

COMPANY REGISTRATION NUMBER: 06767931

CHARITY REGISTRATION NUMBER: 1127178

**GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 DECEMBER 2021**

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

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

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GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
YEAR ENDED 31 DECEMBER 2021

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 2021.

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 Mrs Y Weiss (appointed on 10/11/2021) Mrs E Pollack (appointed on 10/11/2021)
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 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.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
(continued)
YEAR ENDED 31 DECEMBER 2021

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.

ACHIEVEMENTS AND PERFORMANCE

During the year the Charity continued its philanthropic activities in support of religious education and other charitable institutions and aggregate donations were paid of £1,036,270 (2020: £400,442).

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 2021 are fully reflected in the attached Financial Statements together with the notes thereon.

FINANCIAL REVIEW

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 2021 the Charity has total funds of £4,048,243 of which £2,663,578 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.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
(continued)
YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW *(continued)*

PRINCIPAL RISKS AND UNCERTAINTIES

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.

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.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
(continued)
YEAR ENDED 31 DECEMBER 2021

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 September 2022 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
YEAR ENDED 31 DECEMBER 2021

OPINION

We have audited the financial statements of Goldheart Charity Limited (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities (including income and expenditure account), 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 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the 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

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.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDHEART
CHARITY LIMITED *(continued)*
YEAR ENDED 31 DECEMBER 2021

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 2021

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.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDHEART
CHARITY LIMITED *(continued)*
YEAR ENDED 31 DECEMBER 2021

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity 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 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 company'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 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.

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.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDHEART
CHARITY LIMITED *(continued)*
YEAR ENDED 31 DECEMBER 2021

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.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDHEART
CHARITY LIMITED *(continued)*
YEAR ENDED 31 DECEMBER 2021

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.

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

21 September 2022

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 DECEMBER 2021

		2021		2020
		Unrestricted		
	Note	funds	Total funds	Total funds
		£	£	£
Income and endowments				
Donations and legacies	5	202,138	202,138	1,472,491
Investment income	6	346,440	346,440	218,619
Total income		<u>548,578</u>	<u>548,578</u>	<u>1,691,110</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	7	(90,205)	(90,205)	(56,725)
Expenditure on charitable activities	8,9	(1,070,169)	(1,070,169)	(418,087)
Total expenditure		<u>(1,160,374)</u>	<u>(1,160,374)</u>	<u>(474,812)</u>
Net gains on investments	12	5,583	5,583	296,417
Net (expenditure)/income and net movement in funds		<u>(606,213)</u>	<u>(606,213)</u>	<u>1,512,715</u>
Reconciliation of funds				
Total funds brought forward		4,654,456	4,654,456	3,141,741
Total funds carried forward		<u>4,048,243</u>	<u>4,048,243</u>	<u>4,654,456</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 14 to 23 form part of these financial statements.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2021

	Note	2021 £	£	2020 £	£
FIXED ASSETS					
Investments	16		5,603,840		5,598,257
CURRENT ASSETS					
Debtors	17	896,556		49,387	
Cash at bank and in hand		<u>353,154</u>		<u>320,050</u>	
		1,249,710		369,437	
CREDITORS: amounts falling due within one year	18	<u>(201,809)</u>		<u>(118,140)</u>	
NET CURRENT ASSETS			<u>1,047,901</u>		<u>251,297</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			6,651,741		5,849,554
CREDITORS: amounts falling due after more than one year	19		<u>(2,603,498)</u>		<u>(1,195,098)</u>
NET ASSETS			<u>4,048,243</u>		<u>4,654,456</u>
FUNDS OF THE CHARITY					
Unrestricted funds			<u>4,048,243</u>		<u>4,654,456</u>
Total charity funds	20		<u>4,048,243</u>		<u>4,654,456</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 21 September 2022, and are signed on behalf of the board by:



Mr A Oestreicher
Trustee

Company Registration Number: 06767931

Charity Registration Number: 1127178

The notes on pages 14 to 23 form part of these financial statements.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (expenditure)/income	(606,213)	1,512,715
<i>Adjustments for:</i>		
Net gains on investments	(5,583)	(296,417)
Dividends, interest and rents from investments	(304,898)	(214,646)
Other interest receivable and similar income	(41,542)	(3,973)
Accrued expenses	1,500	2,100
<i>Changes in:</i>		
Trade and other debtors	(572,732)	412,777
Trade and other creditors	364,172	(2,036)
Cash generated from operations	<u>(1,165,296)</u>	<u>1,410,520</u>
Net cash (used in)/from operating activities	<u>(1,165,296)</u>	<u>1,410,520</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends, interest and rents from investments	304,898	214,646
Purchases of other investments	—	(2,941,920)
Loan advances/repayments	(252,000)	58,000
Interest received	19,272	168,073
Net cash from/(used in) investing activities	<u>72,170</u>	<u>(2,501,201)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	1,200,272	764,640
Repayments of borrowings	(74,042)	—
Net cash from financing activities	<u>1,126,230</u>	<u>764,640</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	33,104	(326,041)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	320,050	646,091
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>353,154</u>	<u>320,050</u>

The notes on pages 14 to 23 form part of these financial statements.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

1. GENERAL INFORMATION

The charity is a public benefit entity and 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 6NJ.

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 Companies Act 2006.

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.

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

Going concern

There are no material uncertainties about the charity's ability to continue.

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

(ii) Trade debtors

Management uses details of the age of trade debtors and 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 values.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

3. ACCOUNTING POLICIES *(continued)*

Taxation

The charity is not liable to direct taxation on its income or gains, whether realised or not, as it falls within the various exemptions liable to registered charities. Accordingly, the charity does not recognise any deferred tax liability on property revaluations as no tax would be due in the event of a disposal as the charity would benefit from the relevant exemptions, as it will apply all funds for qualifying charitable purposes.

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 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.

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.

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.

The majority of costs are directly attributable to specific activities. Costs incurred in respect of the charitable activities include attributable support costs where applicable.

Investments in subsidiary and associated undertaking

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.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

3. ACCOUNTING POLICIES *(continued)*

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.

Acquisitions and disposals of properties

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

Grants payable

These are only recognised in the accounts 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.

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.

GOLDHEART CHARITY LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

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 2021 £	Unrestricted Funds £	Total Funds 2020 £
DONATIONS				
Donations received	202,138	202,138	1,472,491	1,472,491

Donations received includes amounts received from the following companies, the Directors of which are related to or include Trustees of the Charity: Shoestone Limited (£67,506) and City Properties Limited (£44,000). Donations of £72,500 were also received from members of the Oestreicher family.

6. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Rent and other charges receivable	304,898	304,898	214,646	214,646
Bank interest receivable	—	—	1	1
Other interest receivable	41,542	41,542	3,972	3,972
	<u>346,440</u>	<u>346,440</u>	<u>218,619</u>	<u>218,619</u>

7. INVESTMENT MANAGEMENT COSTS

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Property expenses	33,441	33,441	32,229	32,229
Finance costs	56,764	56,764	24,496	24,496
	<u>90,205</u>	<u>90,205</u>	<u>56,725</u>	<u>56,725</u>

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations paid	1,036,270	1,036,270	400,442	400,442
Support costs	33,899	33,899	17,645	17,645
	<u>1,070,169</u>	<u>1,070,169</u>	<u>418,087</u>	<u>418,087</u>

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9. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Grant funding of activities	Support costs	Total funds 2021	Total fund 2020
	£	£	£	£
Donations paid	1,036,270	—	1,036,270	400,442
Governance costs	—	33,899	33,899	17,645
	<u>1,036,270</u>	<u>33,899</u>	<u>1,070,169</u>	<u>418,087</u>

10. ANALYSIS OF SUPPORT COSTS

	Support costs	Total 2021	Total 2020
	£	£	£
Governance costs	<u>33,899</u>	<u>33,899</u>	<u>17,645</u>

11. ANALYSIS OF GRANTS

	2021 £	2020 £
GRANTS TO INSTITUTIONS		
Advancement of education and relief of poverty	<u>1,036,270</u>	<u>400,442</u>
Total grants	<u>1,036,270</u>	<u>400,442</u>

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.

	£
Hatzola Trust Limited	250,000
Forty Ltd	50,000
Kolyom Trust Limited	50,000
The Great Club Charitable Trust Ltd	50,000
Chevrass Mo'oz Ladol	48,000
Step by Step London	30,000
Amud Hatzdokoh Trust	27,910
Beis Yaakov London Seminary	25,000
Congregation Vyoel Moshe D'Satmer Charitable Trust	22,000
Beis Aharon Trust Ltd	20,000
C.M.A Community Nursery Ltd	20,000
Keren Ezra Mimitzika	20,000
Utry	20,000
Toldos Aharon Trust Limited	18,000
Yeshiva Gedoilah Torah Veyirah Limited	16,800
Yeshivo Horomo	15,000
Donations less than £15,000	353,560
	<u>1,036,270</u>

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NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

12. NET GAINS ON INVESTMENTS

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on investment property	—	—	360,000	360,000
Gains/(losses) on investments in group undertakings	5,583	5,583	(63,583)	(63,583)
	<u>5,583</u>	<u>5,583</u>	<u>296,417</u>	<u>296,417</u>

13. AUDITORS REMUNERATION

	2021 £	2020 £
Fees payable for the audit of the financial statements	<u>12,000</u>	<u>12,600</u>

Other fees payable to the auditors aggregate £11,700.

14. STAFF COSTS

The average head count of employees, including trustees, during the year was 2 (2020: 2).

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

15. TRUSTEE REMUNERATION AND EXPENSES

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.

16. INVESTMENTS

	Investment properties £	Shares in group undertakings £	Shares in associate £	Total £
Cost or valuation				
At 1 January 2021	5,554,840	33,000	10,417	5,598,257
Additions	—	—	—	—
Fair value movements	—	6,000	(417)	5,583
At 31 December 2021	<u>5,554,840</u>	<u>39,000</u>	<u>10,000</u>	<u>5,603,840</u>
Carrying amount				
At 31 December 2021	<u>5,554,840</u>	<u>39,000</u>	<u>10,000</u>	<u>5,603,840</u>
At 31 December 2020	<u>5,554,840</u>	<u>33,000</u>	<u>10,417</u>	<u>5,598,257</u>

All investments shown above are held at valuation.

GOLDHEART CHARITY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

16. INVESTMENTS *(continued)*

Investment properties

The investment properties are stated at Trustees' valuation as at 31 December 2021 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 2021 is £4,219,124 (2020: £4,219,124).

Investment in Subsidiaries

The charity owns 100% of the ordinary shares of Shoestone Limited (Company No. 07843692), a company incorporated and registered in England and Wales. 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.

The market value as at 31 December 2021 of the investment in the subsidiary undertaking is based on the Trustees' valuation of net assets of the undertaking. The historical cost of the charity's investment in subsidiary undertaking is £1.

The results of the most recent available accounts of Shoestone Limited, prepared to 31 December 2021 are shown below:

	31 Dec 21	31 Dec 20
	£	£
Turnover	74,489	126,571
Administrative Expenses	(63,372)	(116,805)
Operating Profit/(Loss)	11,117	9,766
Income from investments	—	21,876
Interest receivable	—	1
Interest Payable	—	(461)
Profit/(Loss) for the year	<u>11,117</u>	<u>31,182</u>
Aggregate capital and reserves	<u>32,994</u>	<u>(27,154)</u>
Assets (at cost)	53,907	67,067
Liabilities	(20,913)	(39,913)
Net Assets	<u>32,994</u>	<u>(27,154)</u>

Consolidated financial statements have not been prepared as the charity has taken advantage of the exemptions conferred by Section 398 Companies Act 2006.

Investment in Associate

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.

GOLDHEART CHARITY LIMITED
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YEAR ENDED 31 DECEMBER 2021

17. DEBTORS

	2021	2020
	£	£
Trade debtors	3,655	7,967
Amounts owed by group undertakings	5,999	5,999
Prepayments and accrued income	42,590	—
Other debtors	844,312	35,421
	<u>896,556</u>	<u>49,387</u>

18. CREDITORS: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	61,022	28,000
Accruals and deferred income	70,850	10,500
Social security and other taxes	64,339	—
Other creditors	5,598	79,640
	<u>201,809</u>	<u>118,140</u>

The bank loans are secured by a first legal charge over the Charity's investment properties with a book value of £5,002,016.

Other creditors includes an amount of £958 owed to Petley Limited, the Trustees and Directors of which include Trustees of the Charity. The amount is interest free and repayable on demand.

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

	2021	2020
	£	£
Other loans	792,211	792,211
Bank loans and overdrafts	1,570,137	402,887
Deferred income	241,150	—
	<u>2,603,498</u>	<u>1,195,098</u>

Included within creditors: amounts falling due after more than one year is an amount of £886,345 (2020: £1,083,098) 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 £5,002,016. The loans are repayable in January 2025 and November 2035.

GOLDHEART CHARITY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

20. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 1 January 2021	Income	Expenditure	Gains and losses	At 31 December 2021
	£	£	£	£	£
General funds	<u>4,654,456</u>	<u>548,578</u>	<u>(1,160,374)</u>	<u>5,583</u>	<u>4,048,243</u>

	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>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Total Funds 2021 £
Investments	5,603,840	5,603,840
Current assets	1,249,710	1,249,710
Creditors less than 1 year	(201,809)	(201,809)
Creditors greater than 1 year	<u>(2,603,498)</u>	<u>(2,603,498)</u>
Net assets	<u>4,048,243</u>	<u>4,048,243</u>

	Unrestricted Funds £	Total Funds 2020 £
Investments	5,598,257	5,598,257
Current assets	369,437	369,437
Creditors less than 1 year	(118,140)	(118,140)
Creditors greater than 1 year	<u>(1,195,098)</u>	<u>(1,195,098)</u>
Net assets	<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:

	2021 £	2020 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>896,556</u>	<u>49,387</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>2,805,307</u>	<u>1,313,238</u>

GOLDHEART CHARITY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2021

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2021	Cash flows	At 31 Dec 2021
	£	£	£
Cash at bank and in hand	320,050	33,104	353,154
Debt due within one year	(28,000)	(33,022)	(61,022)
Debt due after one year	<u>(1,195,098)</u>	<u>(1,167,250)</u>	<u>(2,362,348)</u>
	<u>(903,048)</u>	<u>(1,167,168)</u>	<u>(2,070,216)</u>

24. RELATED PARTIES

Related party transactions have been reported under notes 5, 16, 17 & 18.