

**THE SPANISH AND PORTUGUESE JEWS HOME FOR THE
AGED**

(A company limited by guarantee)

UNAUDITED

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 APRIL 2022**

THE SPANISH AND PORTUGUESE JEWS HOME FOR THE AGED
(A company limited by guarantee)

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THE SPANISH AND PORTUGUESE JEWS HOME FOR THE AGED
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 29 APRIL 2022

Trustees	B Mocatta, Chair R Taylor, Trustee G R Riese, Trustee V Ettinghausen, Trustee D Ezekiel, Trustee
Company registered number	09583708
Charity registered number	1162974
Registered office	16 Great Queen Street Covent Garden London WC2B 5AH
Accountants	Blick Rothenberg Limited Chartered Accountants 16 Great Queen Street Covent Garden London WC2B 5AH

THE SPANISH AND PORTUGUESE JEWS HOME FOR THE AGED

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE PERIOD ENDED 29 APRIL 2022

The Trustees present their annual report together with the financial statements of the charitable company for the 1 November 2020 to 29 April 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Achievements and performance

a. Main achievements of the charitable company

During the start of the financial period commencing 1st November 2020, the Home continued to provide day to day care at varying levels depending on the requirements of the residents. The Home had a large proportion of people with dementia and continues to improve its standard of care for the increased number of our residents with all types of dementia.

During the pandemic, as reported last year the Home experienced a tragic increase in the number of deaths. This was partly due to natural causes but it was grossly exacerbated by the returning of infected residents returning from hospitals. The numbers of residents dropped to totally uneconomic levels.

So by late November a decision was taken to close the Home before its finances were exhausted. The Home and Choice Court has been running at a loss for many years, surviving on its reserves and occasional legacies, and seeing no respite from this financial haemorrhaging the Trustees felt they had no alternative.

Additionally, local authorities stopped funding placements and the Jewish community in the Wembley area has diminished considerably, which further led to the decision.

The families of all the residents and the residents themselves were given formal notice in January 2021. I am pleased to say despite Covid and the issues of moving elderly residents, many of which had dementia, went very smoothly for which the Trustees are indebted to Paul Peak and Roger Ellis for their incredible work. So by June 2021, every resident except for one resident in Choice Court were satisfactorily rehoused. The controlled closure of the Home occurred once all residents had received their second vaccinations and they were able to find suitable accommodation in other care homes.

Following the last departure, the site of the Home has been taken over by Adhoc Property Management Limited who act as property guardians. Though not perfect the arrangement has meant that the buildings are occupied and this enhances the safety of the site and the Synagogue which is the Wembley branch of the Spanish and Portuguese Jews Congregation.

The trustees do intend for the charity to continue for the benefit of the elderly of the Jewish community for the foreseeable future by using the returns of its investment towards related charitable activities. The Trustees are seeking legal advice on this.

I repeat that the Trustees were fortunate to have such a wonderful team of loyal, patient, caring and understanding staff under the supervision of Paula Peake (Chief Executive) and Roger Ellis (Registered Manager), and their incredible hard work that they all endured once the pandemic crisis started and throughout the ensuing period to closure. Ultimately all of the staff had to be made redundant and the Trustees are extremely grateful to all of them and their dedication.

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 29 APRIL 2022

Achievements and performance (continued)

b. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Financial review

a. Financial evaluation

The Statement of Financial Activities set out on page 8 of the financial statements shows how the charitable company's incoming resources have been expended during the period ended 29 April 2022.

Total incoming resources amounted to £850,126 (2020: £1,879,578), comprising charitable activities of £727,085 (2020: £1,709,194), donations of £80,016 (2020: £143,907), investment income of £797 (2020: £26,577) and other income of £42,228 (2020: £Nil).

Total expenditure for the period was £1,296,019 (2020: £2,162,814) and there were gains on the investments held by the charitable company of £189,416 (2020: loss of £88,154). The charitable company incurred an impairment charge of £2,536,651 (2020: £Nil) as a result of the restriction in the terms of the lease for Choice House and Choice Court which stipulated that the property must be used for care home activities with the provision of the lease surrender to the freeholder, S&P Synagogue, if the activity ceases. The Trustees are of the opinion that value of the leasehold interest in the property should therefore be written down to £1.

Accordingly, the deficit for the period was £2,793,128 (2020: £371,390). After bringing in the brought forward reserves of £3,525,122 (2020: £3,896,512), the closing funds at 29 April 2022 amounted to £731,994 (2020: £3,525,122).

The statement of financial position set out on page 9 of the financial statements shows the financial position of the charitable company at 29 April 2022.

Net current assets of £71,178 (2020: £57,177) is represented by fixed assets of £660,816 (2020: £3,467,945), debtors of £16,702 (2020: £51,825) plus cash at bank and in hand of £76,976 (2020: £383,377), less current liabilities of £22,500 (2020: £378,025).

Total net assets amount to £731,994 (2020: £3,525,122), which is represented by the closing balance on the unrestricted funds.

b. Investment performance

As stated, the funds of the Charity are mainly invested in a pooled investment fund with the London Sephardi Trust and managed by Walker Crips Ltd. The policy is to adopt a medium risk investment strategy. The returns this period have been satisfactory as mentioned in the following figures.

The value of the Charity's investments as at 29 April 2022 is £660,815 (2020: £866,399). There was a capital withdrawal of £395,000 during the period (2020: £150,000).

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 29 APRIL 2022

c. Going concern

Even though the company ceased to operate the care home in the period, the trustees do intend for the charity to continue for the benefit of the elderly of the Jewish community for the foreseeable future by using the returns of its investment towards related charitable activities. Where appropriate, the charitable company's assets have been written down to their net realisable value. The Trustees have a reasonable expectation that the charity 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.

d. Controls

The Treasurer reviews the financial performance and cash flow of the Charity on an ongoing basis, together with the Accounts Manager. The Board of Directors is regularly updated with current financial reports which show actual income and expenditure against budget to date. Close scrutiny is made of all items with significant variances to determine the appropriate management action.

e. Fundraising and sources of income

The Charity is fortunate to receive a small annual amount from donations and a significant amount of income from its investments with the London Sephardi Trust.

During the period the Home has been taken over by Adhoc Property management Limited who act as property guardians. This has enabled the Charity to start generating some other income during the period.

f. Reserves policy

The unrestricted funds arise from past operating results, but also include the long leasehold property of Choice House and Choice Court as well as other investments. We have instant or relatively quick access to funds in the Pool investment which can be released by special arrangement at short notice. This and the collection of charges due from residents is more than adequate in the opinion of the Board of Directors to meet the foreseeable contractual obligations to staff and provision of care to residents and tenants.

g. Investment policy

The capital of the Home is invested under a pooling arrangement with the London Sephardi Trust which is a limited company which looks after the pooled funds of not only the Charity but also the Spanish and Portuguese Jews' Congregation's own capital, the Welfare Board and a variety of smaller charitable funds. One member of the Board of Jewish Choice is a permanent member of the board of the London Sephardi Trust. Funds are withdrawn or invested with this Trust on 31 October of each year, though major withdrawals or additions can be made at other times by special arrangement. Other funds of the Charity are invested in deposit accounts with the Charity's bank.

h. Risk management

The Trustees have assessed the major risks to which Jewish Choice is exposed, in particular those related to the operations and finances of the Charity and are satisfied that systems are in place to mitigate exposure to major risks.

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 29 APRIL 2022

i. Post balance sheet events

It is the intention of the Trustees to make grants to other care Homes which wholly, or in part, serve the Jewish Community. The Trustees wish to assist such Homes in the purchasing of specialist equipment that may be required. Before doing so the Home will take legal advice to ensure that this policy is within the lawful objects of the Home.

Structure, governance and management

a. Constitution

The Spanish and Portuguese Jews Home for the Aged is registered as a charitable company limited by guarantee and was set up by a Trust deed.

b. Methods of appointment or election of Trustees

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The Trustees, who are also the directors for the purpose of company law, and who served during the period were:

B Mocatta, Chair
R Taylor
G R Riese
V Ettinghausen
D Ezekiel
J Shapiro (resigned 17 November 2020)
S D Zubaida (resigned 27 April 2021)

Approved by order of the members of the board of Trustees and signed on their behalf by:

B Mocatta

DocuSigned by:

CA7808813AE1495...

Date:

27-Jan-23 | 11:34 GMT

THE SPANISH AND PORTUGUESE JEWS HOME FOR THE AGED
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INDEPENDENT EXAMINER'S REPORT
FOR THE PERIOD ENDED 29 APRIL 2022

Independent examiner's report to the Trustees of The Spanish and Portuguese Jews Home for the Aged ('the charitable company')

I report to the charity Trustees on my examination of the accounts of the charitable company for the period ended 29 April 2022.

Responsibilities and basis of report

As the Trustees of the charitable company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charitable company's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Trustees as a body, for my work or for this report.

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INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE PERIOD ENDED 29 APRIL 2022

Blick Rothenberg Limited

Signed:

Dated: 27/01/2023

Darsh Shah

Institute of Chartered Accountants in England and Wales

Blick Rothenberg Limited

Chartered Accountants

16 Great Queen Street

Covent Garden

London

WC2B 5AH

THE SPANISH AND PORTUGUESE JEWS HOME FOR THE AGED
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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 29 APRIL 2022

	Note	Restricted funds 18 months ended 29 April 2022 £	Unrestricted funds 18 months ended 29 April 2022 £	Total funds 18 months ended 29 April 2022 £	Total funds 31 October 2020 £
Income from:					
Donations and legacies	3	53,692	26,324	80,016	143,807
Charitable activities	4	-	727,085	727,085	1,709,194
Investments	5	311	486	797	26,577
Other income	8	-	42,228	42,228	-
Total income		54,003	796,123	850,126	1,879,578
Expenditure on:					
Charitable activities	6	53,692	1,242,327	1,296,019	2,162,814
Total expenditure		53,692	1,242,327	1,296,019	2,162,814
Net income/(expenditure) before net gains/(losses) on investments		311	(446,204)	(445,893)	(283,236)
Net gains/(losses) on investments		-	189,416	189,416	(88,154)
Net income/(expenditure)		311	(256,788)	(256,477)	(371,390)
Transfers between funds	16	(4,233)	4,233	-	-
Net movement in funds before other recognised gains/(losses)		(3,922)	(252,555)	(256,477)	(371,390)
Other recognised losses					
Losses on revaluation of fixed assets	12	-	(2,536,651)	(2,536,651)	-
Net movement in funds		(3,922)	(2,789,206)	(2,793,128)	(371,390)
Reconciliation of funds:					
Total funds brought forward		3,922	3,521,200	3,525,122	3,896,512
Net movement in funds		(3,922)	(2,789,206)	(2,793,128)	(371,390)
Total funds carried forward		-	731,994	731,994	3,525,122

The Statement of financial activities includes all gains and losses recognised in the period.

The notes on pages 12 to 32 form part of these financial statements.

THE SPANISH AND PORTUGUESE JEWS HOME FOR THE AGED
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REGISTERED NUMBER: 09583708

BALANCE SHEET
AS AT 29 APRIL 2022

	Note	29 April 2022 £	31 October 2020 £
Fixed assets			
Tangible assets	12	1	2,601,546
Investments	13	660,815	866,399
		<u>660,816</u>	<u>3,467,945</u>
Current assets			
Debtors	14	16,702	51,825
Cash at bank and in hand		76,976	383,377
		<u>93,678</u>	<u>435,202</u>
Creditors: amounts falling due within one year	15	(22,500)	(378,025)
Net current assets		<u>71,178</u>	<u>57,177</u>
Total assets less current liabilities		<u>731,994</u>	<u>3,525,122</u>
Net assets excluding pension asset		<u>731,994</u>	<u>3,525,122</u>
Total net assets		<u><u>731,994</u></u>	<u><u>3,525,122</u></u>
Charity funds			
Restricted funds	16	-	3,922
Unrestricted funds	16	731,994	3,521,200
Total funds		<u><u>731,994</u></u>	<u><u>3,525,122</u></u>

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BALANCE SHEET (CONTINUED)
AS AT 29 APRIL 2022

The charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the period in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

CA7808813AE1495...
B Mocatta

Date: 27-Jan-23 | 11:34 GMT

The notes on pages 12 to 32 form part of these financial statements.

THE SPANISH AND PORTUGUESE JEWS HOME FOR THE AGED
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STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 29 APRIL 2022

	Note	18 months ended 29 April 2022 £	31 October 2020 £
Cash flows from operating activities			
Net cash used in operating activities	20	(714,521)	(186,555)
Cash flows from investing activities			
Dividends, interests and rents from investments		-	26,406
Proceeds on disposal of investments		395,000	150,000
Proceeds from the sale of tangible fixed assets		13,120	-
Purchase of tangible fixed assets		-	(11,459)
Net cash provided by investing activities		408,120	164,947
Change in cash and cash equivalents in the period		(306,401)	(21,608)
Cash and cash equivalents at the beginning of the period		383,377	404,985
Cash and cash equivalents at the end of the period	21	76,976	383,377

The notes on pages 12 to 32 form part of these financial statements

THE SPANISH AND PORTUGUESE JEWS HOME FOR THE AGED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 29 APRIL 2022

1. General information

The Spanish and Portuguese Jews Home for the Aged is a private company limited by guarantee incorporated in England and Wales. The registered office is 16 Great Queen Street, Covent Garden, London, WC2B 5AH.

These financial statements have been prepared for a 18-month period from 1 November 2020 to 29 April 2022 due to the decision to close the care home, the warden assisted accommodation units and the day centre. Therefore, the comparative figures are not entirely comparable.

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Spanish and Portuguese Jews Home for the Aged meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

Even though the company ceased to operate the care home in the period, the trustees do intend for the charity to continue for the benefit of the elderly of the Jewish community for the foreseeable future by using the returns of its investment towards related charitable activities. Where appropriate, the charitable company's assets have been written down to their net realisable value. The Trustees have a reasonable expectation that the charity 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.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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.

THE SPANISH AND PORTUGUESE JEWS HOME FOR THE AGED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 APRIL 2022

2. Accounting policies (continued)

2.4 Income

All income was recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Fees from residents and local authorities for accommodation and care services are recognised on a receivable basis. Any payments made in advance by clients at the period end are included within creditors.

Cash donations are recognised on receipt. Other donations are recognised once the Charity 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 Charity 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.

2.5 Expenditure

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 allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Government grants

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 APRIL 2022

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Land and buildings	-	Over the lease term
Motor vehicles	-	20% straight line basis
Fixtures and fittings	-	20% straight line basis

2.8 Investments

Investments represent a share of a Common Investment Fund and are held within fixed assets. The fund includes listed investments, which are stated at mid-market value at the period end, as well as a portfolio of freehold properties. All movements in value arising from revaluation are shown as part of the Statement of Financial Activities. Investments are held primarily to provide an investment return for the Charity.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.11 Financial instruments

The charitable company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the charitable company becomes party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

The charitable company's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, are initially recognised at transaction price, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

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NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)**Financial instruments (continued)****Impairment of financial assets**

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of financial activities.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the statement of financial activities.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

2.12 Pensions

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 APRIL 2022

2. Accounting policies (continued)

2.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee to provide termination benefits.

2.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The charitable company had no finance leases for the period under review.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 APRIL 2022

3. Income from donations and legacies

	Restricted funds 18 months ended 29 April 2022 £	Unrestricted funds 18 months ended 29 April 2022 £	Total funds 18 months ended 29 April 2022 £
Donations and gifts	-	26,324	26,324
Government grants	53,692	-	53,692
	<u>53,692</u>	<u>26,324</u>	<u>80,016</u>
	Restricted funds 31 October 2020 £	Unrestricted funds 31 October 2020 £	Total funds 31 October 2020 £
Donations and gifts	1,970	61,761	63,731
Government grants	80,076	-	80,076
	<u>82,046</u>	<u>61,761</u>	<u>143,807</u>

4. Income from charitable activities

	Unrestricted funds 18 months ended 29 April 2022 £	Total funds 18 months ended 29 April 2022 £
Income from charitable activities	727,085	727,085

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4. Income from charitable activities (continued)

	Unrestricted funds	Total funds
	31 October 2020 £	31 October 2020 £
Income from charitable activities	1,709,194	1,709,194

5. Investment income

	Restricted funds 18 months ended 29 April 2022 £	Unrestricted funds 18 months ended 29 April 2022 £	Total funds 18 months ended 29 April 2022 £
Income from unlisted investments	311	486	797

	Restricted funds	Unrestricted funds	Total funds
	31 October 2020 £	31 October 2020 £	31 October 2020 £
Income from unlisted investments	171	26,406	26,577

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6. Charitable activities

	Choice House 18 months ended 29 April 2022 £	Choice Court 18 months ended 29 April 2022 £	Total funds 18 months ended 29 April 2022 £
Staff costs	758,932	22,487	781,419
Depreciation and loss on disposal	35,214	16,560	51,774
Direct charitable expenses	191,565	1,514	193,079
Share of support costs	231,693	9,627	241,320
Share of governance costs	28,427	-	28,427
	<u>1,245,831</u>	<u>50,188</u>	<u>1,296,019</u>

	Choice House	Choice Court	Choice Friendship Club	Total funds
	31 October 2020 £	31 October 2020 £	31 October 2020 £	31 October 2020 £
Staff costs	1,418,344	38,300	3,725	1,460,369
Depreciation and loss on disposal	36,349	10,970	-	47,319
Direct charitable expenses	223,858	3,654	361	227,873
Share of support costs	355,452	57,993	319	413,764
Share of governance costs	11,269	2,220	-	13,489
	<u>2,045,272</u>	<u>113,137</u>	<u>4,405</u>	<u>2,162,814</u>

Allocation of support costs are based on actual expenditure incurred.

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	Restricted funds 18 months ended 29 April 2022 £	Unrestricted funds 18 months ended 29 April 2022 £	Total funds 18 months ended 29 April 2022 £
Staff costs	53,692	727,727	781,419
Depreciation and loss on disposal	-	2,588,425	2,588,425
Direct charitable expenses	-	193,079	193,079
Share of support costs	-	241,320	241,320
Share of governance costs	-	28,427	28,427
	<u>53,692</u>	<u>3,778,978</u>	<u>3,832,670</u>
	Restricted funds 31 October 2020 £	Unrestricted funds 31 October 2020 £	Total funds 31 October 2020 £
Staff costs	76,505	1,383,867	1,460,372
Depreciation and loss on disposal	-	47,319	47,319
Direct charitable expenses	5,033	222,840	227,873
Share of support costs	100,853	412,238	513,091
Share of governance costs	-	13,489	13,489
	<u>182,391</u>	<u>2,079,753</u>	<u>2,262,144</u>

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7. Support and governance costs

	Support costs - unrestricted funds	Governance costs	Total funds
	18 months ended 29 April 2022	18 months ended 29 April 2022	18 months ended 29 April 2022
	£	£	£
Rates	18,601	-	18,601
Insurance	54,830	-	54,830
Light and heat	58,327	-	58,327
Repairs and maintenance	65,671	-	65,671
Postage and stationery	2,545	-	2,545
Telephone and fax	6,313	-	6,313
Motor expenses	376	-	376
Legal and professional	4,208	-	4,208
Sundry expenses	30,449	-	30,449
Accountancy and audit fees	-	28,427	28,427
	241,320	28,427	269,747

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	Support costs - unrestricted funds	Support costs - restricted funds	Governance costs	Total funds
	31 October 2020 £	31 October 2020 £	31 October 2020 £	31 October 2020 £
Rates	20,775	-	-	20,775
Insurance	43,463	-	-	43,463
Light and heat	86,795	60	-	86,855
Repairs and maintenance	210,722	99,330	-	310,052
Postage and stationery	5,375	-	-	5,375
Telephone and fax	16,968	-	-	16,968
Motor expenses	3,707	95	-	3,802
Legal and professional	26,243	-	-	26,243
Sundry expenses	(1,810)	1,368	-	(442)
Accountancy and audit fees	-	-	13,489	13,489
	<u>412,238</u>	<u>100,853</u>	<u>13,489</u>	<u>526,580</u>

8. Other incoming resources

	Unrestricted funds 18 months ended 29 April 2022 £	Total funds 18 months ended 29 April 2022 £	Total funds 31 October 2020 £
Other income	<u>42,228</u>	<u>42,228</u>	<u>-</u>

9. Independent examiner's remuneration

	18 months ended 29 April 2022 £	31 October 2020 £
Fees payable to the charitable company's independent examiner	<u>13,869</u>	<u>13,489</u>

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10. Staff costs

	18 months ended 29 April 2022 £	31 October 2020 £
Wages and salaries	721,876	1,351,564
Social security costs	43,514	80,510
Contribution to defined contribution pension schemes	16,029	28,295
	781,419	1,460,369

During the period the charity incurred redundancy costs of £177,408, included within wages and salaries, due to the closure of the care home, the warden assisted accommodation units and the day centre. There is no remaining liability at the period end.

The average number of persons employed by the charitable company during the period was as follows:

	18 months ended 29 April 2022 No.	31 October 2020 No.
Full-time	8	45
Part-time	11	16
	19	61

No employee received remuneration amounting to more than £60,000 in the period.

The aggregate compensation of key management personnel for the period was £63,573 (2020: £84,295).

11. Trustees' remuneration and expenses

During the period, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the period ended 29 April 2022, no Trustee expenses have been incurred (2020 - £Nil).

During the period, the charity paid £Nil (2020 : £1,909) for insurance to indemnify the trustees against the consequences of any alleged or actual wrongful acts in their capacity as trustees.

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12. Tangible fixed assets

	Land and buildings £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 November 2020	2,671,581	42,857	149,226	2,863,664
Disposals	-	(42,857)	(149,226)	(192,083)
At 29 April 2022	2,671,581	-	-	2,671,581
Depreciation				
At 1 November 2020	134,929	42,856	84,333	262,118
On disposals	-	(42,856)	(84,333)	(127,189)
Impairment charge	2,536,651	-	-	2,536,651
At 29 April 2022	2,671,580	-	-	2,671,580
Net book value				
At 29 April 2022	1	-	-	1
At 31 October 2020	2,536,652	1	64,893	2,601,546

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13. Fixed asset investments

	Unlisted investments £
Market value	
At 1 November 2020	866,399
Disposals	(395,000)
Revaluations	189,416
At 29 April 2022	<u>660,815</u>
Net book value	
At 29 April 2022	<u>660,815</u>
At 31 October 2020	<u>866,399</u>

The charity invests in a pooled fund which itself invests in listed investments and property.

14. Debtors

	29 April 2022 £	31 October 2020 £
Due within one year		
Trade debtors	10,931	28,839
Other debtors	-	21,197
Prepayments and accrued income	5,771	1,789
	<u>16,702</u>	<u>51,825</u>

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15. Creditors: Amounts falling due within one year

	29 April 2022 £	31 October 2020 £
Trade creditors	-	13,961
Other taxation and social security	-	18,485
Other creditors	-	259,972
Accruals and deferred income	22,500	85,607
	22,500	378,025

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16. Statement of funds

Statement of funds - current period

	Balance at 1 November 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 29 April 2022 £
Unrestricted funds						
General Funds - all funds	3,521,200	796,123	(1,242,327)	4,233	(2,347,235)	731,994
Restricted funds						
Restricted Funds - all funds	3,922	54,003	(53,692)	(4,233)	-	-
Total of funds	3,525,122	850,126	(1,296,019)	-	(2,347,235)	731,994

Statement of funds - prior period

	Balance at 1 November 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 October 2020 £
Unrestricted funds					
General Funds - all funds	3,792,416	1,797,361	(1,980,423)	(88,154)	3,521,200
Restricted funds					
Restricted Funds - all funds	104,096	82,217	(182,391)	-	3,922
Total of funds	3,896,512	1,879,578	(2,162,814)	(88,154)	3,525,122

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17. Restricted funds

	Funds brought forward	Incoming resources	Outgoing resources	Total funds
	1 November 2020			29 April 2022
	£	£	£	£
Hackney St John Dr Pacificos Almshouse	3,922	311	(4,233)	-
Coronavirus Job Retention Scheme	-	15,426	(15,426)	-
Brent Care Home Grant	-	38,266	(38,266)	-
	<u>3,922</u>	<u>54,003</u>	<u>(57,925)</u>	<u>-</u>

In the opinion of the Board of Trustees' there are no restricted funds to be carried forward as at 29 April 2022.

	Restricted funds	Total funds
	31 October 2020 £	31 October 2020 £
Hackney St John Dr Pacificos Almshouse	<u>3,922</u>	<u>3,922</u>

18. Summary of funds

Summary of funds - current period

	Balance at 1 November 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 29 April 2022 £
General funds	3,521,200	796,123	(1,242,327)	4,233	(2,347,235)	731,994
Restricted funds	3,922	54,003	(53,692)	(4,233)	-	-
	<u>3,525,122</u>	<u>850,126</u>	<u>(1,296,019)</u>	<u>-</u>	<u>(2,347,235)</u>	<u>731,994</u>

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18. Summary of funds (continued)

Summary of funds - prior period

	Balance at 1 November 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 October 2020 £
General funds	3,792,416	1,797,361	(1,980,423)	(88,154)	3,521,200
Restricted funds	104,096	82,217	(182,391)	-	3,922
	<u>3,896,512</u>	<u>1,879,578</u>	<u>(2,162,814)</u>	<u>(88,154)</u>	<u>3,525,122</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 29 April 2022 £	Total funds 29 April 2022 £
Tangible fixed assets	1	1
Fixed asset investments	660,815	660,815
Current assets	93,678	93,678
Creditors due within one year	(22,500)	(22,500)
Total	<u>731,994</u>	<u>731,994</u>

Analysis of net assets between funds - prior period

	Restricted funds 31 October 2020 £	Unrestricted funds 31 October 2020 £	Total funds 31 October 2020 £
Tangible fixed assets	3,922	2,597,624	2,601,546
Fixed asset investments	-	866,399	866,399
Current assets	-	435,202	435,202
Creditors due within one year	-	(378,025)	(378,025)
Total	<u>3,922</u>	<u>3,521,200</u>	<u>3,525,122</u>

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20. Reconciliation of net movement in funds to net cash flow from operating activities

	18 months ended 29 April 2022 £	31 October 2020 £
Net expenditure for the period (as per Statement of Financial Activities)	(256,477)	(371,390)
Adjustments for:		
Depreciation charges	-	47,319
Decrease in debtors	35,123	35,100
(Decrease)/increase in creditors	(355,525)	40,668
Investment income recognised in statement of financial activities	-	(26,406)
Fair value (gains) and losses on investments	(189,416)	88,154
Loss on disposal	51,774	-
Net cash used in operating activities	(714,521)	(186,555)

21. Analysis of cash and cash equivalents

	29 April 2022 £	31 October 2020 £
Cash in hand	76,976	383,377

22. Analysis of changes in net debt

	At 1 November 2020 £	Cash flows £	At 29 April 2022 £
Cash at bank and in hand	383,377	(306,401)	76,976

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23. Operating lease commitments

At 29 April 2022 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	29 April 2022	31 October 2020
	£	£
Not later than 1 year	-	4,534
	<u> </u>	<u> </u>

24. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up whilst they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they cease to be a member.

25. Related party transactions

Except for the disclosures in notes 10 and 11, the Charity has not entered into any further related party transactions during the period, nor are there any outstanding balances owing between related parties and the Charity at 29 April 2022.