
THE MAURICE HATTER FOUNDATION CIO

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2023

THE MAURICE HATTER FOUNDATION CIO

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THE MAURICE HATTER FOUNDATION CIO

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 5 APRIL 2023

Trustees	P D Barclay F U Furlotti R M Hatter
Charity commission number	1187823
Registered office	Onslow House Onslow Street Guildford Surrey GU1 4TL
Independent auditor	CLA Evelyn Partners Limited Chartered Accountants Statutory Auditor Onslow House Onslow Street Guildford GU1 4TL

THE MAURICE HATTER FOUNDATION CIO

TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2023

The Trustees present their report and the accounts for the period ended 5 April 2023.

Structure, governance and management

The Maurice Hatter Foundation is a Charitable Incorporated Organisation (the CIO) and was registered with the Charity Commission on 7 February 2020 under charity number 1187823. It is governed by its constitution.

The Charity is controlled by the trustees who approve all donations and investment decisions.

On 5 April 2020 the Charity received the assets, liabilities and charitable activities of The Maurice Hatter Foundation, a trust registered under charity number 298119 (the Trust). The trustees of the Trust were R M Hatter, F U Furlotti and P Barclay. The Trust is no longer active and has been closed. The transfer of assets meets the criteria of a merger for accounting purposes as the beneficiaries and management structure remains the same in the CIO as it was in the Trust. Therefore these accounts present financial information as if the CIO had always existed.

Trustees

The Trustees who were appointed on incorporation and served during the period were:

R M Hatter
F U Furlotti
P Barclay

Trustee appointment, training and induction

In accordance with the Constitution, new Trustees are appointed by the continuing Trustees. When appointing new Trustees, the existing Trustees will take account of the skills required by the Trustee Board. New Trustees will be provided with a copy of the most recent accounts and the Constitution and will be given further information regarding finance, governance and charitable objectives.

Risk factors

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

Objectives and activities

The objective of the Charity is to make distributions to various charitable causes at the discretion of the Trustees. Distributions can take the form of grants or long or short term loans secured or unsecured at any or no interest. The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit.

Financial review

The gross income of the Charity in the year to 5 April 2023 was £1,221,166 (2022 - £30,417,663) and the net loss before (losses)/gains on investments £231,769 (2022 - net income £28,032,469). Grants of £355,680 (2022 - £1,249,762) were made in the year to 5 April 2023.

During the year the Charity received a new investment portfolio valued at £25.7m at January 2023, which had been recognised as a legacy receivable at a value of £25.5m as at 5 April 2022.

THE MAURICE HATTER FOUNDATION CIO

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

Achievements and performance

The Charity has continued to make grants to deserving causes. The Charity is also receiving rental income from its investment property at 1 Ely Place.

Plans for the future

The continued allocation and distribution of income to nominated charities in accordance with the Foundation's Investment Policy Statement.

Reserves policy

The Trustees have a reserves policy which states that it is not the intention to accumulate reserves as it currently has sufficient cash and liquid investments to be able to meet its grant commitments. This policy is reviewed annually. The charity has total reserves of £84.9m (2022 - £84.2m) at the year end and free reserves of £6.7m (2022 - £6.4m).

Investment policy

The Trustees continue to take a prudent approach to the investment of funds with a view to maximising the income available for distribution.

The Charity's freehold investment property at 1 Ely Place is included at the Trustees' estimate of market value of £20m in the financial statements as at 5 April 2023.

Grant Making Policy

The Charity aims to distribute income generated from investments and cash deposits to charitable causes deemed worthy by the Trustees. The Trustees intend to focus the majority of their grant making activities on supporting the following causes: education and technology; medical research; support for those with disabilities; social welfare and social mobility and support for the Jewish faith, continuity and culture, including the promotion of understanding between different faiths.

The Trustees review the focus of their grant making and the grant making policy on an annual basis but may consider from time to time making grants for other charitable purposes.

Fundraising Standards Information

The Foundation does not use any professional fundraisers or commercial participators in the carrying out of charitable activities.

Post balance sheet events

Since the balance sheet date, The Maurice Hatter Foundation has purchased the remaining 25% of shares within the unlisted investment for £5.8m and has now become the sole shareholder.

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


richard hatter (Feb 2, 2024 12:15 GMT)

R M Hatter

Date: 02/02/2024

THE MAURICE HATTER FOUNDATION CIO

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 5 APRIL 2023

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable regulations). Under that law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- 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 which 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 Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

THE MAURICE HATTER FOUNDATION CIO

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAURICE HATTER FOUNDATION CIO

Opinion

We have audited the financial statements of The Maurice Hatter Foundation CIO (the 'Charity') for the year ended 5 April 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including 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 5 April 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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.

THE MAURICE HATTER FOUNDATION CIO

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAURICE HATTER FOUNDATION CIO (CONTINUED)

Other information

The other information comprises the information included in the Trustees' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report and Financial Statements. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- the financial statement are not in agreement with the accounting records and; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 4, the trustees 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAURICE HATTER FOUNDATION CIO
(CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a general understanding of the Charity's legal and regulatory framework through enquiry of management concerning: their understanding of relevant laws and regulations; and the entity's policies and procedures regarding compliance. We also drew on our existing understanding of the charity sector and its regulation.

We understand that the Charity complies with the framework through:

- Outsourcing accounts preparation and tax compliance to external experts.

In the context of the audit, we considered those laws and regulations: which determine the form and content of the financial statements; which are central to the Charity's ability to conduct its business; and where failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Charity:

- The Charities Act 2011 and FRS 102 in respect of the preparation and presentation of the financial statements.

The senior statutory auditor led a discussion with all members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements, via fraudulent journal entries

The procedures we carried out to gain evidence in the above areas included:

- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities. In particular, both the senior statutory auditor and the audit manager have a number of years' experience in auditing similar charities.


A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

THE MAURICE HATTER FOUNDATION CIO

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MAURICE HATTER FOUNDATION CIO
(CONTINUED)

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.


CLA Evelyn Partners Limited (Feb 2, 2024 14:07 GMT)

CLA Evelyn Partners Limited

Chartered Accountants
Statutory Auditor

Onslow House
Onslow Street
Guildford
GU1 4TL

Date: 02/02/2024

CLA Evelyn Partners Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE MAURICE HATTER FOUNDATION CIO

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and legacies	4	(504,741)	(504,741)	29,742,378
Investment income	5	1,565,471	1,565,471	675,285
Other income		160,436	160,436	-
Total income		1,221,166	1,221,166	30,417,663
Expenditure on:				
Raising funds: property and investment management costs	6	949,522	949,522	915,250
Charitable activities	7	503,413	503,413	1,469,944
Total expenditure		1,452,935	1,452,935	2,385,194
Net income before net gains on investments		(231,769)	(231,769)	28,032,469
Net gains on investments		889,189	889,189	2,491,711
Net income and net movement in funds		657,420	657,420	30,524,180
Reconciliation of funds:				
Total funds brought forward		84,195,853	84,195,853	53,671,673
Net movement in funds		657,420	657,420	30,524,180
Total funds carried forward		84,853,273	84,853,273	84,195,853

The notes on pages 12 to 25 form part of these financial statements.

THE MAURICE HATTER FOUNDATION CIO
REGISTERED NUMBER:

BALANCE SHEET
AS AT 5 APRIL 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	12	58,157,952	29,980,424
Investment property	11	20,000,000	22,349,010
		<u>78,157,952</u>	<u>52,329,434</u>
Current assets			
Debtors	13	1,315,736	26,730,436
Cash at bank and in hand		8,078,053	8,876,557
		<u>9,393,789</u>	<u>35,606,993</u>
Creditors: amounts falling due within one year	14	(2,581,140)	(2,551,953)
Net current assets		<u>6,812,649</u>	<u>33,055,040</u>
Total assets less current liabilities		<u>84,970,601</u>	<u>85,384,474</u>
Creditors: amounts falling due after more than one year	15	(117,328)	(1,188,621)
Total net assets		<u><u>84,853,273</u></u>	<u><u>84,195,853</u></u>
Charity funds			
Unrestricted funds	17	84,853,273	84,195,853
Total funds		<u><u>84,853,273</u></u>	<u><u>84,195,853</u></u>

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

richard hatter
richard hatter (Feb 2, 2024 12:15 GMT)

R M Hatter

Date: 02/02/2024

The notes on pages 12 to 25 form part of these financial statements.

THE MAURICE HATTER FOUNDATION CIO

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 5 APRIL 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	18	(1,537,020)	(1,630,094)
Cash flows from investing activities			
Cash withdrawn from investment portfolio		349,133	1,583,812
Additions to investment property		(86,024)	(1,194,375)
Net investment income		475,407	675,285
Investment property disposals		-	3,393,975
Net cash provided by investing activities		738,516	4,458,697
Change in cash and cash equivalents in the year		(798,504)	2,828,603
Cash and cash equivalents at the beginning of the year		8,876,557	6,047,954
Cash and cash equivalents at the end of the year	19	8,078,053	8,876,557

The notes on pages 12 to 25 form part of these financial statements

THE MAURICE HATTER FOUNDATION CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2023

1. General information

The Maurice Hatter Foundation is a charitable incorporated organisation ("CIO"), registered with the Charity Commission in England and Wales with registered number 1187823. The registered address is Onslow House, Onslow Street, Guildford, Surrey, GU1 4TL.

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) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Maurice Hatter Foundation CIO 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.

Merger accounting

On 7 February 2020 The Maurice Hatter Foundation was registered as a CIO with the Charity Commission (charity registration number 1187823). On 5 April 2020 the assets, liabilities and activities of The Maurice Hatter Foundation (a charitable trust with charity registration number 289119) were transferred to the CIO. This transaction constitutes a group reconstruction, there being no change in trustees and beneficiaries of the charity, and was accounted for using merger accounting principles, namely that the financial statements are prepared as if The Maurice Hatter Foundation CIO had always been the entity carrying out the activities of The Maurice Hatter Foundation.

2.2 Going concern

The trustees have considered the medium term future of the CIO and its available cashflow and have concluded that there is no material uncertainty relating to the CIO's ability to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

2. Accounting policies (continued)

2.3 Income recognition

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

Donations and legacies are recognised when the Foundation has entitlement to the income, receipt is probable and the amount can be quantified. In the event that a donation is subject to conditions that require a level of performance before the Foundation is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Foundation and it is probable that those conditions will be fulfilled in the reporting period. Legacies are recognised at fair value.

Rental income is recognised net of VAT on an accruals basis in accordance with the relevant rental agreements. Lease incentives (such as rent-free periods) have been allocated over the entire lease period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

2.4 Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Foundation to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Donations payable are payments made to third parties in the furtherance of the charitable objectives of the Foundation. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Foundation.

Accruals for grants are made when the intention to make a grant has been communicated to the recipient.

The accrual for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award and there are no unfulfilled performance conditions under the control of the Foundation that would permit the Foundation to avoid making the future payment(s). The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Foundation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

2. Accounting policies (continued)

2.5 Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the Statement of Financial Activities. Foreign exchange transactions arise where the Foundation makes donations to overseas organisations and on management of its treasury function.

2.6 Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

2.7 Allocation of support and governance costs

Governance costs comprise all costs involving the public accountability of the Foundation and its compliance with regulation and good practice. These costs include costs related to the statutory audit, accounting and legal fees together with an apportionment of overhead and support costs.

All support and governance costs have been allocated to costs of raising funds on the basis that this is where the majority of trustee time is incurred.

2.8 Costs of raising funds

The costs of raising funds comprise the property management costs associated with the leasehold property held for investment purposes, and support and governance costs.

2.9 Charitable activities

Costs of charitable activities include grants made and bank charges incurred in respect of grants awarded.

2.10 Investment property

Investment properties, which are properties held to generate rental income and/or for capital appreciation, are initially measured at cost (unless received by way of legacy in which case initial recognition is at fair value) and subsequently at fair value. The Trustees have opted to revalue annually to open market value, with the support of independent professional valuation advisers at intervals of not more than three years, at the balance sheet date. Depreciation is not provided in respect of the investment property.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

2. Accounting policies (continued)

2.11 Investments

Investments also comprise cash investments in an investment managed portfolio whereby its intention is to provide a long-term return to the foundation. Investments of this type are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The Foundation does not acquire put options, derivatives or other complex financial instruments. Investments also comprise cash held for purposes of investment in future investment managed portfolios.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2.12 Financial instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Foundation becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Foundation's cash management.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Foundation will not be able to collect all amounts due.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Investment property

Preparation of the financial statements requires significant judgement by the trustees regarding the valuation of investment properties. Judgement is required in the assessment of rental yields, especially in the current economic climate.

Unlisted investments

Estimation uncertainty exists around the valuation of the Charity's unlisted investments. The trustees have particular knowledge of the investment held and have prepared a detailed model to estimate the valuation of this investment at the date of gift and at the end of the period.

THE MAURICE HATTER FOUNDATION CIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

4. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £
Legacies receivable	(504,741)	(504,741)
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Legacies receivable	29,742,378	29,742,378

The negative legacies receivable in 2023 relate to investments being transferred into the Foundation at a lower value than was accrued at 5 April 2022.

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Rental income from property	909,057	909,057
Service charge income	313,421	313,421
Income from investment portfolio	257,340	257,340
Interest receivable	85,653	85,653
	1,565,471	1,565,471

THE MAURICE HATTER FOUNDATION CIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

5. Investment income (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Rental income from property	311,213	311,213
Service charge income	198,043	198,043
Income from investment portfolio	161,987	161,987
Interest receivable	4,042	4,042
	<hr/> 675,285 <hr/>	<hr/> 675,285 <hr/>

THE MAURICE HATTER FOUNDATION CIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

6. Investment management costs

	Unrestricted funds 2023 £	Total funds 2023 £
Portfolio fund management fees	119,504	119,504
Property management expenditure	550,141	550,141
Governance costs	75,409	75,409
Support costs	204,468	204,468
	<u>949,522</u>	<u>949,522</u>
	<u><u>949,522</u></u>	<u><u>949,522</u></u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Portfolio fund management fees	240,873	240,873
Property management expenditure	552,004	552,004
Governance costs	23,920	23,920
Support costs	98,453	98,453
	<u>915,250</u>	<u>915,250</u>
	<u><u>915,250</u></u>	<u><u>915,250</u></u>

THE MAURICE HATTER FOUNDATION CIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

7. Analysis of grants

	Grants to Institutions 2023 £	Total funds 2023 £
Grant funding of activities	355,680	355,680
Discount on future grant commitments	49,467	49,467
Loss on foreign currency translation	98,266	98,266
	<u>503,413</u>	<u>503,413</u>

	Grants to Institutions 2022 £	Total funds 2022 £
Grant funding of activities	1,249,762	1,249,762
Discount on future grant commitments	121,968	121,968
Loss on foreign currency translation	98,214	98,214
	<u>1,469,944</u>	<u>1,469,944</u>

8. Analysis of grants

	2023 £	2022 £
Grants to institutions:		
Education	-	22,000
Medical research	204,680	694,662
Social welfare and mobility	16,500	56,000
Support for those with disabilities	140,000	20,000
Other charitable purpose	8,000	105,600
Support for the Jewish faith and community	(18,500)	346,500
International policy research	5,000	5,000
	<u>355,680</u>	<u>1,249,762</u>

THE MAURICE HATTER FOUNDATION CIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

8. Analysis of grants (continued)

Details of grants payable are set out below:

	2023 £	2022 £
Education		
Other donations (each under £100,000)	-	22,000
	<u>-</u>	<u>22,000</u>
	2023 £	2022 £
Medical research		
University College London Hospitals	204,680	231,752
Royal National Orthopaedic Hospital	-	100,000
Southampton University	-	362,910
	<u>204,680</u>	<u>694,662</u>
	2023 £	2022 £
Social welfare and mobility		
Other donations (each under £100,000)	16,500	56,000
	<u>16,500</u>	<u>56,000</u>
	2023 £	2022 £
Support for those with disabilities		
Nightingale Hammerson	100,000	-
Other donations (each under £100,000)	40,000	20,000
	<u>140,000</u>	<u>20,000</u>
	2023 £	2022 £
Other charitable purposes		
World Jewish Relief - Ukraine appeal	-	100,000
Other donations (each under £100,000)	8,000	5,600
	<u>8,000</u>	<u>105,600</u>

THE MAURICE HATTER FOUNDATION CIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

8. Analysis of grants (continued)

	2023 £	2022 £
Support for the Jewish faith and community		
Jewish Care	17,500	-
Chabad HGS	-	100,000
Community Security Trust	(50,000)	200,000
Other donations (each under £10,000)	14,000	46,500
	<u>(18,500)</u>	<u>346,500</u>

9. Operating profit

The operating profit is stated after charging:

	2023 £	2022 £
Auditor's remuneration	<u>19,775</u>	<u>15,750</u>

The average monthly number of employees during the year was Nil (2022 - Nil).

During the year, there were transactions with trustees, details of this are disclosed in Note 22.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £Nil).

During the year ended 5 April 2023, trustee expenses of £9,738 were reimbursed to one trustee in respect of administrative expenses (2022 - £393).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

11. Investment property

	Investment property £
Valuation	
At 6 April 2022	22,349,010
Additions	86,024
Revaluation	(2,435,034)
At 5 April 2023	<u>20,000,000</u>

Investment property is a freehold office building with a deemed cost of £22,311,760 (2022 - £22,302,760), being the fair value of the property at the date it was received, via a legacy, by the Charity plus subsequent capital expenditure.

12. Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 6 April 2022	13,928,424	16,052,000	29,980,424
Net transfers in	24,817,090	-	24,817,090
Revaluations	(93,562)	3,454,000	3,360,438
At 5 April 2023	<u>38,651,952</u>	<u>19,506,000</u>	<u>58,157,952</u>
Net book value			
At 5 April 2023	38,651,952	19,506,000	58,157,952
At 5 April 2022	<u>13,928,424</u>	<u>16,052,000</u>	<u>29,980,424</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

13. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	126,426	190,354
Other debtors	1,025,178	26,480,686
Prepayments and accrued income	164,132	59,396
	<u>1,315,736</u>	<u>26,730,436</u>

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	127,800	378,534
Other taxation and social security	22,050	-
Other creditors	228,682	105,217
Accruals and deferred income	118,593	197,892
Accrued grants payable to institutions	2,084,015	1,870,310
	<u>2,581,140</u>	<u>2,551,953</u>

15. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Accrued grants payable to institutions	<u>117,328</u>	<u>1,188,621</u>

16. Grant commitments

	Balance at 6 April 2022	Settled in the year	New commitments (note 7)	Balance at 5 April 2023
	£	£	£	£
Grant commitments	<u>3,058,931</u>	<u>(1,361,001)</u>	<u>503,413</u>	<u>2,201,343</u>

THE MAURICE HATTER FOUNDATION CIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

17. Statement of funds

Statement of funds - current year

	Balance at 6 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2023 £
Unrestricted funds					
Reserves	84,195,853	1,221,166	(1,452,935)	889,189	84,853,273
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2022 £
Unrestricted funds					
Reserves	53,671,673	30,417,663	(2,385,194)	2,491,711	84,195,853
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

	2023 £	2022 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	657,420	30,524,180
	<u> </u>	<u> </u>
Adjustments for:		
Non-cash donations	504,741	(29,742,378)
Net investment income	(615,949)	(675,285)
Gain/(loss) on fixed asset investments	(925,405)	(2,491,711)
Decrease/(increase) in debtors	(115,721)	1,154
(Decrease)/increase in creditors	(1,042,106)	753,946
	<u> </u>	<u> </u>
Net cash used in operating activities	<u>(1,537,020)</u>	<u>(1,630,094)</u>

THE MAURICE HATTER FOUNDATION CIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

19. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	<u>8,078,053</u>	<u>8,876,557</u>

20. Analysis of changes in net debt

	At 6 April 2022 £	Cash flows £	At 5 April 2023 £
Cash at bank and in hand	<u>8,876,557</u>	<u>(798,504)</u>	<u>8,078,053</u>

21. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Purchase, construction or development of investment property	<u>741,216</u>	<u>-</u>

22. Related party transactions

During the year, legal fees of £121,277 (2022 - £90,030) were paid to Macfarlanes LLP of which Piers Barclay is a partner, and including £6,000 in respect of services provided by Mr Barclay, who is a trustee of the Foundation. These amounts are included in Governance costs in Note 6.

The Foundation also reimbursed Richard Hatter, a trustee of the Foundation, for expenditure totalling £9,738 (2022 - £393).

During the year, professional fees of £16,020 (2022 - £46,250) were made to Epsilon Real Estate Limited, an entity where Richard Hatter is a person of significant influence. This amount is included in property additions in note 11.

During the year, Richard Hatter was appointed as a trustee of The University of Haifa UK. The Foundation paid \$425,000 (2022 - \$425,000) to The University of Haifa UK in the year as part of a multi year grant commitment.

23. Post balance sheet events

Since the balance sheet date, The Maurice Hatter Foundation has purchased the remaining 25% of shares within the unlisted investment for £5.8m and has now become the sole shareholder.