

THE PAH FAMILY CHARITABLE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

THE PAH FAMILY CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P Hodari A Hodari W Littman
Charity number	1160542
Principal address	15 Carnarvon Street Manchester M3 1EZ
Independent examiner	Lopian Gross Barnett & Co Chartered Accountants 1st Floor, Cloister House Riverside New Bailey Street Manchester M3 5FS

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THE PAH FAMILY CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2021

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's Deed of Trust, the Charities Act 2011 and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The trust's objects are to make donations to registered charities at the discretion of the trustees to benefit the general public. The policies adopted in furtherance of these objects are that no charity trustee or connected person may:

- a) buy or receive goods or services from the charity on terms preferential to those applicable to other members of the public;
- b) sell goods or services or any interest in land to the charity;
- c) be employed by or receive any remuneration from the charity;
- d) receive any other financial benefit from the charity unless the payment is permitted under specific provisions as noted in the Trust Deed, or authorised by the court or by the Charity Commission.

There has been no change in these during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

Activities

The charity owns three properties; 95 High Street and 24/26 King Street and a property in Timperley that were financed by specific donations received.

The aim of the charity is to manage these properties, and any other properties that the charity might receive, and use the rents received to make charitable donations as previously noted.

During the previous year the charity also received by donation an interest in the share capital of Pilot Group Limited, a company that is incorporated in England and Wales that is connected to certain trustees, so the charity can receive investment income to further its charitable aims.

Any surplus of funds that are held at the charity's accounting period end of 31 July shall be carried forward to be available for distribution in the next accounting period.

Achievements and performance

During the year the charity received charitable donations of £1,080 (2020 - £215,824).

During the year the charity received income of £48,500 (2020 - £38,473) from the investment properties held, and £11,754 (2020 - £9,969) from the fixed asset investment held.

The charity made charitable donations during the period which totalled £41,050 (2020 - £20,342).

THE PAH FAMILY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Financial review

The trustees are very satisfied with the level of charitable activities that they have achieved to date. It is extremely pleasing that the charity is already operating on a strong financial footing where the charity can rely on the secure income stream provided by the investment properties held, and also on the investment income provided from the fixed asset investment held.

As a consequence it has already provided a public benefit by the donations made to date, and the trustees hope that this continues in the future.

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The trust was established by a charitable trust deed on 3 February 2015.

The trustees who served during the year and up to the date of signature of the financial statements were:

P Hodari

A Hodari

W Littman

There must be at least three trustees at all times.

In selecting individuals for appointment as trustees, the trustees must have regard to the skills, knowledge, and experience needed for the effective administration of the charity.

The trustees must keep a record of the name and address and the date of appointment, re-appointment and retirement of each trustee.

The trustees must make available to each new trustee, on his or her first appointment:

- a) a copy of the deed and any amendments made to it.
- b) a copy of the charity's latest report and statement of accounts.

Organisational structure

The charity is under the control of the Hodari family who constitute two out of the charity's three trustees.

The day-to-day running of the charity's letting portfolio, fixed asset investment and the preparation of its accounts are managed by two individuals who are employed by companies under the control of the Hodari family, where it is felt that they have the necessary experience and competence to fulfil their roles.

Donations to various charitable causes are made at the discretion of the trustees with due regard to achieving its charitable objectives.

Related parties

During the year the company received donations of cash from companies that are under the control of certain trustees.

The Trustees' report was approved by the Board of Trustees.



Mr P Hodari

Trustee

Dated: 8 April 2022

THE PAH FAMILY CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE PAH FAMILY CHARITABLE TRUST

I report to the trustees on my examination of the financial statements of The PAH Family Charitable Trust (the trust) for the year ended 31 July 2021.

Responsibilities and basis of report

As the trustees of the trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

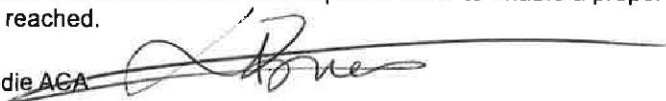
Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

J Brodie ACA



Lopian Gross Barnett & Co

1st Floor, Cloister House
Riverside
New Bailey Street
Manchester
M3 5FS

Dated: 8 April 2022

THE PAH FAMILY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Donations and legacies	3	1,080	215,824
Investments	4	60,262	48,523
Total income		<u>61,342</u>	<u>264,347</u>
<u>Expenditure on:</u>			
Raising funds		271	1,095
Charitable activities	5	41,050	20,342
Other costs	9	1,043	7,177
Total resources expended		<u>42,364</u>	<u>28,614</u>
Net gains/(losses) on investments	10	-	50,582
Net income for the year/ Net movement in funds		18,978	286,315
Fund balances at 1 August 2020		889,538	603,223
Fund balances at 31 July 2021		<u>908,516</u>	<u>889,538</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE PAH FAMILY CHARITABLE TRUST

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investment properties	11	847,111		847,111	
Investments	12	15,552		15,552	
		<u>862,663</u>		<u>862,663</u>	
Current assets					
Debtors	13	6,227		6,883	
Cash at bank and in hand		55,615		32,463	
		<u>61,842</u>		<u>39,346</u>	
Creditors: amounts falling due within one year	14	(15,989)		(12,471)	
Net current assets			45,853		26,875
Total assets less current liabilities			<u>908,516</u>		<u>889,538</u>
Income funds					
Unrestricted funds			908,516		889,538
			<u>908,516</u>		<u>889,538</u>

The financial statements were approved by the Trustees on 8 April 2022

Mr P Hodari
Trustee

THE PAH FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Charity information

The PAH Family Charitable Trust is a registered charity, number 1160542, and is constituted under a trust deed dated 3 February 2015.

1.1 Accounting convention

The accounts have been prepared in accordance with the trust's deed, the Charities Act 2011 and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2016). The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE PAH FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

Rental income is recognised on the commencement of and in accordance with a lease, with adjustments made for any rent free periods as required by FRS102.

Dividend income is recognised as it falls due, as and when the company whose shares the trust holds issues a dividend.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

The costs of generating funds which are regarding the management of the investment properties held are recognised on an accruals basis.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Property rented to a group entity is accounted for as tangible fixed assets.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Fixed asset investments in unlisted investments are measured at cost, as the market value of the investment is not known.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE PAH FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	1,080	215,824

THE PAH FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Rental income	48,500	38,473
Income from unlisted investments	11,754	9,969
Interest receivable	8	81
	<u>60,262</u>	<u>48,523</u>

5 Charitable activities

	Donations made to registered charities	Donations made to registered charities
	2021	2020
	£	£
Donations made to registered charities	<u>41,050</u>	<u>20,342</u>

6 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Rent	8	-	8	3	-	3
Repairs	125	-	125	840	-	840
Insurance	138	-	138	252	-	252
	<u>271</u>	<u>-</u>	<u>271</u>	<u>1,095</u>	<u>-</u>	<u>1,095</u>
Analysed between Fundraising	<u>271</u>	<u>-</u>	<u>271</u>	<u>1,095</u>	<u>-</u>	<u>1,095</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

THE PAH FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

9 Other costs

	2021 £	2020 £
Accountancy fees	1,000	750
Professional fees	43	6,427
	<u>1,043</u>	<u>7,177</u>

10 Net gains/(losses) on investments

	Total	Unrestricted funds
	2021 £	2020 £
Revaluation of investment properties	-	50,582

11 Investment property

	2021 £
Fair value	
At 1 August 2020 and 31 July 2021	<u>847,111</u>

The trust held three investment properties at the start of the accounting period, two of which were purchased during the period ended 31 July 2016, with the other being purchased during the period ended 31 July 2019. Works were performed on the latter property as part of a donation to the charity. After taking into account the above revaluation, the trustees consider that the market value of the properties does not differ considerably from the total amount shown above.

THE PAH FAMILY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

12 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 August 2020 & 31 July 2021	15,552
Carrying amount	
At 31 July 2021	15,552
At 31 July 2020	15,552

Fixed asset investments not carried at market value

On 14 August 2017 the charity received a donation of 15,552 ordinary shares of £1 each in Pilot Group Limited, which is a company incorporated in England and Wales. The value of the shares received are shown at cost in these accounts as the market value of these shares is not known and the likelihood of the company being sold and the value of the shares being realised is remote. Pilot Group Limited is a company that is connected to certain trustees.

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	6,227	6,883

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	1,232	1,127
Other creditors	4,985	4,984
Accruals and deferred income	9,772	6,360
	15,989	12,471