Total
	£	£	£	£
Fair value				
At 1 January 2020	2,252,920	20,903	6,000	2,279,823
Additions	2,941,920	-	-	2,941,920
Revaluations	360,000	(10,486)	-	349,514
At 31 December 2020	5,554,840	10,417	6,000	5,571,257

Charity	Investment properties	Investment in subsidiary	Investment in participating interest	Total
	£	£	£	£
Fair value				
At 1 January 2020	2,252,920	8,000	99,000	2,359,920
Additions	2,941,920	-	-	2,941,920
Revaluations	360,000	25,000	(88,583)	296,417
At 31 December 2020	5,554,840	33,000	10,417	5,598,257

Investment properties

The investment properties are stated at Trustees' valuation as at 31 December 2020 based on the Trustees' extensive knowledge and experience in the property industry coupled with guidance from the professional valuers from time to time. The historical cost of the properties at 31 December 2020 is £4,219,124 (2019: £1,277,204).

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2020

16. INVESTMENTS *(continued)*

Shares in group undertakings

	Class of share	Percentage of shares held
Shoestone Limited (Company No. 07943692)	Ordinary	100

The above mentioned entity is incorporated in England and Wales.

The results for the subsidiary undertaking are as follows:

	Capital and reserves		Profit/(loss) for the year	
	2020	2019	2020	2019
	£	£	£	£
Shoestone Limited	<u>27,155</u>	<u>(4,027)</u>	<u>31,182</u>	<u>3,210</u>

The registered address of Shoestone Limited is 162 Osbaldeston Road, London, N16 6NJ.

The financial statements of Shoestone Limited are made up annually to 31 December.

The aggregate assets, liabilities, capital and reserves for the subsidiary as at 31 December 2020 were as follows:

	Shoestone Limited £
Fixed assets	6,000
Current assets	61,067
Current liabilities	<u>(39,912)</u>
Net assets	<u>27,155</u>

Shoestone Limited has a 6% interest in Frances Wharf LLP (Company No. OC372953), a Limited Liability Partnership registered in England and Wales, which was formed to acquire a property portfolio.

Shares in participating interests

The charity owns 50% of the ordinary share capital of Bellview Land Limited (Company No.08798911), a company incorporated and registered in England and Wales.

The historical cost of the investment is £50.

The results for the participating interest are included in the group's financial statements using the equity method.

The registered office of Bellview Land Limited is 5 North End Road, London, NW11 7RJ.

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2020

17. DEBTORS

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	7,967	8,134	7,967	8,134
Amounts owed by group undertakings	-	-	5,999	63,999
Prepayments and accrued income	5,792	49,310	-	164,100
Other debtors	86,577	637,424	35,421	448,031
	<u>100,366</u>	<u>694,868</u>	<u>49,387</u>	<u>684,264</u>

18. CREDITORS: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts	28,000	25,000	28,000	25,000
Accruals and deferred income	11,280	9,000	10,500	8,400
Other creditors	112,773	114,808	79,640	81,676
	<u>152,053</u>	<u>148,808</u>	<u>118,140</u>	<u>115,076</u>

Other creditors are comprised as follows:

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Loan creditors	75,000	75,000	75,000	75,000
Other creditors	37,773	39,808	4,640	6,676
	<u>112,773</u>	<u>114,808</u>	<u>79,640</u>	<u>81,676</u>

The bank loans are secured by a first legal charge over the Charity's investment properties with a book value of £2,110,000.

Other creditors includes an amount of £75,000 owed to Petley Limited, the Trustees and Directors of which include Trustees of the Charity. The amount is interest free and repayable on demand.

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2020

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

	Group		Charity	
	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts	402,887	433,458	402,887	433,458
Other loans	792,211	-	792,211	-
	<u>1,195,098</u>	<u>433,458</u>	<u>1,195,098</u>	<u>433,458</u>

Included within creditors: amounts falling due after more than one year is an amount of £1,083,098 (2019: £333,458) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The bank loans are secured by a first legal charge over the Charity's investment properties with a book value of £2,110,000. The loans are repayable in January 2032 and November 2035.

20. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

Group	At 1 January 2020 £	Income £	Expenditure £	Gains and losses £	At 31 December 2020 £
General funds	<u>3,051,617</u>	<u>1,723,331</u>	<u>(475,851)</u>	<u>349,514</u>	<u>4,648,611</u>

Charity	At 1 January 2020 £	Income £	Expenditure £	Gains and losses £	At 31 December 2020 £
General funds	<u>3,141,741</u>	<u>1,691,110</u>	<u>(474,812)</u>	<u>296,417</u>	<u>4,654,456</u>

General funds of the group at 31 December 2020 include £1,335,716 unrealised profits which are not available for distribution.

General funds of the Charity at 31 December 2020 include £1,379,082 unrealised profits which are not available for distribution.

**GOLDHEART CHARITY LIMITED
AND SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2020

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Group		Charity	
	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Investments	5,571,257	5,571,257	5,598,257	5,598,257
Current assets	424,505	424,505	369,437	369,437
Creditors less than 1 year	(152,053)	(152,053)	(118,140)	(118,140)
Creditors greater than 1 year	(1,195,098)	(1,195,098)	(1,195,098)	(1,195,098)
Net assets	<u>4,648,611</u>	<u>4,648,611</u>	<u>4,654,456</u>	<u>4,654,456</u>

22. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Financial assets measured at fair value through income and expenditure	<u>5,571,257</u>	<u>2,279,823</u>	<u>5,598,257</u>	<u>2,359,920</u>
Financial assets that are debt instruments measured at amortised cost	<u>100,336</u>	<u>694,868</u>	<u>49,387</u>	<u>684,264</u>
Financial liabilities measured at amortised cost	<u>1,347,151</u>	<u>582,266</u>	<u>1,313,238</u>	<u>548,534</u>

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2020	Cash flows	At 31 Dec 2020
	£	£	£
Cash at bank and in hand	659,192	(335,023)	324,169
Debt due within one year	(25,000)	(3,000)	(28,000)
Debt due after one year	(100,000)	(12,000)	(112,000)
Debt due after five years	(333,458)	(749,640)	(1,083,098)
	<u>200,734</u>	<u>(1,099,663)</u>	<u>(898,929)</u>

24. RELATED PARTIES

Related party transactions have been reported under notes 5, 15, 16 & 18.

GOLDHEART CHARITY LIMITED AND SUBSIDIARY UNDERTAKINGS

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2020

**The following page does not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 4 to 8**

GOLDHEART CHARITY LIMITED
(COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

THIS DOES NOT FORM PART OF THE FINANCIAL STATEMENTS

	2020	2019
	Unrestricted Funds	Unrestricted Funds
	£	£
Income and endowments		
Donations and legacies	1,472,491	547,735
Investment income:		
Rent and charges receivable	214,646	116,126
Interest receivable and similar income	3,973	73,919
	218,619	190,045
Total income	1,691,110	737,780
Expenditure		
Expenditure on raising funds:		
Investment management costs	(49,151)	(35,173)
Expenditure on charitable activities	(400,442)	(973,440)
Governance costs	(17,645)	(12,826)
Interest payable and similar expenses	(7,574)	-
	(474,812)	(1,021,439)
Total expenditure		
Net losses on investments:		
Gain on revaluation of investment property	360,000	27,291
Gain on revaluation of other investments	(63,583)	(13,000)
	296,417	14,291
Net income and net movement in funds	1,512,715	(269,368)
Reconciliation of funds:		
Total funds brought forward	3,141,741	3,411,109
Total funds carried forward	4,654,456	3,141,741